

Conference Proceedings Published by the

**INTERNATIONAL CONFERENCE ON
PUBLIC ADMINISTRATION AND
DEVELOPMENT ALTERNATIVES (IPADA)**

The 3rd Annual Conference on "The Image of an African
Politician and a Public servant in the 21st century"

ISBN: 978-0-9921971-4-8 (Print)

ISBN: 978-0-9921971-5-5 (eBook)

EDITORS

Prof MP Sebola, University of Limpopo

Prof JP Tsheola, University of Limpopo

Stellenbosch University, Faculty of Military Science, Saldanhabay, South Africa

July 04-06, 2018

Editorial Committee

Prof MP Sebola, University of Limpopo
Dr KB Dipholo, University of Botswana
Dr J Mamaile, University of Johannesburg
Dr YF April, Human Sciences Research Council
Dr KN Motubatse, Tshwane University of Technology
Dr T Molokwane, University of Botswana
Dr KI Theletsane, Stellenbosch University

Editorial Board

Prof SR Malefane, University of South Africa
Dr B Mothusi, University of Botswana
Dr MDJ Matshabaphala, University of Witwatersrand
Prof CC Ngwakwe, University of Limpopo
Prof O Mtapuri, University of Kwa-Zulu Natal
Dr LB Mzini, North West University
Prof L de W Fourie, Unitech of New Zealand
Prof M Marobela, University of Botswana
Prof BC Basheka, Uganda Technology and Management University
Dr RB Namara, Uganda Management Institute
Dr M Maleka, Tshwane University of Technology
Prof KO Odeku, University of Limpopo
Prof RS Masango, Nelson Mandela Metropolitan University
Prof O Fatoki, University of Limpopo
Dr S Kyohairwe, Uganda Management Institute
Dr A Asha, University of Limpopo
Dr J Coetzee, Polytechnic of Namibia
Dr MT Makhura, University of Pretoria
Prof J Gumbo, University of Venda
Dr E Bwalyae, University of Botswana
Prof EK Botlhale, University of Botswana
Prof S Madue, Pro-Active Public Service College
Dr B Mothusi, University of Botswana
Prof OO Othata, University of Botswana
Dr TS Ngomane, Department of Land Reform and Rural Development
Dr KR Chauke, Tirhani Holdings
Dr CM Mukonza, Tshwane University of Technology
Prof L Marais, University of Free State
Dr R Shambare, University of Venda
Dr F Moyo, National University of Science and Technology, Zimbabwe
Dr KI Theletsane, Stellenbosch University
Dr C Reddy, University of Johannesburg
Dr D Awunyo-Vitor, Institute of Local Government Studies, Ghana
Prof K Motshegwa, University of Botswana
Prof P Mbecke, Universite du Moyen Lualaba, Democratic Republic of Congo
Dr O Adejumo, Obafemi Awolowo University
Prof T Van Niekerk, Central University of Technology
Dr DA Sinthumule, University of Venda
Prof D Daw, North West University
Prof N Holtzhausen, University of Pretoria
Dr C Kwenda, Cape Peninsula University of Technology
Prof O Mtapuri, University of Kwa-Zulu Natal
Dr D Zondo, Durban University of Technology
Dr MM Makhura, South African Reserve Bank

Editorial Note

As usual the International Conference on Public Administration and Development Alternatives (IPADA) again in 2018 achieved a milestone on its African scholarship project. From its two successful African Scholarship projects hosted in Limpopo province and Botswana in the years 2016 and 2017 respectively, the 2018 International Conference on Public Administration and Development Alternatives (IPADA) hosted its 3rd annual international Conference at the Saldanhabay, Military Science Academy, Western Cape, South Africa on 4th July to 6th July 2018. With the academic collaboration and networking being its ultimate scientific project objective, this conference continued to bring together academics from a multi-disciplinary context and the African region to engage on critical African issues. The deteriorating image of an African bureaucrat remain an apple of discord in African maladministration. African literature deriving its theory from the west has continued to provide deconstructive criticism with less contribution to constructive solution to African problems. In its 3rd Annual Conference the Scientific Committee of the International Conference on Public Administration and Development Alternatives deliberately crafted the theme "The Image of an African Politician and a Public Servant in the 21st century" to provoke debates that would ultimately bring about administrative, economic and political solutions to the African continent.

The majority of papers published in these Conference proceedings addresses Africa's problems in general terms. Numerous case studies from South Africa, Uganda, Botswana, Zimbabwe, Malawi and Democratic Republic of Congo are offered in the Conference proceedings. Colleagues from all these countries presented all their work from Africa's problems of political administration, service delivery, Africa's role in the globe from general local government and public administration problems, African democracies, Coloniality and De-Coloniality, African development problems, military and security, economy and the regional African blocks.

All papers that are published in this Conference Proceedings went through a quality scholarship verification of Triple Blind Peer Review process by specialists in the subject of Public Administration, Development and Public Governance. Papers which were accepted with suggested revisions were sent back to the authors for corrections before a final decision could be made by the Editorial Committee to publish them. The review process which determined the publishability of each paper contained herein was compiled in accordance with the editorial policy and guidelines approved by the Scientific Committee of the membership of the International Conference on Public Administration and Development Alternatives (IPADA).

The International Conference on Public Administration and Development Alternatives (IPADA) third annual international Conference hosted by the Stellenbosch University (Faculty of Military Science Academy) successfully managed to draw together experts from the subjects' fields of Public Administration, Development Management, Human Resources and Local Government, Public Finances and Military studies among others to converge in Saldanhabay, Western Cape South Africa and engage scholarly in an attempt to find solutions that would improve African policy and administration systems.

This compilation provides only 80 papers out of 205 paper abstracts received and read at the 3rd Annual International Conference on Public Administration and Development Alternatives (IPADA) held at Saldanhabay, Stellenbosch University, Faculty of Military Science Academy, South Africa July, 04-06, 2018. Indeed, only 106 papers were reviewed in which 90 received favourable review reports and 16 were rejected for publication. While 80 papers from this conference were published in the 3rd Annual International Conference on Public Administration and Development Alternatives (IPADA) Conference Proceedings 2018, 10 other quality papers from this conference were selected for publication in the African Journal of Public Affairs, a peer reviewed journal accredited with the International Bibliography of the Social Sciences

(IBSS) for the March 2019 issue. This Conference proceeding is published online (ISBN no. 978-0-9921971-5-5) and print (ISBN no. 978-0-9921971-4-8) in order to be accessible to as many academics, researchers and practitioners as possible.

This publication consists of 80 scientific papers contributed by authors from varying South African Universities, Regional universities and public institutions. The Volume consists of 60% of papers published from varying institutions as per the requirements of the South African Department of Higher Education and Training Research Output Policy guidelines published in March 2015.

Papers published in this Conference Proceedings may be reproduced for Pedagogic and Non-Commercial purposes. For republication of the paper in a journal, the authors have to secure a written permission from the publisher. In this case, the Editor and Deputy Editor of the International Conference on Public Administration and Development Alternatives (IPADA).

Editors

Chief Editor: Prof MP Sebola, University of Limpopo

Deputy-Editor: Prof JP Tsheola, University of Limpopo

Guest Editor: Dr K.I Theletsane, Stellenbosch University

Copyright 2018, International Conference on Public Administration and Development Alternatives

Private Bag X1106, Sovenga, 0727, South Africa

Copyright of this conference Proceedings as a whole and in part is vested in the International Conference on Public Administration and Development Alternatives(IPADA); and, no part may be reproduced in whole or in part without Editors expressed permission in writing. All material used and presented in papers are the sole responsibility of author(s); and, the editors take no responsibility for author(s) transgressions on copyrights.

TABLE OF CONTENTS

- 1** **Unlocking Potential Initiatives for Retracing the Public Service Delivery in a Uganda’s Case Amongst the African Countries**
SB Kyohairwe
- 13** **Coup D’état on South African Government:
Is State Capture a Threat to Democracy?**
KM Mulaudzi and MJ Masenya
- 21** **Ascribing Learner Development to Quality Schooling:
A Case of Three Schools**
NS Modiba
- 28** **The Elusive Quest for a Functional Higher Education Funding Mechanism for South Africa:
A Time to Walk the Talk**
PT Ayuk and SB Koma
- 40** **Strengthening Non-Governmental Organizations Accountability Through Beneficiaries’ Participation:
The Case of NGOs in Botswana**
K Mooketsane, K Bodilenyane and B Motshegwa
- 49** **Community Participation in a Democratic Dispension:
A Sine Qua Non for Integrated Development Planning in Lepelle-Nkumpi Local Municipality**
KI Makalela
- 60** **Are State-Owned Enterprises (SOEs) Catalysts for or Inhibitors of South African Economic Growth?**
P Madumi
- 71** **Effectiveness of Student Involvement Theory Through Co-Curricular Development in College Context:
Enhancement of Societal Transformation**
BK Sebake
- 79** **Transforming Healthcare Service Delivery at a Selected Public Hospital Through Appreciative Inquiry**
CA Mayeza and HR Maluka
- 88** **Rethinking Student Leadership in Higher Education Through Civic Perspective Rather than Transactional Leadership**
BK Sebake
- 96** **How Extra-Ordinary Public Servants Shield Schools from Perpetual Underachievement**
NS Modiba
- 104** **Accountability as One of the Basic Values and Principles Governing Public Administration in South Africa**
SV Ubisi

Table of Contents

- 112** **An Analysis of Women’s Control and Ownership of Land According to Marxist and Socialist Perspectives:**
A Case of Mpumalanga Province
TS Ngomane
- 118** **Stewardship of Resources in the South African Public Sector Institutions**
P Hlongwane
- 126** **The Unabated Power of South African Traditional Leaders on Service Delivery Enhancement**
FKL Kgobe and KI Makalela
- 133** **Managing Urban Growth in South Africa:**
Challenges and Constraints
A Selemela and R Ngoepe
- 139** **Women Empowerment Through a Comprehensive Rural Development Programme in Muyexe Village, Limpopo Province**
M Maluleke and AA Asha
- 148** **Legislative Oversight in the Democratic South Africa:**
An Analysis of the Effectiveness of Portfolio Committees
A Malapane and M Madue
- 158** **Translating Policy into Practice:**
Challenges in the Implementation of Local Economic Development (LED) Projects in Greater Tzaneen Municipality in Limpopo Province
LE Malele and T Moyo
- 165** **Learning Approaches as Constraints to Education Capabilities Development Among Students of Social Sciences at Makerere University, Uganda**
S Bigabwenkya
- 175** **South Africa’s State and Business Governance of Public Private Partnerships for Provision of Services and Infrastructure:**
A Case of Gauteng E-Tolls
TM Ramoroka
- 182** **Human Capital Investment’s Contribution Towards Economic Growth in Malawi**
SA Milanzi, IP Mongale and OD Daw
- 192** **Citizen Involvement in the Formulation of Public Policy**
T Molokwane and MT Lukamba
- 201** **The Relevancy and Demand of Public Administration Today:**
The Case of Botswana
S Balisi
- 214** **Political Consciousness Contribution to Public Participation on Socio-Economic Issues in South Africa**
MG Makgamatha and KK Moikanyane
- 222** **Contribution of Small-Scale Fish Farming Subsector to Rural Income Generation in Thulamela Municipality, Limpopo Province, South Africa**
MJ Phosa and MX Lethoko

Table of Contents

- 234 Internal Audit and Financial Misconduct:**
The Case of the South African Social Security Agency (SASSA)
VT Sambo
- 247 Personal Rule in Africa:**
The Case of Botswana Under General Ian Khama
B Seabo
- 257 Corporate Governance Failures:**
Is it the End of Governance as We Know it?
KR Chauke and MP Sebola
- 264 Examining the Determinants of the South African Current Account Deficit and its Sustainability**
T Ncanywa and J Kaehler
- 276 Transgression of Corporate Governance in South Africa's State-Owned Enterprises**
P Raseala and KA Mashamaite
- 284 Public Sector Employee Perceptions of Risks and Rewards in Terms of Entrepreneurial Orientation**
I Malatjie
- 291 Risk Management:**
Can it be a Panacea for State-Owned Enterprises Ills?
KR Chauke and MP Sebola
- 299 Export Performance and Foreign Direct Investment in Zimbabwe:**
An ARDL Approach
S Zhanje and R Garidzirai
- 309 Developing Tomorrow's Leaders:**
Applying Neuro-Linguistic Programming Techniques in Public Affairs Education and Human Resources Development
Ej van Rooyen and S Ebrahim
- 318 Human Rights Activism for Democracy and Human Development in the Democratic Republic of Congo:**
A Conceptual Appraisal
P Mbecke
- 326 The Effects of Political Leadership on Public Administration Within South African Local Government**
MM Mehlape
- 333 Communication Tools for the Enhancement of Effective Management and Governance at Institutions of Higher Learning:**
A Case of the University of Venda
TV Dzaga
- 339 Implications of Performance Management System on Service Delivery in the South African Post Office:**
A Case of the North East Region
KC Khotsa

Table of Contents

- 352 The Challenges Facing Development Policy and Projects Implementation in Malawi**
MK Hussein
- 359 Positioning Stakeholder Engagement Theory on Governance of Communal Farms:**
A Proposed Framework for Land Governance in South Africa
MA Mamabolo
- 367 The Effect of Work Conditions on Performance of Employees in the Mining Industry in the Limpopo Province**
TR Leboho and TS Setati
- 378 Investigating the Causes and Impact of Inconstant Water Supply on The Wellbeing of Communities:**
A Case of Molemole Local Municipality
SJ Mabeba and NE Mathebula
- 386 The Impact of Electricity Supply in Malawi on Economic Development**
SA Milanzi and D Daw
- 393 Manufacturing Sector and Economic Growth in South Africa:**
A Time Series Test of Kaldor's First Growth Law
IP Mongale and M Tafadzwa
- 401 Senior Management's Perceptions with Regard to Strategy Implementation in the Limpopo Department of Health**
WM Baloyi and LJE Beyers
- 412 Sustaining Separatist/Terrorist/Liberation Movements in the 21st Century: Who Does the Financing?**
P Chigora
- 426 Examining the Role of Transport Infrastructure on Economic Development in South Africa**
T Ncanywa and N Stuurman
- 436 Providing Better Services to All Through the Implementation of E-Governance at the Local Government Level in South Africa**
TI Mokgopo
- 447 Financing Climate Change Mitigation Measures in South African Local Government**
MM Mashamaite
- 457 Professionalising Supply Chain Management as an Alternative Mechanism to Curb Corruption in the South African Public Institutions**
SK Mokoena
- 469 Long-Term Serving Political Leadership:**
An Impediment to a Dream of an African Renaissance
MK Maoto
- 478 Students' Perception of Factors Influencing Graduate Employability at a Higher Education Institution in South Africa**
TF Rukuni, D Woudberg, C du Preez, K Fourie and S Jute

Table of Contents

- 488 Corporate Governance in the Tertiary Education Sector**
S Ndzinge and MD Mathebula
- 494 Influencing Change in Municipalities Through Leadership:**
A Case Study of the City of Tshwane Municipality
KM Sebidi and SM Madue
- 504 The Integrated Development Plan as a Strategy to Empower Informal Traders:**
The Case of Thohoyandou
M Selepe
- 512 South Africa Beyond the Millennium Development Goals (MDGs):**
Examining the Essentials for Development
MN Njotini
- 523 South Africa's Foreign Policy Since 2009:**
A Case Study of the South African National Defence Force
N Breakfast and WA Nkosi
- 533 Audit Committee Evaluation in South Africa's Public Sector:**
The 360-Degree Approach
KN Motubatse
- 540 The Assessment and Enhancement of Performance Management Within South African Local Government Environment**
MM Selepe
- 549 Epistemological and Ontological Discourses on the Role of Universities in the 21st Century**
N Tshishonga
- 563 Integrated Development Plan Implementation and the Enhancement of Service Delivery:**
Is There a Link?
NE Mathebula
- 572 The Praxis of Leadership Styles on Employee Productivity:**
A Case of the Greater Sekhukhune District Municipality
W Majebele
- 583 Assessing the Inclusion of Climate Change Strategies in the Integrated Transport Plans of South African Metropolitan Municipalities**
MM Mashamaite
- 593 Audit Committee Effectiveness in the South African Provincial Treasuries:**
Regular Meetings and Commitments
KN Motubatse and M Mashele
- 601 Challenges Faced by Sekhukhune District Municipality in Limpopo Province in Terms of Spending Municipal Infrastructure Grant Funds**
MP Tjebana and MF Rachidi
- 615 Redeeming the Splendor of Africa from its Deadly Zone:**
A Case of South Africa
ME Selelo and MG Manamela

Table of Contents

- 622 Factors That Hinder Effective Management and Supply of Clean Potable Water at eThekweni Municipality in KwaZulu-Natal**
N Gumbi and MF Rangongo
- 632 Community Development Projects and Sustainable Livelihoods: Evidence from Selected Projects in Lepelle-Nkumpi Municipality in Limpopo Province**
PK Letsoalo and T Moyo
- 641 Prospects and Challenges of Transforming Local Government into a Learning Organisation**
N Tshishonga
- 658 Global Terrorism: A Case Study of Botswana**
E Bwalya
- 669 Community Assemblies and the Implementation of Local Economic Development Policy in Uganda**
M Galukande Kiganda, O Kabatwairwe and LB Mzini
- 676 Compliance with Procurement Processes and its Effect on Service Delivery: A Case of Selected Departments in Limpopo Province**
HE Zitha, MA Mamabolo and MP Sebola
- 688 An Analysis of Gender Equalities on Leadership in Local Government: The Case of the Mpumalanga Province, South Africa**
SK Mokoena
- 695 ICT Policy Development and Implementation in South Africa: Towards an Improved E-Government Implementation**
MB Mosehlana
- 704 Assessing the Demand for Public Private Partnerships in Botswana's Water Utilities Corporation: The Case of Lobatse Management Centre**
T Molokwane
- 715 Reconfiguring Military Capabilities into the 21st Century: Reflections on Selected Operational Activities for Development**
SB Ramokgadi and KI Theletsane
- 728 Contemporary Second Economy and Business Contestations in South Africa**
MG Makgamatha and KK Meso
- 734 The Perceived Effects of Foreign Migration on Service Delivery in a South African Local Municipality: A Case of Musina Local Municipality**
P Sikhwivhilu and E Zwane
- 749 Municipal Financial Viability and Sustainability in South Africa: A Case of Molemole Local Municipality, Limpopo Province, South Africa**
KA Moloto and MX Lethoko

Unlocking Potential Initiatives for Retracing the Public Service Delivery in a Uganda's Case Amongst the African Countries

SB Kyohairwe

Uganda Management Institute, Uganda

Abstract: In spite of the fact that the public sector does not choose its customers, it is still necessary that the publics and their diverse needs should remain a priority factor, driving the need for new service and improved delivery models. The common belief amongst the beneficiaries of public services is that the traditional mandate of executing social policy and legislation enforcement remains a passive achievement without attempts to deliver on the customer promise. Amidst all the traditional and emerging governance and administrative challenges, the publics relentlessly remain hopeful for an improved customer experience and performance outcomes that respond to their needs through enhanced service levels within the current budgetary constraints. This paper therefore sets to assess perceived reasons for the current minimal levels of public service delivery as a foundation for identifying suitable the mechanisms for improved service delivery in Uganda. For a manageable study scope considering the fact that the public sector is too wide a subject area public opinions on the performance of different sectors are initially established and follow-up findings on the selected least performance rated sectors are explored. Suggestions for improvement are derived from the views of the service delivery assessments made.

Keywords: Customer promise, Public sector reforms, Public service delivery, Post-New Public Management, Whole-of-Government

1. Introduction

Service delivery in relation between government bodies and citizens is considered as one essential function why governments exist. Provision of services is a complex phenomenon bridging the government, the society and the citizens. Good and quality service delivery gives not only the citizens their needs but also is a perquisite for a valuable the government of good image (Eigeman, 2007). Motivations to raise the debates within this research paper partly stems from a view of one Shri R Chandrasekhar, who argues that: "*the reality of the public sector today is assessed by the efficiency of its service delivery*", adding that the effectiveness of the public sector is no longer measured by the revenue it generates or the employment it provides...' (PricewaterhouseCoopers, 2007:7). This view suggests that public sector function is beyond the means it employs or the immediate output of the executed mandates to the ultimate ends or outcomes. The ultimate end in this sense is the service delivery.

Frost & Sullivan (2012) recognise that public services have overtime proven to be one of the instruments

available to the government's implementation of developmental goals and objectives, and a pivot for growth of the economies, aiming at creating an appropriate environment conducive to all sectors of the economy performing optimally. Delivered at both national and local levels, a wide range of public services may include investment in social service and infrastructure, protection of underprivileged groups, general public services, defence, public order and safety, economic affairs, environmental protection, housing and community amenities, health, recreation, education, and social protection (Humphreys, 1998). These classifications give us a feeling that thinking about public service delivery is the reason why governments exist. Therefore, whenever there is a deficiency in service delivery, citizens will direct their "guns" to those holding positions of responsibility in government institutions like ministries, departments or agencies. The citizens' reactions will always be in line with their felt needs and societal problems.

In improving service delivery, customer-centricity and customer-centric strategies as emphasized in public sector reforms (Hood, 1991; Pollitt, 1993) remain key drivers. For over half a century

improvements on public service delivery have been targeted through a various reform paradigms that include: 1) Post-Independence "Weberian" approach; 2) New Public Management 3) the "New Public Service", 4) the "New Public Governance" and 5) the "post-New Public Management" (Dunleavy & Hood, 1994; Denhardt & Denhardt, 2000; Osborne, 2006; McCourt, 2013). Yet in a more unfolding recent past, the "whole-of-government" approach that largely comprise of formal and informal networks has emerged as a response complex societal problems. The Whole-of-Government (WoG) advocates collaborative responses and citizen's demands for personalised accessible public services and an effective seamless government working through a medium of technology (Colgan, Kennedy, & Doherty, 2014). With view, attainment of efficiency and effective services, these post-NPM era innovations adopt an inter-organizationally approach seeking to improve horizontal coordination of public sector agencies linking them to other actors (Lodge & Gill, 2011; Christensen, 2012).

Consistent concerns are that despite the tremendous efforts and resources invested into these reforms, many countries have not achieved their initial goal of developing and transforming their societies to the desired standards. Both external and internal challenges remain visible in service delivery internally evidenced by lack of efficiency, lack of accountability, ineffective policy/program management practices, lack of institutional capacity, declining public service ethics and social values and civil service morale, and corruption continue to be evident in public service operations. Externally experiential gap between citizens' increasing demands for public services compared to shortage of and sub-quality public services rendered, as well as the service disparities across different areas are decried (Frost & Sullivan, 2012). Through this paper, veracities of service delivery from the point of the beneficiaries are explored.

2. The "Publics" and Public Service Delivery

A relatively wide literature search suggests some difficulty in obtaining a common understanding on the term "publics". In many instances is noted that *publics* is a word rarely used in common language and confined mainly to academic use. Whereas it occurs as a more frequently used terminology as in public relations and communication science, the publics are

conceived as groups of people and at times referred to as the general public which is the totality of such groupings. In some literature, the word *publics* is comparable to other words like the public or citizens but with slight distinctions (Nerlich, 2013). Due to the complexity of this terminology Janet Newman and John Clarke (2009), attempt to explain *publics* by relating it with other words like the public, publicness, the public sphere and public services. They emerge with framework of understanding, valuing, and engaging the publics by drawing three distinct discursive chains on the meaning of the term *public* appearing in the political discourses. They classify the *public* as: a) = citizens=the people=the nation; b) = the public sector = the state; and c) = the legal and democratic values= the public sphere. They relate it to an act of publicness – signifying a chain of connections where public services serve the members of the public; are funded by public resources; are organised in public sector; are accountable to public bodies, and are staffed by public employees who embody ethos of public service. This paper borrows first classification taking publics as citizens or the people within a nation. The issue of the publicness in Nerlich's (2013) context of benefiting from public services influences my subsequent inquiry into this research. I further find validity in Le Grand's (2007) claim, that a good public service is one that is responsive to the needs and wants of its users.

3. The Critical Success Factors in Service Delivery

Different researchers enumerate factors influencing service delivery in the public sector. One of such influential studies is in the research report of PricewaterhouseCoopers (2007) which present key global challenges that have transformed the environment in which Public sector operates calling for a strategic drift to new ways of doing things. The report recognises new global trends of customer expectations, budgetary constraints, global completion for investments, public sectors reform programs and the changing demographics as emerging challenges of the 21st century creating turnaround of old constraints and creating new opportunities. The emphasis of the report relates to the new trends in form of heightened expectations of citizens requiring the public sector to redefine its role, strengthening the customer focus and building integrated service delivery models. The analytical framework of meeting customer needs and wants in public sector by "delivering on

customer promise" is advanced with five strategic enablers by PricewaterhouseCoopers (2007:4-6). The first Strategic enabler is *the need to understand your customer –'Customer-centricity'*– in terms of their diversity (customer demographic, behavioural, needs and attitudinal), individual preferences and attributes as a foundation for multiple service delivery channels aligned with customer needs. Secondly, there is a need to "*Pull down the walls*" and ensure 'Connected government'. There is a need to remove vertical structures and creating connected government through the alignment of a common customer-centric vision with objectives, outcomes, information and process flows. The third strategic enabler is *empowering your institution by building capacity*. This will enable multi-level transformation by changing the way public sector organisations think, act, and relate to other agencies, businesses and their customers. This may be achieved through five key elements that include strategy, leadership Organisational design, and People/Capacity/ Training Culture change management. Strategic enabler *four is to realise benefits through appropriate models by delivering the promise*. This necessitate to clearly define the role of the public sector organisations as either a policy-maker, regulator or service provider. It requires drawing distinction between the public sector policy implementation core function and its 'non-core' function of undertaking activities which could be handled by other parties. The final strategic enabler is the efforts for continuously improvement through innovation which necessitate benchmarking other public and private organisations on aspects of their service delivery, documentation and new approaches.

In a related typology from Frost & Sullivan (2012) two major categories of factors are identified: the *ground level factors* such as the speed of delivery, the amount of information provided, and the professionalism and attitude of staff providing such services. At the macro level, the factors are clustered into six principles. *First is a Co-creation of service principle*, in which the need for stakeholder consultation in setting objectives and defining the nature of services to be delivered is proposed. They argue that the level and quality of services should be dependent on the choices of the citizens – "the customers" – through mechanisms like citizens charters; that citizens should be provided with necessary information and also be enabled equal access to the services they are entitled. The *second principle of clearly measurable outcomes* is

about having effective performance management measures to enable the constant improvement of public service quality and reliability with a desirable focus so as to impact on the targeted communities. It entails the mind-set change from output to outcome, increasing flexibility of response to customer requirements, and having a meaningful public reporting. Efficiency in service delivery is obtained through waste elimination, the removal of duplication of effort, and curtailing overlaps of roles and responsibilities. On the *third principle of transparent monitoring and evaluation*, there is a need to build confidence that targeted key result areas are on course in relation to budget outlay, rather than being merely in conformity with bureaucratic rules and regulations. The *fourth principle of accountability of programs* suggests the necessity to be reflective on managerial answerability in the implementation of agreed tasks and the criteria of performance so as to realise the quantity and quality as well as outcomes of the services delivered. *Fifth is a principle of proper policy/program management* involving a systematic process of initiation, analysis, formulation, approval, and implementation and monitoring and evaluation of such policy/program. This requires a thorough policy analysis skill and a culture of inclusiveness of the private sector and civil society stakeholder participation at all levels. It also necessitates complementing technical skills for the bureaucrats involved in the policy/program management through capacity building and training. Finally, is the *sixth principle of Rapid and Lean Transformation* requiring having deliberate strategies to minimise process red-tape in the policy and program management aimed at reaping big and fast results. Gradual and transformation processes such as clear and streamlined reporting frameworks, a collaborative culture amongst public servants and other partners outside the public service, may provide a quick, effective and efficient way of making services reach the beneficiaries than administrative structural adjustments. These processes require consistently aligned and compatible with knowledge and skills of the managers, and should embrace the values of the beneficiaries to ease the adoption process (Frost & Sullivan, 2012:8). Importantly, in all the six principles, the centrality of the public as customers in the service delivery is implied.

4. Research Methodology

This study adopted an interpretive approach and as such it was primarily qualitative in nature. Aiming

at understanding service delivery – an event, or a case being examined in this study – from a wider perspective, unstructured interviews were used in the study in order to solicit opinions of the respondents. Since service delivery affects each and every citizen, the structuring of respondent's selection was predicted as a method likely to bias the study findings. As such, the study adopted a convenience sampling strategy in which majority of the respondents were obtained from the Uganda Management Institute (UMI), while taking care to disregard individual profession, rank, department, and programs being pursued. My choice of UMI geographical area was influenced by a conviction that this is a population with wide range category of persons from public and private divides with various professions, jobs and ranks. About 10% of the respondents were obtained from outside UMI comprising of some public servants and other *wanainchi*. Data was obtained over a period of a month during which 60 of a wide range respondents were interviewed. The spreading of data collection process for such a period was meant to avoid possible biases of the topical issues in media and incidents in the political arena including a spat of women murders and kidnaps, lifting of the presidential race age limit and MPS terms limit evidenced during the first quarter of 2018 in Uganda. The obtained data was properly themed, analysed, presented and discussed to make a logical conclusion.

5. Findings and Discussions

This paper aimed at assessing perceived reasons for the current minimal levels of public service delivery in Uganda in search of plausible solutions for improved service delivery. Specifically, the paper seeks to examine the role of the "publics" in service delivery by soliciting citizens' views on their perceptions about the service provision by the government departments and agencies. The respondents' views on questions about which department perform well or poorly, which areas of service delivery should the government prioritise, why is government not performing as expected in specific areas, and their own recommendations for improved service delivery, a conclusion on the role of publics in service delivery is crafted.

The findings for this study were based on the data collected in a geographical and time scope. These findings presentation was guided by the research questions for the study that covered issues like:

Which government department perform well and in which specific areas? Which government services are performing poorly and why? Which areas of service delivery should the government prioritise? Which government agency/department was considered very important in service delivery? Why is government not performing as expected in specific areas? What are recommendations for improved service delivery? Since this study was qualitative in nature, the focus was directed to understanding opinions and views of the subject of service delivery than personal characteristics of the respondents unless such characteristics emerged as precursors of the responses made.

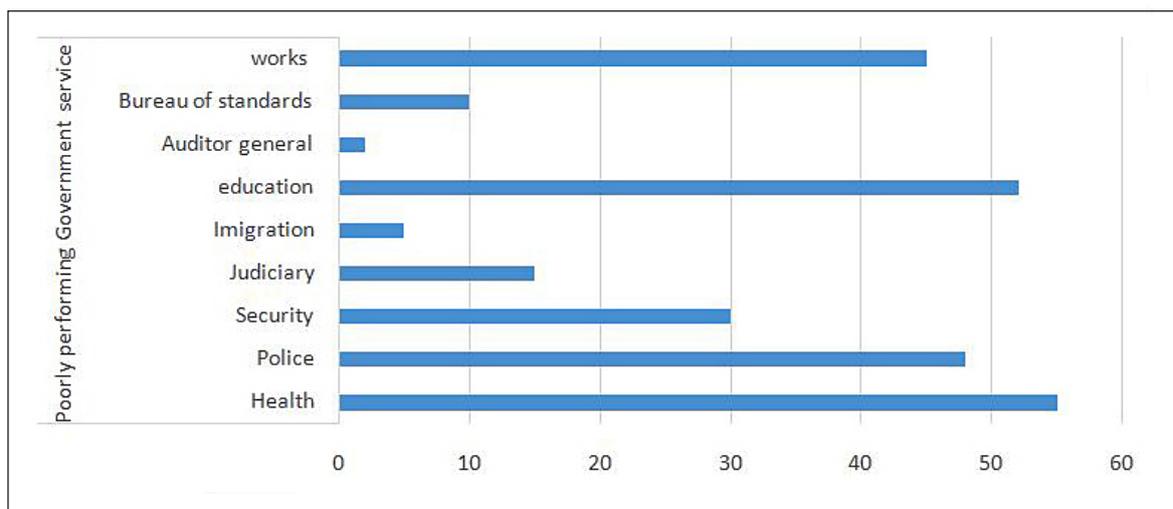
5.1 Establishing Individual Opinions on the Performance of Government Departments

Individual respondents were asked identify and if possible rank at most 3 government departments, ministries or agencies that they considered to be performing well and also to mention any department that they consider to be performing poorly. The reason for using departments, ministries or agencies at a go was that since the respondents were not purposively selected from public sector bureaucrats, the public understanding of the three terminologies might not clearly be distinguished. It, therefore, remained my own responsibility as a researcher to appropriately cluster the mentioned agency, department into existing ministerial categories. The ratings on the government departments/agencies' performance are presented comparatively in Figure 1 and 2 on the following page.

On individual assessment of the poorly performing government departments/ministries, it was established that health was the worst rated followed by education, police and works respectively. Auditor General's office and immigration had a lower rating in this case suggesting that their performance is relatively good compared to the other mentioned 4 ministries. Asked further which specific areas of service are poorly performed, it was established that in health the order of ranking indicated sanitation, medical access, and epidemics. The worst rated area in education was primary education department, and infrastructure in works with emphasis on road maintenance roads especially in urban areas.

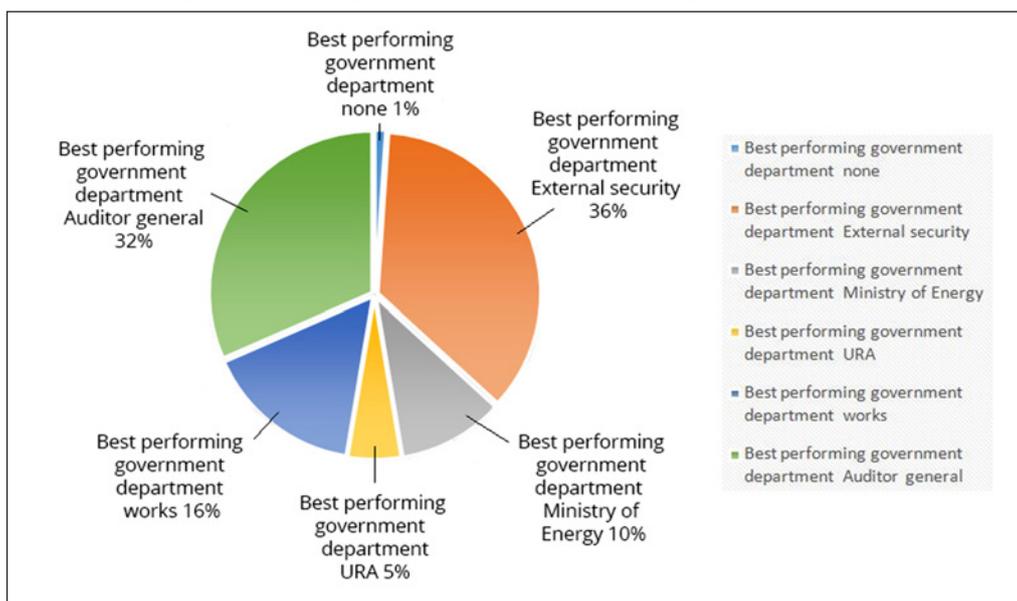
One respondent's view on health was that: "*There is a disconnection between National Medical Stores*

Figure 1: Ratings on Performance of Government Departments



Source: Author

Figure 2: Ratings for the Best Performing Departments

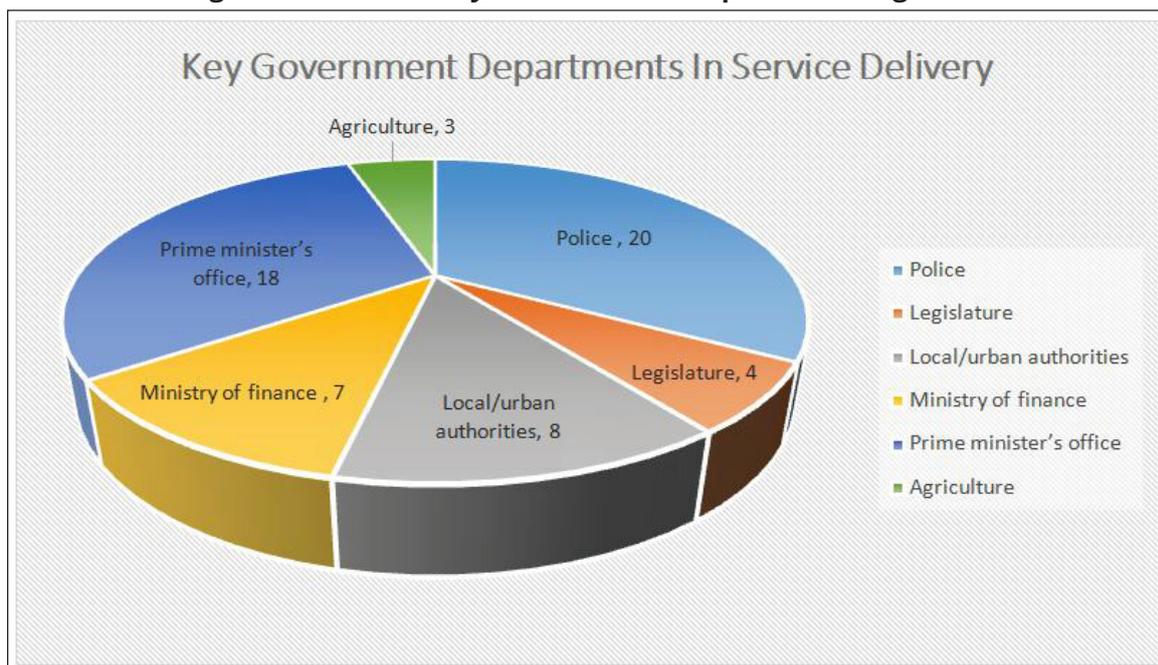


Source: Author

(NMS) and health centres which are supplied the drugs. Many times the health centres run out of stock when in NMS there is excess ...how do you explain disposal of drugs when people are not getting services at the grassroots?". Other respondent's opinions on why their ratings on health are so low stressed issues of no clear performance measures, supervision with limited facilitation, and also alluded to the problem of inadequate supplies from the centre or local governments to the health facilities. The commonality on the views of poor performance in primary education related to the quality of Universal Primary Education (UPE) learners as one the respondents claim...

"Kids cannot write a sentence, their name, etc. ...What kind of quality of education?"

A comparative question on which government departments were considered to be best performers put external security (36%) at the top score closely followed by Auditor General's office (32%). The department of works and energy sector under the Ministry of Energy and Minerals appeared amongst the fairly performing government departments with some respondents crediting trunk roads infrastructure, power dams and electricity supply. Critical to note under this question was that 1% of the respondents did not consider that there is any

Figure 3: The Most Key Governments' Departments/Agencies

Source: Author

government department or ministry with a credible service delivery.

My own observation in this research question was that comparing the ratings on best performing government departments compared to the ratings on poor performing departments emerged clearly to suggest that the public has a relatively low opinion on the performance of government departments. This is clearly evident when you compare the scores (percentages) of the department highly rated as performers and the frequencies of the low performing departments. Also to comparatively assess is the long list (eight in number) of non-performing departments in relation to the list of five highly rated performing departments. Another remarkable finding is that 1% of the total respondent that did not consider any government department as being a good performer suggesting that ideally all government departments are typically poor at service delivery.

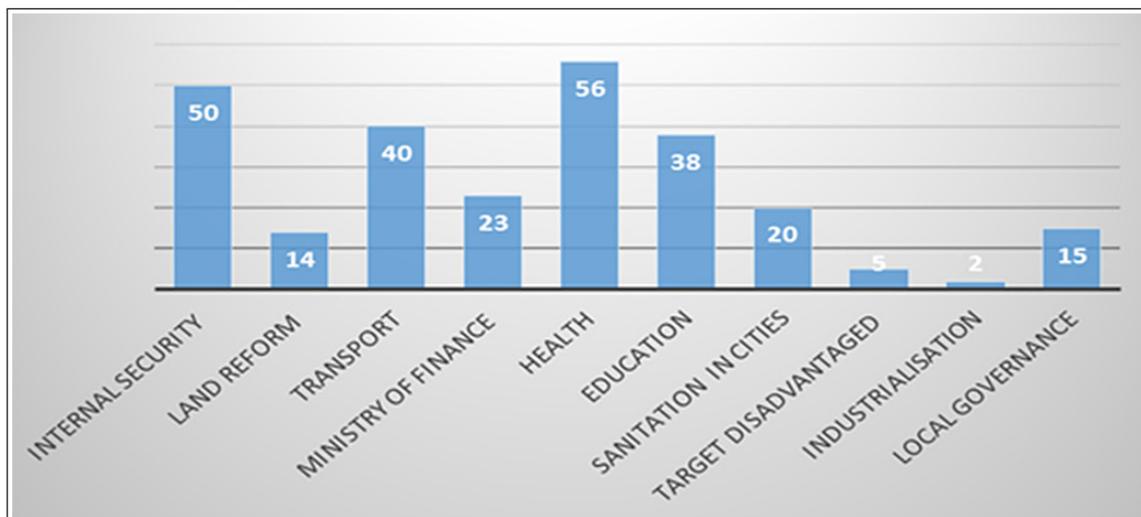
5.2 On the Question of Government Agency/ Department Considered Very Important in Service Delivery

After identification of poorly performing and highly performing government departments, the respondents were requested to give their further opinions on which of the government departments was

considered as being very important in service delivery (Figure 3). This question was meant to solicit individual views that related the service given by the government to their needs and wishes.

The responses obtained indicated that 20 (33%) respondents regarded police as being the most essential government department followed by 18 (30%) respondents rating the Prime Minister's office in the second position. Local authorities and Ministry of Finance followed in a descending sequence scoring almost the same and least was Agriculture after Legislature. Those in support of police as the most important argued that being a law enforcing body this department is essential for policy implementation and for ensuring that there is order that favours implementation of government programs. While it is clear that police normally work with the judiciary, the level value rating between the two departments is of great contrast. By common sense police works closely with the public. In this study however, the role of judiciary was undervalued to the second last position. The major defence of the opinion as to why the Prime Minister's office is considered among the important government departments was that it "*is the overall in service delivery*" but the same respondent with this view was also quick to add that, "*However, are the people employed there capable of carrying out effective service delivery?*" He made a brief reference to corruption scandals that

Figure 4: Areas Which the Government Should Prioritise



Source: Author

have in the previous year's been associated with this office. Overall, the poor performance of the government departments/agencies was conceived by most of the respondents as being threefold: i) Extravagance on foreign travels, ii) Unnecessary government celebrations/public functions that waste time and incur insurmountable expenditures, and iii) Unreasonable Rewards/payments to some government workers & politicians

5.3 Which Areas Should Government Prioritise?

On the question about areas that government should prioritise, the respondents identified ten (10) key areas as in Figure 4.

In order of their value, the most suggested to be prioritised among all was health with a frequency of 56, followed by internal security (50). Transport and education were almost considered to be of equal priority value. Finance ministry, and sanitation in cities were ranked moderately while targeted disadvantaged population and industrialisation were the least suggested (nearly of low priority). By highly suggesting prioritisation of internal security, respondents confirm the finding in the previous section that police are in the most key department for service delivery.

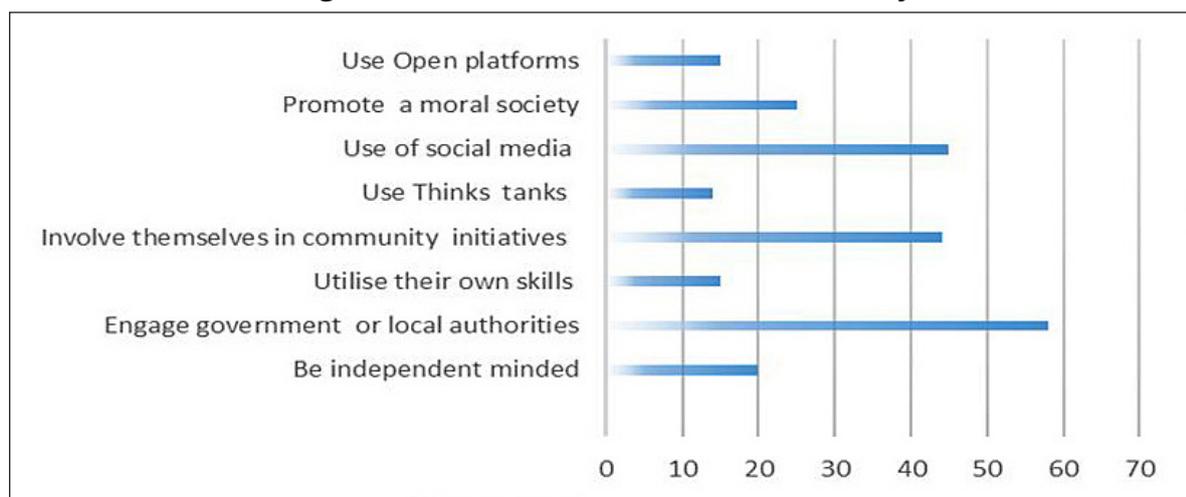
Asked why education should be considered the most ranked area of service delivery, one respondent noted that it education is essential for skilling the population. He noted that the problem of the society is that there is a reasonable number of educated

citizens without necessary skills to improve service delivery. In prioritisation he suggested the need for a new curriculum for technical skilling – vocational. He compared Uganda systems with other countries amongst which cases of America and German were his point of reference. For instance, he noted that: "For example in country like America, you have to do another course in between and then continue with professional courses. In Germany, showcase is on vocational courses". In defence of why one of the respondents considered health and education as key priority areas, she reasoned that: "*the two are essential because when we are looking at human development index... these are key areas measuring development performance*". Arguments in support of land reform were on the basis of production with a view that government should have control on land for purposes of development and zoning and land consolidation for mechanisation.

5.4 What Should Citizens do to Have Improved Service Delivery?

To assess the role of the publics in service delivery, the respondents were asked to identify ways which they could use to influence the services for the benefit of their communities. A wide range of responses obtained are in Figure 5 on the following page.

As noted in Figure 5, the key suggestions for the ways of the publics may influence in service delivery was the engagement of the central government or local authorities. As one respondent put it "*the problem is that we do not take time to engage councils or government - ... for instance sitting in councils'*

Figure 5: Citizens' Influence in Service Delivery

Source: Author

sessions. This would help us to understand the government priorities so as to enable us to hold our leaders accountable". Issues of consultation and lobbying government politicians and key bureaucrats by the citizens on government policy, party and individual legislators manifesto matters were some of the approaches identified for improved service delivery.

Two other key suggestions for citizens' influence included use of social media and involvement in community initiatives. On social media, one respondent suggested that the public can put government on *bunkenke* (tenterhooks) to make it always alert and mindful about the community happenings for a responsive action. He gave an example of print and electronic media pictures government vehicles carrying private goods like charcoal, gifts for the weddings, or even those captured driving on pavements. Often, the media also captures incidents of service delivery like excessive road potholes, primary pupils' studying under poor classroom environment, poor health facilities and cases of embezzlement. The responses suggested that if the public is highly involved in giving such information to the media for publicising, then the government may feel the pressure and respond to the raised issues. A similar suggestion of publicity of government service delivery may also be by use Question and answer on talk shows, and one respondent gave an example of the *prime minister time* on radio or Television to explain the ongoing government programs and for responding to call-in for the public issues' concerns to which he responds. It makes use of open platforms and think

tanks to relay performance achievements, gaps, opportunities and performance challenges.

One other view was that the publics should "get out of their comfort zone" and learn to become more independent minded so as to work for themselves where government cannot reach in service delivery. Using a common local jargon, one respondent stressed this view by saying that there should be no more "*Government etuyambe*" meaning that the publics should desist from all the time calling for assistance from the government which creates a dependence syndrome. Another respondent's emphasis on this point was that "*we should involve ourselves in community based- initiatives*". She made a reference to one of the Buganda kingdom's Prime Minister (*the Katikilo*) who in the recent past mobilised a lot of funds in the campaign he coined *etofali* a local word meaning a block for construction for Buganda Kingdoms' projects from the local and international communities. In their view, some respondents held that individuals in the communities should utilise their own skills and exploit their potentials for self-help projects. They also put more emphasis on the need for the publics to pay attention to nurturing a moral society on work values and integrity so as to have future generation of responsible citizens.

5.5 Consistent Uncertainties Threatening Effective Service Delivery

Having explored the views of the respondents on the performance of different government departments the role of the public in service delivery, it

Table 1: Bottlenecks for Effective Service Delivery

Individual	<ul style="list-style-type: none"> • People are reluctant, they lack self-drive. Need to be coerced • Bad attitude towards self-help and community improvement – possibly due to hopelessness • Negative attitude towards government • Self-denial /deceit of some key political actors
Institutional	<ul style="list-style-type: none"> • Lack of trust in the government system • Laxity in use of <i>name and shame</i> method • Unserious law enforcement • Slackness in tackling corruption • Indiscipline of some public servants • Increased emoluments for public servants/rewards • Un clear channels for grievance handling • Poor education curriculum • The state and the government are fused
Others	<ul style="list-style-type: none"> • Lack of change of political leadership • Too much privatisation and limited regulation • Absence of Planned & coordinated development • Mismatch between public demands and government provisions priorities

Source: Author

was felt that this research could only be concrete if the views on the looming uncertainties that might consistently hinder service delivery could be established. The respondents therefore were asked to identify challenges they envisage as bottlenecks of the future services to the public. The responses obtained were classified in the following three categories that included individual, Institutional, and others as per Table 1.

As may be seen from Table 1, most of the bottlenecks for present and future service delivery were institutional in nature than individual factors or any other category. Some views to elaborate failures of individual threats for instance were that they are not empowered and that some of the leaders especially at local level are semi-illiterate meaning that they lack capacity to implement necessary programs. Attitudinal issues, pretence and reluctance of individual actors in the public service or amongst the publics were noted as persistent critical issues of concern in service delivery.

There were also views that some decision makers including ministers are in "their own world" living in denial, and detached from realities, and so were some technical officers. Due to this political and technical denial they tend to shield issues or work through deceit for political reasons and not responding to the public problems. Some examples such as situations where a health official cover-up the extent of epidemics to avoid blame

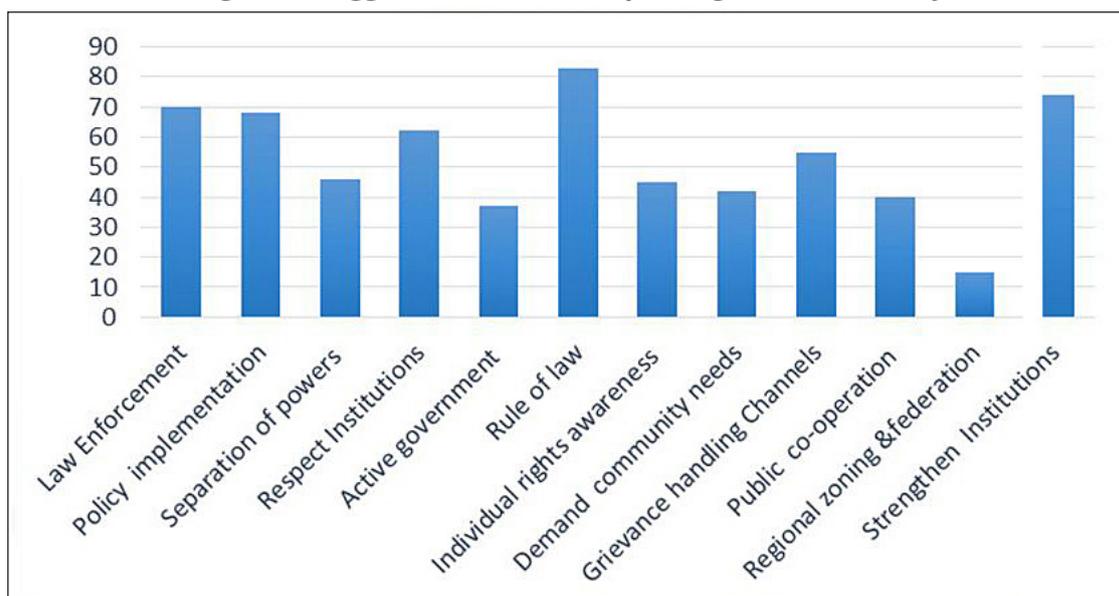
as non-performers were mentioned. Other areas where technical guidelines on implementation of a program are approved/signed by the minister but the guidelines for community mobilisation are not when the technocrats are fully aware that one cannot work without the other were additional illustrations of the false pretence of the public officials. Arguments like moral influence of individual perceptions & decisions by higher level politicians or fellow technocrats, fear for the civil society by some technocrats, lack of trust in the government institutions, segmented and uncoordinated developmental activities and strategies were some of the key threats that were noted by the respondents. It was stressed that unless that are strategic measure to minimise or eliminated such threats at national level, the situation may remain appalling for a long while. As such, a number of suggestions for improvement were made as presented next.

6. Recommendations on Improved Service Delivery

In their final assessment, the respondents were asked to suggest ways in which service delivery can be improved. Whereas there were slight diverging statements, the convergence on the classification of these views are as per Figure 6 on the next page.

From the response given, it is evident that issues of rule of law, law enforcement, and effective policy implementation, respecting and strengthening

Figure 6: Suggested Areas for Improving Service Delivery



Source: Author

institutions stood out prominently. A critical lens of nearly all suggested remedies – even those with low frequencies like regional zoning and federation – are institutional in nature these suggestions clearly relate to the finding that the major bottleneck of service delivery was an issue of institutional effectiveness as shown in the previous section. Even some suggestions like individual rights awareness and demand for community needs to some extent suggest the inadequacy on the side of institutions because it is the responsibility of government's institutions to empower and edify the citizens.

The respondents meticulously made suggestions for service delivery improvement. On rule of law, they observed that this practice stems from some leaders having absolute powers. They for instance mentioned – without specifics – existence of "cadre judges" and other cadre bureaucrats. This, they argued, is an issue that requires a critical attention through trimming the powers of the "untouchables".

On active government, the respondents noted that there is a need for solemn regulation, supervision and monitoring of government departments. It was argued that too much privatisation and de-regulation have failed the efficient service delivery. One of the respondent observed, *"There is a loose nut somewhere. There should be proper checks and people handling. People should know the repercussion of their actions"*. The outstanding view on this point was that government should regain her mandate on service provision.

Another recommended action point was on separation of powers to guarantee objective decision making processes for these holding positions of responsibility. The respondents for instance expressed a concern on the nature of our unicameral system of parliament where members of cabinets/ministers have dual roles as legislators. Considering that ministerial positions lean more to the executive arm of government, it becomes evident that that traces of role overlap for a Minister who doubles as a Member of Parliament are inevitable. Also, it was observed that the current practises of appointment of Chief Justice, Deputy Chief Justice, the Principle Judge, and other justices in the courts of law as well as the Judicial Service Commission members (collaborated with the relevant provisions of the Constitution of Uganda Article 142 and 146) were other controversies that may compromise the independence of the judiciary.

The public demand for community needs was envisaged to be meaningful if civil society and other public actors use of facts/evidence for advocacy. Otherwise the policy makers remain adamant to accept the claims, and requests from the public. The evidence-based approach should be attained through empowering the publics through capacity building, free participation and community engagement. Further, there should be clear channels of grievances handling through such strategies like provision of contacts and hotlines for key actors like police and office of Inspectorate of government.

In addition, stringent measures to deal with those actors not responding to the public's call for action should be put in place to increase a level of government responsiveness to the public demand and needs

7. Conclusion

This paper discussed reasons for the current minimal levels of public service delivery in Uganda. This was aiming at finding plausible ways for improved service delivery. Through a convenience sampling, a total of 60 respondents were selected and interviewed about government departments' performance, priorities for service delivery, and the role of public in service provision, the bottlenecks in service provision, and the suggested solutions. Realising from the existing literature the continued global challenges of customer expectations, budgetary constraints, global competition for investments, public sector reform programs and the changing demographics, it became that paradigms shift of public sector reforms have been apparent though with minimal outcomes on service delivery. A strategic drift to redefine public sector role, strengthening the customer focus and building integrated service delivery models has been the latest option of the 21st century. Rethinking of the post-new Public management approaches including the "whole-of-government", has become inevitable.

Holding in mind the PricewaterhouseCoopers' (2007) five key enablers of delivering on customer promise in line with six principles a successful service delivery by Frost & Sullivan (2012), this study engaged a wide range of conveniently selected citizens as participants on conviction that the public who are customers of the public services are at best in appraising these services. The study consequently established that health, education, works and police are the worst performing departments in Uganda and that External Security and Auditor General's office are the best performing departments. Works department was again moderately rated as best performing on the basis of trunk roads and power dams. Police and Prime Minister's office were considered as the most important departments whereas internal security and health were the most valued as key areas of service delivery. The best way to influence service delivery by the public was said to be engaging central government and local authorities, participation in community initiatives

and use of social media. This analysis indicates symptoms of high performance in non-perceived high priority areas in service delivery. Resilient bottlenecks are largely institutional inefficiencies but also substantially indicate strong weaknesses on the public as drivers of desired service delivery. This validates the key recommendations made on need for rule of law, effective policy implementation and strengthened institutions.

The apt conclusion in here suggests that improved service delivery in the 21st century requires engaging the public - "customers"/stakeholders - in appraisal of the systems that serve them for workable solutions. This necessitate approaches like public empowerment on rights and awareness, enabling them to demand community needs and offering them channels of grievance handling. The findings are consistent with PricewaterhouseCoopers' (2007) first three strategic enablers of understanding your customer, creating a "connected government", and empowering your institution by building capacity. The study also affirms Frost & Sullivan (2012) principle of co-creation of service linking level and quality of services to choices of the citizens. The new global trends render earlier approaches of physical presence, public participation, inclusion, partnerships and the like nearly obsolete.

References

- Christensen, T. 2012. Post-NPM and Changing Public Governance. *Meiji Journal of Political Science and Economics*, 1(2012):1-11.
- Colgan, A., Kennedy, L.A. & Doherty, N. 2014. A Primer on implementing whole of government approaches. Dublin: Centre for Effective Services.
- Denhardt, J.V. & Denhardt, R.B. 2011. *The New Public Service: Serving, Not Steering*. Armonk, NY: M.E. Sharpe.
- Dunleavy, P. & Hood, C. 1994. From Old Public Administration to New Public Management. *Public Money & Management*, 14(3):9-16.
- Eigeman, J. 2007. *Service Delivery, a Challenge for Local Governments*. The Hague: VNG International.
- Hood, C. 1991. A Public Management for all Seasons. *Public Administration*, 69(1):3-19.
- Humphreys, P.C. 1998. *Improving Public Service Delivery*. Institute of Public Administration. Dublin, Ireland.
- Le Grand, J. 2007. *The Other Invisible hand. Delivering services through Choice and competition*. Princeton University Press, Princeton.
- Lodge, M. & Gill, D. 2011. Towards a New Era of Administrative Reform? The Myth of the Post-NPM in New Zealand. *Governance*, 24(1):141-166.

- McCourt, W. 2013. Models of public service reform: a problem-solving approach (English). Policy Research working paper; no. WPS 6428. Washington, DC: World Bank. Available at: <http://documents.worldbank.org/curated/en/823241468339619120/Models-of-public-service-reform-a-problem-solving-approach>. Accessed on 20 May 2018.
- Nerlich, B. 2013. *Public, publics and citizen: What do these words mean?* [Blog Post] <http://blogs.nottingham.ac.uk/makingsciencepublic/2013/06/23/public-publics-and-citizen-what-do-these-words-mean/>. Accessed on 5 June 2018.
- Newman J. & Clarke J. 2009. *Publics, Politics and Power: Remaking the Public in Public Services*. Sage, London.
- Osborne, S.P. 2006. The New Public Governance? *Public Management Review*, 8(3):377-388.
- Pollitt, C. 1993. *Managerialism and the Public Services: Cuts or Cultural Change in the 1990s?* Oxford, Blackwell.
- PricewaterhouseCoopers. 2007. *The road ahead for public service delivery: Delivering on the customer promise*. Pretoria: PricewaterhouseCoopers' Public Sector Research Centre.
- Frost & Sullivan. 2012. *Public Service Delivery: Get-rights, Challenges and Successes*. Public Sector Practice. Available at: <http://www.frost.com>. Accessed on 8 June 2018.
- Shah, A. 2005. *Public Service Delivery*. Public Sector Governance and Accountability Series. The International Bank for Reconstruction and Development. The World Bank: Washington, D.C.
- The Republic of Uganda. 1995. *The Constitution of the Republic of Uganda*. Kampala: Government of Uganda.

Coup D'état on South African Government: Is State Capture a Threat to Democracy?

KM Mulaudzi and MJ Masenya
University of Limpopo, South Africa

Abstract: The purpose of this paper is to analyse instances of state capture and how it impacts on good governance and the society at large. In contemporary world so many things happen politically and suddenly to surprise the citizens. It is apparent that South Africa underneath the supervision of the current government is internally and externally tumbling apart. Investors are disinvesting, commodity prices are deteriorating, and the rand has slumped. Over the past years, the South African media houses as routinely published a series of alleged corrupt activities by senior state officials. Corruption has become increasingly institutionalised activity in State Owned Entities, thus, leading to the phenomenon of state capture. State capture is commonly understood as a state wherein individual(s) or groups that possess power to influence the public and private sector decisions to work to their personal advantage in the government. The emergence of debate, discussion and engagements pertaining to state capture and patronage networks in recent months has led to legislators, policymakers, academics and interested parties to scrutinise the potential effects that state capture could have on the South African government, its economy and the society at large. The paper concludes that only if a full commission of enquiry on those who alleged to be involved in the capturing of the state can be conducted and be prosecuted, then state capture will not happen in the future.

Keywords: Corruption, Economy, South Africa, State Capture

1. Introduction

The process of state transformation in South Africa is characterised by the vacillations of politics that where dominated by white politicians (National Party), from (1910-1994), to a contemporary, democratic, and legitimate state (Labuschagne, 2017). Therefore, from 1994 the government was decentralised from a state which only benefited the interest of the white minority to a more all-inclusive, democratic, and constitutional state which strongly supports the agenda of transformation and development (Labuschagne, 2017). It is until recently that the decay of government institutions in South Africa have been blamed for corruption. Therefore, this paper recognises that the problem goes well beyond corruption. This is because corruption is widespread across all levels of institutional capacity and weakens development in all parts of the country. While state capture is a huge, systematic threat and akin to a coup threatening South Africa's democracy and must therefore be understood as a political project that is given a cover of legitimacy by the vision of radical economic transformation.

The old customs of understanding the magnitude and landscape of corruption in South Africa has remained deeply prejudiced by global literature,

which realizes African corruption as a region extensive phenomenon built on weak associations and a new version to olden patrimonial control associations (Mthanti & Ojah, 2016). Therefore, Transparency International's Global Corruption Barometer survey in 2015 discovered that South Africa has the biggest percentage of people who assumed that corrupt activities were escalating and that the government was not fighting it efficiently (Transparency International, 2015; Marchant, 2016). The main corruption issue in South Africa has been about the quick accumulation of money by governmentally associated leaders and elites (Martin & Solomon, 2016), thus, leading to state capture to become very widespread in the political and economic arena in the country. It is with no doubt that political restructuring in South Africa has brought new entrants into local government (Chipkin, 2016). For the first time in South Africa a 'state capture' story, as opposed to corruption has materialized and grow momentarily in recent years. Marchant (2016:35) "On 31 March 2016, the Chief Justice of the South African Constitutional Court uttered a critical verdict to South Africa's President Jacob Zuma, wherein the Chief Justice of the Republic found that he had failed to uphold, defend and respect the constitution as the supreme law of the land". Therefore, the findings were motivated by the refusal of the

President to act in accordance with the judgements of the former Public Protector and South Africa's corruption watchdog". Advocate Thuli Madonsela, who came to the discovery (two years earlier) that the former president of the Republic, Jacob Zuma had excessively profited approximately €15 million of state money which was paid to expand his private home (Marchant, 2016). Experience has shown throughout the world that without the rule of law efforts to combat corruption are largely futile (Chipkin, 2016). Thus, corruption will keep on exacerbating in countries where institutions such as legislature and the judicial system are weak, where the rule of law is undermined and obedience to formal rules are not effectively and robustly observed (Omogor, 2013).

Many experts that observe the political and economic condition in South Africa, state that there is nothing new about state capture as a burning issue in the Republic, rather, it has constantly been the ANC's openly declared and deeply unconstitutional strategy to capture the state to promote the party's own political agenda and ideological interests (Chipkin, 2016; Claymore, 2016; Marchant, 2016). What triggers the concern of the wider society is primarily the magnitude to which the origins and institutions of South Africa have been seized by Jacob Zuma and those that surrounded him during his leadership, where they promoted their own personal agenda and not that of the African National Congress nor the nation at large (Swilling, 2017). Therefore, it may be said that in order to consolidate democracy in South Africa rules of the game should be established. South Africa is one of the countries which have a highly praised constitution in the world, and is one of the biggest African countries with highly industrialized and advanced financial prudence that have played an important role within the constituency and Southern Africa Sub-region since 1994 (Bratton & Gyimah-Boadi, 2016). This became possible because South Africa progressively advanced its human rights and democratization agenda. Therefore, it is important to understand that state capture does not only threaten South Africa's democracy but also the democracy of neighbouring countries as well. The possible damaging impression of an unsuccessful independent (democratic) government in South Africa would have regional and sub-regional repercussions (Matlosa, 2017). It then becomes important that 'state capture' in South Africa should be tackled from institutional level and technical viewpoint to reinforce the state

against private interests seizing key institutions of governance.

2. Theoretical Framework of State Capture

State capture can be understood as actions taken by persons or a group who are serving in both the public and private segments, they often influence the creation of rules, procedures, verdicts and other policies formed by the government to their own personal gain (Martin & Solomon, 2016; Sutch, 2016). When discussing the phenomenon of state capture, it is important to take into cognisance that the state and the economy should not be perceived as two distinct units but as glued together. It is often understood that state capture comes in many forms. The main spectrum is that state capture can transpire in terms of a person or family that influence decisions over both the state and the economy for their own personal advantage (Beresford, 2015; Sutch, 2016). Other forms of state capture comprise of the growth of oligarchies with a quasi-feudal structure of dependents or a multifaceted collection of linkages with more equal and mutual relationships. This often occurs in a situation where the laws and institutions transform to become organisations that promote corrupt dealings, transitions, and contracts so that what amounts as legitimacy is itself a function of corruption (Van Vuuren, 2014; Sutch, 2016).

A government's system of rule is a mechanism through which ordered rule is maintained, with the state acting as the medium and providing the machinery that makes and enforces collective decisions in society (Heywood, 2004:421). The regulatory role of government as the principal agent in a developmental state is of critical importance. One of its primary functions in a developmental context is to address social inequalities, and ensure the fair and equitable distribution of resources to all members of society. However, the crucial role of government as provider and custodian of the country's resources could be seriously compromised in the event of state capture, where moral responsibility is eroded through an illicit relationship controlled by external agents. State capture amounts to, in a descending order (patrimonialism to clientelism), one of the final phases of a weak state wilting and finally collapsing into a dysfunctional state. Elected officials in a weak state with high levels of corruption are still in control of the allocation of resources and still have a monopoly on power.

Constitutionally-based corrective counter-mechanisms (such as the office of the Public Protector and the Auditor General) are still reasonably successful at counterbalancing instances of corruption. However, the cross-over point, where a weak state descends into a dysfunctional state, is when exclusive control over, and a monopoly on decisions about, the allocation of resources changes hands. The phenomenon of state capture occurs when the plundering of resources in a corrupt relationship of patronage between political functionaries and beneficiaries in a weak state is controlled by an external relationship that is detrimental to the state. In such an instance, control over the allocation and channelling of resources passes from a political functionary to a principal agent who 'controls' the former. The monopoly of the allocation of resources, in Harald Laswell's (1934:11) celebrated definition of 'who gets what, when and how', has thus shifted from an elected political functionary to an unelected oligarchy located outside formal government structures. (The concept 'allocation of resources' is used in a broad context and includes the appointment of ministers, the allocation of state contracts and other extreme forms of corruption). A World Bank report (2000) refers to the presence of state capture as an extreme form of political corruption, in which private external interest influences a state's political functionaries (government) for their own (economic) advantages. The monopolistic or oligopolistic (non-competitive) influence of an oligarchy could have a bearing on all three organs of the state, namely the legislature, the executive and the judiciary. However, illicit influence is primarily exerted over the executive as the central power in government.

Within the domain of politics, the concept of influence is another misnomer and a euphemism, because within the continuum of power (ranging from influence to coercion) control over political functionaries is much more assertive than merely a variation in terms of influence (Heywood 2004:115). The difference between exerting influence on a decision maker when resources are allocated and capturing the state's functions is one of degree. Where corruption is involved, the outcome and success of corrupting the process is not assured, because of its covert nature. In the case of state capture, however, the outcome is more guaranteed as a result of the stronger grip that external agents have on a government's primary political functionaries.

The concept of state capture has gained broad consideration mainly in most post-communist countries of Europe as well as Latin America; it has also made its way into South Africa's political fraternity in the current years. It can be agreed upon that state 'captors' in South Africa basically unduly influenced how the rules are made which result in compensations for their own benefit in the legal and regulatory segments of the state (Southall, 2012; Swilling, 2017). Therefore, for the first time in democratic South Africa's history a state capture scandal different from corruption has evolved and gained momentum in recent years, following the release of the former South African Public Protector Report entitled State of Capture in 2016. An escalating number of political scandals and thousands of leaked emails between the Gupta family and prominent political representatives have raised intense interest in analysing the consequences for the South African state (Swilling, 2017).

3. An Emerging Deficit of Political Leadership

The process of state construction in South Africa is marked by drastic fluctuations power and transformation from white political domination (1910-1994) to a modern, democratic, and constitutional state. More specifically, the state transformed from a centralised, all-powerful leviathan state structured to protect the socioeconomic rights of a white minority to an all-inclusive, democratic, constitutional state in 1994 with a strong developmental and transformative agenda (Carbone, 2016). The legacy of apartheid, including high levels of economic disparity, made it imperative that the socioeconomic ills and income inequalities that existed under the previous regime be addressed. South Africa's post-apartheid era was gifted with a party-political figure the whole world could entirely look up to. Therefore, from a fascinating, captivating and emblematic point of view any successor of Nelson Mandela was guaranteed to fail to fill his shoes (Ceruti, 2008; Carbone, 2016). It is nearly twenty years within Nelson Mandela voluntarily decided to depart from the presidency. It can be observed in recent times that the nation's top political management is undergoing a course of de-legitimation and deterioration which goes far beyond the things that might have been expected or hoped. The decline in political leadership is debatably a crucial issue which contributes to the republic's weakening performance in relation to economic development, social progress and social cohesion.

However, the debacle of Marikana Massacre is a recent symbol of the catastrophe of the deficit political leadership on all sides in the country (Ulfelder, 2012). People in South Africa's townships, villages and squatter camps are unhappy that the promised democracy has not brought the fruits, thus they see a minority elite benefiting. Various leaders have abandoned the townships for the "*Armani lifestyle*" previously exclusive to leafy white suburbs. They have long lost touch with the disgruntlement brewing in society (Gunner, 2008).

The appearance of President Jacob Zuma fell as the nation appeared to symbolize a universal political and economic hesitation, wherein a massive disappointment had originated at the 2013 Mandela commemorative service where Zuma was booed and openly embarrassed before 90 world leaders which was seen as a reminder of how Mr Zuma's South Africa is still detached from the rainbow state ideal of common progression, reduced insufficiency and social cohesion (Carbone, 2016). Furthermore, numerous of other events made the President undesirable exposure in the global media. For example, in 2015 the surge of intolerant xenophobic attacks through the nation as well as the disturbing images of the police forces entering the assembly to get rid of opposition members of parliament who subsequently triggered a scuffle after they insisted that the president Jacob Zuma answer queries on the "Nkandla" debacle (Carbone, 2016). The decline of the contemporary political and economic situation in South Africa today has several facets and numerous negative effects. The African National Congress (ANC) was extremely effective and successful in the way it directed the course for changing Thabo Mbeki's presidency with that of Jacob Zuma. Fewer so in the selection of a figure, Jacob Zuma, verified to have severe economic, political and even moral insufficiencies, the current former president has not helped his nation's problems.

4. Private Sector Involvement in State Capture

After the shocking and sudden announcement by the former president of the Republic of South Africa Jacob Zuma of sacking the then Finance Minister Nhlanhla Nene and immediately replaced him with David Des van Rooyen in 2015, there was leakage and loss of foreign direct investment that led to a strong decline in the country's currency which consequently cost the Public Investment Corporation

(PIC) (an institution which is accountable and answerable for millions of Rands of South Africans' pensions which amounts to over R100 billion) (Marchant, 2016; Peyper, 2016). This crippled the country's markets, the real price was endured by the republics deprived, unfortunate and the unprivileged; additionally the downstream was enforced to handle and cope with the increasing prices of oil and foodstuffs. The reply by international markets was harsh and was not merely due to distrust of the newly selected minister during the time, but it was mostly because of the observation and awareness that the choice was deliberately planned to get rid of the difficulties and hindrances at the National Treasury which stood in the path of the former president's prearranged means of accumulation of wealth for both him and his close associates (Marchant, 2016; Munzhedzi, 2016).

The Former South African Public Protector's State Capture Report, 6 of 2016/7 (hereafter Public Protector's report), released on 14 October 2016, provides ample evidence of state capture in the form of overt influence having been exerted by external agents on the primary political functionaries in this country (State of Capture Report, 2016). The report unearthed the presence of a strong, influential oligarchy that exists outside the formal structures of government, but parallel to primary functionaries in government (Labuschagne, 2017). This illicit and clandestine relationship between public functionaries and oligarchical external agents appears to have been a drain on the state's monetary resources. The covert relationship further led to the redirection of resources, which could have been utilised for socioeconomic development, from the poor and destitute into the pockets of the affluent (Labuschagne, 2017). The control exerted by this influential oligarchy, and its unhealthy and illicit relationship with government are a mark of strong oligopolistic tendencies in the domestic economy.

The Public Protector's report exposed the external, overt influence that the powerful and influential Gupta family wields over functionaries in the highest office in the land (Labuschagne, 2017). According to the report, the Gupta family have developed into a powerful oligarchy which oligopolistically manipulates politicians, has control over the appointment of ministers, shapes government institutions and controls parastatals (such as Eskom, the electricity supply commission) to advance and protect their own empire at the expense of social welfare and

social interests in this country (State of Capture Report, 2016). The draining of the state's resources by a powerful oligarchy has raised real concerns that the misappropriation of national resources and funds will impact on the fiscal ability of the state to address socioeconomic needs and imbalances in society.

The contemporary discussion of corruption and cronyism in South Africa is considered unfinished without bearing in mind the involvement of private sector economic crime, and mainly the subject issue of illicit financial flows (Carranza, 2008; Beresford, 2015). Business in South Africa condemns corrupt activities in the public sector wherein misconduct in the private sector has been equally visible. Dominant companies in numerous industries have been found in many instances to be excessively abusing their financial power and conspiring to fix prices, the typical example is the construction industry which was found that they have engaged in unlawful doings or activities in multi-billion Rand public sector contracts (Pauw, 2013; Van Vuuren, 2014; Marchant, 2016). However, the most recent culprit in South Africa are steel giant Arcelor-Mittal which has been fined R1.5 billion by the Competition Commission for artificially inflating steel prices (Makhaya, 2016; Marchant, 2016).

Apart from illicit financial and economic crimes, there is a major worry that the private sector has become gradually quiet on problems of corruption in the country. The private sector through its supremacy and guidance where made a key participant in the democratic discussions towards the end of apartheid. In the current years business has seemed to be voiceless on issues concerning corruption defined here as to "keeping a low profile" while they moved huge amounts of capital offshore (Ceruti, 2008; Gunner, 2008). However, more positive signs (removal of Des van Rooyen and other ministers linked to the Guptas) have emerged over the last year, wherein the business community became willing to take a more vigorous role in stressing the matters fronting the country. The open condemnation on the former president's actions regarding his initial dismissal of former Finance Minister Nene and pressure by numerous business relations generate hope that South African business is concerned and devoted in the republic's future and not merely their instant opportunities to make revenues (Marchant, 2016). In so far as South Africa is concerned with corruption because it enhances the riches of a minority

at the cost of the majority, the collusion of the private sector, price-fixing and the illicit outflow of such vast sums of money cannot be ignored.

5. Participation of SOEs in State Capture

The appearance of the government rest upon the conduct of public representatives and the insights of its people concerning the suitable principles of services presented by the functionaries, however, also ensure that these are manifested based on Batho Pele principles *per se* (Republic of South Africa, 1996; Republic of South Africa, 1998; Sindane, 2009). It then becomes important that each public official, when accepting government work must take into consideration the point that there is an extraordinary responsibility which requires the functionary to be open, reasonable and unbiased when engaging with the public. Walters (2009:303-312) noted that "ethics are concerned with what is essentially human in our nature, in thinking and acting in an ethical manner, the individual makes himself a witness to what positively distinguishes humans: the quest for dignity". Therefore, moral standards are primarily not about the self in isolation but have a communal quality. Often there is an implication that government functionaries might frequently be confronted with moral choices that require them to make verdicts that have no pure cut firmness and which are probably likely to be extremely difficult and problematic, that is, they are probable to find themselves faced with moral, principled and ethical dilemmas (Cranston, 2003). Simply put then, an ethical dilemma arises from a situation that necessitates a choice among competing sets of principles, values, beliefs, perspectives.

A government functionary or public official should be truthful to the Republic and integrities of the Constitution of the Republic and abides in this manner in the implementation of his or her day-to-day activities; puts the public or communal importance first when executing duties; devotedly implements the procedures and guidelines of the government in the performance of her or his official obligations as enclosed in the constitution and other regulations; and co-operates with public institutions recognised under the legislature and the Constitution of the Republic in supporting public interest (Vyas-Doorgapersad, 2007; Sindane, 2009). Thus, the following state preserved or owned enterprises (SOEs) were implicated in accusations and

claims of offensiveness and unethical conducts, namely, Eskom SOC Limited, Transnet SOC Limited (Transnet), Denel SOC Limited (Denel), South African Airways (SAA) and South African Broadcasting Corporation (SABC).

Eskom has allegedly granted a contract and reached an agreement that is worth more than R564 million to a coal mining business that is maintained and possessed by the Gupta family and Jacob Zuma's son, Duduzane. Denel and Transnet, on the other hand, have been implicated in the state capture saga when amaBhungane story headlined "Transnet tender boss's R50-billion double game" came to wider public attention in July 2014. The story drew and defined how a close associate or friend of the Gupta family, "Iqbal Sharma" had gained an interest in the corporation, while it was in an extreme situation to profit from subcontracts in Transnet's R50-billion tender for locomotives. During the same period, "Iqbal Sharma" was overseeing the Transnet committee that supervised, managed and directed the tender procedure or course. During the same period, at the Guptas' interest in VR Laser was not originally revealed (Beresford, 2015; Comrie, 2016; The Public Protector, 2016). However, headlines surfaced where Westdown Investments, which is also a Gupta contract mining company, which is well recognized as JIC Mining Services seized a 25% portion in VR Laser Services and "Salim Essa" another Gupta business associate procured 75%. Duduzane Zuma the former president's son also seized a portion through Westdown (Comrie, 2016). Thus, "Iqbal Sharma" prize was by possession of VR Laser's premises.

South African Airways (SAA) have been implicated in state capture where it was believed that it consumed or paid approximately R9.4m on buying around six million duplicates of the New Age newspaper, which is maintained and possessed by the Gupta family. The enterprise procured 5 927 000 copies of The New Age which were given to passengers that were on board on the SAA flights. It started buying the New Age newspapers, although its movement statistics are not reviewed by the Audit Bureau of Circulations (Gernetzky, 2016; The Public Protector, 2016). The South African Broadcasting Corporation (SABC) has been implicated of state capture because it previously gave complete authority to government departments to communicate with the nation at no cost, including occasions where Ministers (government functionaries) wanted air duration in

command to make declarations, statements and promotion movements. In addition the SABC has entered into an enterprise agreement with the New Age newspaper and government divisions wherein Ministers are mandated to compensate either the SABC, New Age newspaper and/or the appropriate partnership to broadcast or appear on SABC for purposes of communication with the nation (The Public Protector, 2016).

6. Jurisdiction and Power of Government Officials

Democracy is perceived as a way of controlling and maintaining a country. The most common definition amongst citizens is that democracy is the 'rule by the people', wherein citizens of a state are given a chance to elect their public representatives that will represent them in the national government (Young, 2007; Jolobe & Graham, 2017). The citizens do this at regular intervals, where free and fair elections are conducted and the elected public representatives run the state on their behalf, using their tax money to ensure that facilities and services are delivered and maintained. However, the democratic practice of citizens doesn't end here. Democracy should also ensure that the representatives that have been elected by the public are answerable and transparent in different ways to the people who elected them into power (Kimenyi, 2014; Dube, 2017). Thus, they are obliged to act and provide on the assurances that they made throughout elections and they should guarantee the involvement of local societies in forming future policies, plans and priorities within the communities.

Public officials are obliged to be transparent and accountable for the actions and decisions they make. When the public partake in the voting process they give the elected government a direct command to authorize and implement laws on their behalf (Jolobe & Graham, 2017). However, in the creation of laws and policies the government is obliged to follow the constitution of the Republic. The constitution clearly sets out the codes of conducts on how the public service must function and work. According to the Constitution of the Republic of South Africa (1996), Section 195 which clearly states that, "a high standard of professional ethics must be promoted and maintained. Efficient, economic and effective use of resources must be promoted. Public administration must be development-oriented. Services must be provided impartially, fairly,

equitably and without bias and people's needs must be responded to, and the public must be encouraged to participate in policy-making".

7. Conclusion

Given the above discussion and findings it is obvious that state capture has to an excessive amount gained access into the central structures of the state. It has become perfect that Jacob Zuma has extended his authority and control by using friends (Loyalists) to govern all the state organizations to primarily put his personal comforts and interests before that of the public or nation. The rationale is that when the network (loyalists) kept Jacob Zuma in power, he secured their safety and compensated them in office. Ultimately, all government institutions have turned to become tools in the influences of the presiding network including the judiciary, prosecuting experts, the police and the army. Instead of defending and protecting citizens against the exploitation and manipulation of power, institutions became an addition to Jacob Zuma's corrupt rule; this is the actual reason why South Africa's constitutional democracy has failed enormously. A need therefore arises to put strategies in place to reverse, if not, fix the problem of state capture in the country. Jacob Zuma has successfully established corruption within the core structures of the state. What is more is his greedy enthusiasm or desire for power and control which has crippled both the economic and political pedals of the country or state, his close association with the Gupta family and his strategic interchanges of patronage in seizing the state. Thus, government and society cannot encourage and impose principled and ethical behaviour merely through the use of principled codes of conduct or through the proclamation of a plethora of legislations.

References

- Beresford, A. 2015. Power, patronage and gatekeeper politics in South Africa. *African Affairs*, 114(455):226-248.
- Bratton, M. & Gyimah-Boadi, E. 2016. Do trustworthy institutions matter for development? Corruption, trust and government performance in Africa. Afro barometer Dispatch no 112.
- Carbone, G. 2016. Big shoes to fill: the ANC and Zuma's leadership deficit. Milano-Italy: Ledi Publishing.
- Carranza, E.J.M. 2008. Plunder and pain: Should transitional justice engage with corruption and economic crimes. *The International Journal of Transitional Justice*, 2:310-330.
- Ceruti, C. 2008. African National Congress change in leadership: What really won it for Zuma, *Review of African Political Economy*, 8(2):11-17.
- Chipkin, I. 2016. The State, Capture and Revolution in Contemporary South Africa. Working paper, Public Affairs Research Institute.
- Comrie, S. 2016. Treasury blocks Eskom's Tegeta contract, *Business Day*, 1 September 2016.
- Cranston, N., Ehrich, L. & Kimber, M. 2003. Ethical dilemmas faced by senior public sector managers: towards an exploratory model. *Educational Management Administration & Leadership*, 42(2):207-225.
- Dube, P. 2017. *Blurring the power lines: Parliament's failure to hold the executive accountable*. Cape Town: Centre for Constitutional Rights.
- Gernetzky, K. 2016. Public Protector: Flood of Gupta calls, *Financial Mail*, 24 March 2016.
- Gunner, L. 2008. Jacob Zuma, the social body and the unruly power of song, *African Affairs*, 108(430):27-48.
- Hicks, J., Myeni, S. & Buccus, I. 2017. *The executive*. In Landsberg, C. & Graham, S. (Eds). Government and politics in South Africa: Coming of age. Pretoria: Van Schaik.
- Jolobe, Z. & Graham, S. 2017. *Parliament*. In Landsberg, C. & Graham, S. (Eds). Government and politics in South Africa: Coming of age. Pretoria: Van Schaik.
- Kimenyi, M. 2014. The International Criminal Court in Africa: A Failed Experiment? *Open Democracy*, 11 November 2014.
- Labuschagne, P. 2017. Patronage, state capture and oligopolistic monopoly in South Africa: The slide from a weak to a dysfunctional state? *Acta Academica*, 49(2):51-67.
- Madue, S.M. 2012. Complexities of the oversight role of legislatures. *Journal of Public Administration*, 47(2):431-442.
- Makhaya, T. 2016. Arcelor-Mittal settlement is new and tricky territory for competition authorities, *Business Day*, 30 August 2016.
- Marchant, M. 2016. A Captured State? Corruption and Economic Crime.
- Martin, M.E. & Solomon, H. 2016. Understanding the Phenomenon of "State Capture" in South Africa. *Southern African*, 21.
- Matlosa, K. 2017. The state of democratisation in Southern Africa: Blocked transitions, reversals, stagnation, progress and prospects. *Politikon*, 44(1):5-26.
- Mojapelo, P.M. 2013. The doctrine of separation of powers (a South African perspective). *Advocate*, 26(1):37-46.
- Mthanti, T. & Ojah, K. 2016. Institutions and Corporate Governance in South Africa. *Corporate Governance in Developing and Emerging Markets*, 125.
- Munzhedzi, P.H. 2016. Fostering public accountability in South Africa: A reflection on challenges and successes. *Journal for Transdisciplinary Research in Southern Africa*, 12(1):1-7
- Munzhedzi, P.H. 2016. South African public sector procurement and corruption: Inseparable twins? *Journal of Transport and Supply Chain Management*, 10(1):82-96.

- Omogor, I.M. 2013. Channels of information acquisition and dissemination among rural dwellers. *International Journal of Library and Information Science*, 5(10):306-312.
- Pauw, J. 2013. Hawks Probe Building Cartel, *City Press*, Johannesburg, 3 February 2013.
- Peyper, L. 2016. PIC lost over R100bn when Zuma fired Nene – CEO, *Fin24*; 10 May 2016.
- Republic of South Africa. 1996. *The Constitution of the Republic of South Africa*, 1996. Pretoria: Government Printer.
- Republic of South Africa. 2000. The Local Government: Municipal Systems Act, 2000. Pretoria: Government Printer.
- Sindane, A.M. 2009. Administrative culture, accountability and ethics: Gateways in search of the best public service. *Journal of Public Administration*, 44(3):111-126.
- Southall, R. 2012. Family and favour at the court of Jacob Zuma. *Review of African Political Economy*, 38(110):617-626.
- Sutch, M. 2016. 'State Capture: Going gets tough for Zuma and the Guptas', *Daily Maverick*, 23 March, Available at: <http://www.dailymaverick.co.za/article/2016-03-23-state-capture-going-gets-tough-for-zuma-and-the-guptas/#.V7Czhph97IU>. Accessed on 5 March 2016.
- Swilling, M. 2017. Betrayal of the promise: How South Africa is being stolen. State Capacity Research Project.
- The Public Protector. 2016. State of capture. A report of the Public Protector. Report no; 6 of 2016/17. ISBN: 9978-1-928366-06-5. 14 October 2016.
- The Republic South Africa. 1996. *Constitution of the Republic of South Africa of 1996*. Pretoria: Government Printer.
- Transparency International. 2015. *People and Corruption: Africa Survey 2015*, Global Corruption Barometer.
- Ulfelder, J. 2012. Worrying about South Africa, *Foreign Policy*. Article in EP Magazine, 12 September 2012.
- Van Vuuren, H. 2014. *South Africa: Democracy, Corruption and Conflict Management*, Democracy Works Conference Paper, Centre for Development and Enterprise, p. 29.
- Venter, R. 2017. *The legal system and the judiciary*. In Landsberg, C. & Graham, S. (Eds). *Government and politics in South Africa: Coming of age*. Pretoria: Van Schaik.
- Vyas-Doorgapersad, S. 2007. Corruption in the public sector: A comparative analysis. *Journal of Public Administration*, 42(5):285-299.
- Walters, S. 2009. Ethics and leadership for good governance. *Journal for Transdisciplinary Research in Southern Africa*, 6(2):303-312.
- Young, C. 2007. Nation, ethnicity, and citizenship: Dilemmas of democracy and civil order in Africa. In *making nations, creating strangers*.

Ascribing Learner Development to Quality Schooling: A Case of Three Schools

NS Modiba

University of Limpopo, South Africa

Abstract: The paper critiques how lack of quality schooling encourages grade repetition in South African public secondary schools. This paper is empirical in approach as it uses cases of selected schools in Limpopo province. Interviewing and document analysis were used to collect data from three selected public secondary schools, Capricorn District of Limpopo Province, South Africa. Research findings reveal that, firstly, an enabling learning environment contributes to quality schooling. Secondly, failure to expose learners to meteoric rise through constant scholastic performance, conditions pupils to grade repetition. Thirdly, failure to embrace the decolonisation project as a 21st century way of approaching management and leadership of teaching and learning, compromises quality schooling for pupils. Lastly, failure, to expose pupils to looping, which is allowing teachers to go to the next grade with their learners, delays pupils from coping with new teachers they face there and thus underachieve and confirm the existence of lack of quality schooling in an educational institution. As part of the conclusion, the researcher recommends for all schools to take a firm stand that one pupil underachieving in their educational institution, is one learner too many.

Keywords: Achieve, Environment, Grade Repetition, Looping

1. Introduction

For the 21st century schools, learner underachievement has to be a taboo. Gold (2016: 8) accentuates that decent schooling remains a stress-buster for the organisational incumbents. This suggests that with a sound schooling in place, grade repetition is eliminated. The quality schooling under discussion in this paper is being comprehended by Sebola (2015:61) as the creation of a structure and order which cannot be externally imposed. They result from interaction between a multiplicity of governing nodes which influence each other in the creation of a certain order or behaviour. Every school requires order and a certain way of behaving by all its members for a learning institution to succeed with its core-function of teaching and learning. Schools experiencing quality schooling discharge their core-function of dispensing knowledge different from their counterparts. For instance, pupils in such schools are likely to radiate with enthusiasm and pride when coming to their lessons. Heilbron (2018:4) concedes that learners in quality schools are groomed and cultured never to compare themselves to others and never to get discouraged by the progress and success of others. Of note is that pupils in such schools grow up to be generous and committed humanitarians in their society. This suggests that quality schools succeed in developing a learner as a totality where he/she will be able to fit in his/her own society and be of value

to others. Sobuwa (2018:11) reminds that teachers in quality schools, are not likely to involve themselves in mutinous actions that jeopardise learning however, legitimate their grievances could be. This implies pupils are likely to experience a complete learner development that occurs free from any form of grade repetition. Quality schools do not make a big deal out of nothing. This signifies that quality schools are not in the news for the wrong reasons such as turning learners back home over putting on skinny pants. This is not to imply that quality schools are promoting lawlessness, ill-discipline and disorder by learners. Clarke (2009:14) reminds that high-performing and functional institutions are free from tensions in the sense that parents would not be baying for the blood of teachers who are accused of incompetence inside the classrooms. Quality schooling is known to be contributing to learner development (Msila, 2016:31). With a sound schooling in place, an institution that was known to be struggling in terms of producing brilliant and exquisite learner results, could turn the tide and register exceptional learner performance. Furthermore, quality schooling is known to be able to teach how to decimate and professionally resolve organisational challenges other than magnifying or aggravating them (Fox, 2010; Theletsane, 2014; Moyo, 2015:16). Khoza (2015:43) and Masina (2015:24) contend that where grade repetition is eradicated, with full learner development occurring, the delivery of quality schooling to all learners is possible.

Nkuna (2015:120) and Tisdall (2015:15) remark that apartheid has instilled in African learners a sense of self-hate and inferiority complex to the level of battling to create sustainable quality schooling. Pupils in quality schools are encouraged never to doubt themselves and their potential to achieve with their academic activities (Yukl, 2006; Motsepe, 2015:5). Shejavali (2015:34) and Siswana (2007:182) assert that conspicuous indicators of inefficacious and poor quality schooling are the dysfunctional institutional systems and structures prevalent in many public secondary schools which are also responsible for the underachievement of those schools as well as their spiralling grade repetition.

2. Theoretical Considerations

The critical theory has been selected to underpin this paper. Its choice rests in the relevance the researcher finds in it in terms of sufficiently illuminating issues of how, if left unabated, grade repetition obstructs learner development (Welman, Kruger, & Mitchel, 2005). Apart from enabling the researcher to frame this paper, the critical theory helped the researcher to make meaning from the whole notion of quality schooling and how it triggers learner development which incorporates minimising or completely eradicating grade repetition by pupils. One of the principles of the critical theory is that very often truth serves the status quo. The other principle relates to the question of "why is it that certain groups of people are so privileged in life than others"? These fundamental principles were helpful in clarifying how grade repetition would persist to be a thorn on the flesh of schools, unless quality schooling occurs in all schools. The contradiction with such a sordid state of affairs lies in the point that some learners are already being advantaged by where they are schooling much as others are already disadvantaged (Motsepe, 2015:5). Lack of decent schooling makes it difficult for the school governors and managers to be accountable to their customers, namely, learners and parents due to failing to service pupils appropriately. That the three selected secondary schools in this paper, are still experiencing lack of satisfactory learner development, has to be a cause for concern. The question to pose is whether the absence of adequate learner development is a deliberate or a demonstration of a sheer incompetence by three secondary schools under study. It is the critical theory which is better placed to adequately and convincingly respond to such a question (Moyo, 2015:16; Tisdall, 2015:15). In this paper, the

critical theory reveals that inequality in schooling, in the form of experiencing enabling learning environment and decolonisation in some schools and not in others, it is an unfortunate occurrence. Higgs and Smith (2010:67) advises that comprehending how quality schooling service is denied to learners, the context of the manifestation of denial of that quality schooling service, is essential. The critical theory assists in arriving at the root cause of grade repetition as the lack of quality schooling (Van Niekerk & Van Niekerk, 2009:12). (Arden, 2013:38; Allen, 2015:11) remind that the critical theory advocates for critical reflection on society, schooling included, in order to discover the hidden assumptions that maintain the existing power relationships that keep the societal members perpetually enslaved though in a different form and guise.

Hofstee (2010:110) avows that no skill is more useful than the ability to recognise and articulate a problem clearly and concisely. On the basis of the above, the problem of this paper centres around critiquing why some public secondary schools persist to struggle to overcome grade repetition, despite its notoriety. A plethora of literature reviewed attests that educational institutions pulling hard to eradicate grade repetition end up having an exodus of pupils vacating those learning institutions to where an enterprise of teaching and learning is handled differently (Ngcukana, 2018:6). When schools deliver quality lessons and scholastic learner performance is consistently high, that school could attract more pupils.

3. Research Questions

The research questions addressed in this paper are anchored on the critical theory as the theoretical perspective that underscores the paper (Higgs & Smith, 2010:88). Those research questions are as follow: what is the role and significance of the enabling learning environment, in eradicating grade repetition and facilitate learner development within the quality schooling fold? What are the ideas, desires and aspirations of educational stakeholders to the resurrection of the underachieving school into a high-performing institution? This paper intends to answer the following research questions.

- How is grade repetition understood and handled?
- How does grade repetition obstruct learner development?

- How does decolonisation boost quality schooling and learner development?
- How is learner looping linked to learner development?

4. Research Methodology

The research approach in this paper is a qualitative in nature. This stems amongst others from, the problem which the paper pursued, namely, critiquing why some public secondary schools persist to struggle to overcome grade repetition, despite its notoriety (Dawson, 2006; Levin, 2005). Interviewing and document analysis, as data collection tools, helped immensely in terms of illuminating issues of how, grade repetition obstructs learner development. The absence of decolonisation by some public secondary schools, revealed to be compromising decent schooling. A good case in point for such a state of affairs happens annually when some secondary schools keep on experiencing unabated scholastic underperformance of learners. This occurs amongst others as a result of lack of enabling teaching and learning environment and the absence of the culture of learner meteoric rise as well as the absence of looping (Masina, 2015:24). A good barometer for lack of decolonisation is persistent underachievement of schools. Literature confirms that decolonisation could overcome perennial under-functioning of schools. Partnering the qualitative research approach and the critical theory enabled the researcher to make an in-depth understanding of why grade repetition as the product of poor quality schooling and the absence of learner development, are proceeding unabated in the new dispensation. To conclude, interviewing techniques and document analysis were utilised to construct data relevant for this paper. All the documents, primary and secondary containing information about quality schooling, learner development and grade repetition by public secondary schools, were studied. To corroborate and triangulate the gleaned data, interviewing was conducted with three stakeholders in each of the three sampled secondary schools. Responses were audio-taped for transcription later-on. The said data collection tools emerged very helpful in terms of accessing information pertaining to how quality schooling is a precursor to learner development and a remedy to unabated grade repetition faced by schools. Poor quality schooling reduces learners into sub-human beings denied of decent schooling (Glatthorn & Joyner, 2005).

The three public secondary schools critiqued on the quality of schooling and learner development are being referred to as School A, School B and School C respectively to protect their actual identities. Prior to the commencement of the process of data collection through the mentioned data collection tools, the researcher adhered to the ethical consideration issues such as securing permission from the Limpopo Department of Education as well as from the University ethics committee. Consent of research participants was not ignored. Out of the population of fifteen secondary schools, three were conveniently sampled for in-depth study on the stated problem. Content analysis and the constant comparative methods were utilised to make making out of the gleaned data which were audio-taped. Analysis of data led to themes which were applied to author findings of this paper under the guidance of literature reviewed. This is an interview-based research – an interview schedule was developed in advance and piloted with each of the category research participants, namely a school principal, an SGB Chairperson and a learner who was the President of the Representative Council of Learners. In each of the sampled three secondary schools the said three categories of research participants were interviewed. Altogether, nine research participants were interviewed (Welman *et al.*, 2005).

5. Findings and Discussion

Findings arrived at in this paper, are in relation to the aim whose focus is: critiquing how lack of quality schooling persists to lead to grade repetition. The basis of the findings is the analysed data which were generated through the interviewing technique and document analysis. The researcher sampled those public secondary schools for scrutiny in the area of quality schooling and learner development and the eradication of perennial grade repetition. The choice of those three public secondary schools, was on the basis of the researcher having familiarised himself with issues of learner development and quality schooling three, down the years. The critical theory was helpful in the analysis of data to ultimately emerge with below findings. Findings and discussion for this paper are the following: the significance of an enabling learning environment, how learner meteoric rise conditions pupils to success other than to failure, how the absence of decolonisation consolidates lack of quality schooling which obstructs learner development and how the absence of learner looping leads to grade repetition. A detailed discussion of each finding follows.

5.1 An Enabling Learning Environment

Exquisite teaching and learning happen easily after the establishment of the necessary institutional structures, systems, policies, procedures, processes and appropriate schooling environment. The South African Schools Act 84 of 1996 proclaims that doing that is the competency of the school governors (Brunton, 2003:B-11). On this point of superior performance, owing its origin to quality schooling which triggers learner development, School Principal 1 of School A laments that "some of us who when becoming principals, landed in schools whose environments where detached from facilitating good teaching and learning, will take long to turn a tide with regard to using the internal environment to produce learners who are self-driven and industrious". SGB Chairperson 2 of School C shares that "I was more than privileged to serve in a primary school whose learning environment was simply matchless because of having being generated by previous governors who knew how much a good environment supports quality teaching and learning". Learner Representative Council 2 of school A asserts that "without a pupil-friendly schooling environment, any school irrespective of the unequalled competency of a principal would always pull hard to perpetually produce praise-worthy results". All research respondents place adequate attention to the school environment for the sake of salvaging the future of many learners. Even the review of literature is not mute about that. For instance, Tsheola (2002), Mbeki (2003), Madue (2013), Zwane (2015:10) and Pela (2018:16) emphasise that efficacious quality schooling as generated by the enabling environments, is what 21st century organisations require and demand for smooth operations.

5.2 Learner Meteoric Rise

Where pupils have been conditioned to an atmosphere of exceptional and excellent learner results, they are likely to work hard to produce that kind of results. This is because those are the only type of pupil-results they are used to and not any other (Adams, 2015; Macha, 2016:23). It makes absolute sense for schools to expose their pupils to an atmosphere of meteoric learner rise. This is the kind of atmosphere where no single learner would love to see themselves repeating a grade. On this challenge of grade repetition, School Principal 3 of School C cautions that "every school reaps what it sows referring to diverse pupil-results which different

schools even in the same vicinity perpetually produce". SGB Chairperson 3 of the same school states that "show me a single school whose learner performance is annually excellent, which is not producing those mouth-watering pupil-results being helped by a sound schooling climate and culture in place there". Learner Representative Council 2 of School B accentuates that "having noticed what a culture of meteoric learner rise does for this school, it will not be long before other schools make their journeys over here to see how the business of teaching and learning is being handled". As a researcher, I fully align myself with the observation by the research respondents that any scholastic learner achievement which is not ascribed to the available quality schooling culture, may not last long. The body of literature reviewed confirms in no uncertain terms the expressed views. For instance, Gobillot (2008), Cunha, Filho & Goncalvers (2010) advocate that the indispensability of a quality schooling as created by the appropriate atmosphere and culture towards the functionality of an educational institution, remains irreplaceable.

5.3 The Absence of Decolonisation

Allen (2014:9) remarks that as long as the creation of efficacious quality schooling is not taken as a priority by schools, then matching decent schooling to learner development within the decolonised schooling atmosphere could remain an unabated challenge. This suggests that apart from learner development relying on quality schooling for its occurrence, the prevalence of an atmosphere free from colonialist vestiges is necessary. On this point of decolonisation as invigorating quality schooling, School Principal 1 of School A concedes that "continuing to run our schools like in the past where as head-teachers we were following rules and regulations rigidly, is just not on with the evolved teaching and learning moods in schools of these days". SGB Chairperson 3 of School C reasons that "despite not fully clear about what the concept decolonisation entails, judging from how it is gaining momentum, it could help the governance of our schools to be different, considering the problem of learner-bullying prevalent in schools". Learner Representative Council 1 of School A cautions that "the unending battle learners are waging with the school management and the general teaching population could tone down, the time the school becomes transparent, open, consultative and transformative following the decolonisation route with the decisions taken

and implemented". These research participants blatantly confirm that, there is no longer turning back from the decolonisation movement. Schools have to embrace decolonisation and see if myriad ongoing challenges would not subside. This is being vindicated by countless literature reviewed for the sake of this paper (Omano, 2005; Kouzes & Posner, 2007; Thornhill & Van Dijk, 2010; Sebola, 2012; Qwabe, 2013 & Tisdall, 2005:15).

5.4 Lack of Learner Looping

Learner looping is a fairly new concept in many educational institutions. However, its suitability in the 21st century schooling is beyond questioning. This is on the basis of the crop of learners and teachers currently populating public secondary schools. Looping is well-intentioned in the sense that it addresses the obstacle of pupils struggling to adapt to the manner in which a teacher engages with knowledge (Heilbron, 2018:14). The philosophy of looping is that pupils proceed to the next grade with a teacher they were with in the previous grade. Logically, learner-looping works well where a school has successfully done away with grade repetition. This enables learners who were with the teacher the previous year, to meet her in the next grade. Prior to the operationalization of looping in schools, the routine of grade repetition, needs to be confronted and obliterated (Modiba, 2018:1; Sobuwa, 2018:11). School Principal 1 of School C states that "looping sounds an excellent idea, but hard to implement in our own schools where grade repetition is a huge burden". SGB Chairperson 3 of School 2 concedes that "looping should have been introduced sooner rather than later, to encourage pupils to take their studies seriously, knowing that the next teacher could be tougher than the current educator". Learner Representative Council 2 of School A reminds that "as long as there are boring educators, classrooms would convert into the battle-field and not the learning sides". The responses of research participants, confirm looping to be a nice idea, although it needs that the learning site first be levelled to allow it to thrive and flourish (Yukl, 2006).

6. Conclusion

Secondary schools need to speedily deal with the challenge of inefficacious learner development. This will enable them to improve their scholastic pupil performance. Whether hurdles associated with

quality schooling experienced by public schools are internally generated or externally imposed, that is immaterial. The question to ask has to be: what is it that every public secondary school should be doing, to create an enabling learning environment that triggers learner development within the quality schooling fold? This is possible with sound governance that is well-tailored to institutional incumbents. Such healthy governance needs to be free from euro-centric models and general institutional rigidity. The postponement of creating enabling learning environment could delay the introduction of the culture of meteoric learner rise. Such a state of affairs could allow learner-underachievement and general institutional dysfunctionality to soar. To boost learner development, experimentation with decolonisation of schools, is essential to enable schools to embrace looping.

7. Recommendations

The basis of these recommendations are the discussed findings which are as follow: There is a need for public secondary schools to establish for themselves, why is it that the significance of an enabling learning environment is being underrated in those schools, despite its known efficacy in generating institutional performance everybody would be proud of. There is a need for public secondary schools to embrace an awareness that a constant meteoric learner rise in an educational institution sows a new culture of performance by learners, where grade repetition disappears. That occurs through the creation of a strong governance ethos that promote a school's exquisite and maverick learner results. There is a need for educational institutions to embrace decolonisation and utilise that to introduce looping which could allow teachers to proceed to the next grade with their previous year pupils. Finally, there is a need for public secondary schools to take a firm stand that one pupil underachieving in their educational institution, is one learner too many.

References

- Adams, N.E. 2015. Bloom's taxonomy of cognitive learning objectives. *Journal of the Medical Library Association*, 103(3):152-153.
- Allen, J. 2014. *As a man thinketh*. New York: Dover Publications.
- Arden, P. 2013. *It is not how good you are, it's how good you want to be*. London: Phaidon.
- Brunton, C. (ed.) 2003. *Policy handbook for Educators*. Pretoria: Universal Print Groups.

- Clarke, A. 2007. *The handbook of school management*. Cape Town: Kate McCallum.
- Clarke, A. 2009. *The handbook of school governors*. Cape Town: Kate McCallum.
- Connors, J. 2016. We got ourselves into this sordid mess. *Mail and Guardian*, 31 March 2016.
- Creswell, J.W. 2010. *Research design: Qualitative and quantitative approaches*. London: Sage Publishers.
- Cunha, C.M., Filho, T. & Goncalves, R.S. 2010. Accomplishments and limitations: The National Development Plan as a political economic strategy. In *Evo Morales's Latin American Perspectives*, 173.37(4):177-196.
- Dawson, C. 2006. *A practical guide to research methods: A user-friendly manual for mastering research techniques and projects*. Oxford: How to Books.
- Department of Education, 1997. *Understanding the SA Schools Act*. Cape Town: CTP Book Printers.
- Department of Education, 2002. *Conference on school governance: Towards effective and functional governance*. Polokwane, 2 February 2002.
- Du Plessis, C. 2016. An alternative ANC is rising out of the ashes. *Mail and Guardian*, 14 April 2016.
- Fox, W. 2010. *A guide to public ethics*. Cape Town: UCT press.
- Glatthorn, A.A. & Joyner, R.L. 2005. *Writing the winning thesis or dissertation: A step-by-step guide*. Thousand Oaks: Corwin press.
- Gobillot, E. 2008. *The connected leader: Creating agile organizations for people performance and profit*. London: Kogan Page.
- Gold, S. 2016. Places to recover your soul. *Mail and Guardian*, 31 March 2016.
- Heilbron, M.P. 2018. Don't doubt yourself. *Daily Sun*, 2 March 2018.
- Higgs, P. & Smith, S. 2010. *Rethinking truth*. Juta: Cape Town.
- Hofstee, E. 2010. *Constructing a good dissertation: A practical guide to finishing a Masters, MBA or PhD on schedule*. South Africa: Epe Publishers.
- Khoza, G. 2015. Courage will right the wrongs. *Mail and Guardian*, 26 June 2015.
- Khumalo, F. 2016. Leaders must think before they speak. *Sowetan*, 22 April 2016.
- Kouzes, J.M. & Posner, B.Z. 2007. *The leadership challenge*. San Francisco: John Wiley and Sons, Inc.
- Levin, P. 2005. *Excellent dissertations: Student friendly guides*. UK: Open University Press.
- Macha, N. 2016. Plan to outsource schooling slammed. *Mail and Guardian*, 14 April 2016.
- Madue, S.M. 2013. The role of oversight governance. *Loyola Journal of Social Sciences*, 27(1):37-56.
- Masina, L. 2015. Corrupt police shake down Malawi. *Mail and Guardian*, 8 May 2015.
- Masina, L. 2015. Malawi cash scandal reaches SA. *Mail and Guardian*, 26 June 2015.
- Mathabathe, C. 2016. *State of the Province Address*. Jackbotes Hall, Polokwane, 26 February 2016.
- Mbeki, T. 2003. *Public symposium on millennium goals*. Progress Governance Conference, 12 July 2003, London.
- Modiba, N.S. 2018. The implication of student's underperformance. *A speech delivered to the University of Limpopo Mentors*, 1 March 2018.
- Mouton, J. 1996. *Understanding Social Research*. Pretoria: Van Schaik.
- Motsepe, P. 2015. What the continent needs to prosper. *Mail and Guardian*, 5 June 2015.
- Moyo, H. 2015. Greed, Corruption leads to poverty among Zim's pensioners. *Mail and Guardian*, 7 August 2015.
- Msila, V. 2016. Don't waste this crisis. *Mail and Guardian*, 31 March 2016.
- Naidu, A., Joubert, R., Mestry, R., Mosoge, J. & Ngcobo, T. 2012. *Education management and leadership: A South African Perspective*. Southern Africa: Oxford University Press.
- Ngcukana, L. 2018. Sex for marks scandal mars Cape School. *City Press*, 18 February 2018.
- Nkuna, S. 2015. Shake off this self-hate. *Sowetan*, 17 March 2015.
- Omano, E. 2005. *A democratic developmental state in Africa?* Johannesburg: Centre for Policy Studies.
- Pela, N. 2018. Determined to succeed. *African Times*, 12 March 2018.
- Pithouse, R. 2016. Violence: What fanon really said. *Mail and Guardian*, 14 April 2016.
- Qwabe, B.R. 2013. Realising South Africa's vision 2030: A capacity building perspective. *Administratio Publica*, 21(2):21-36.
- Ratlebjané, M. & Pather, R. 2016. Inequality, poverty drives xenophobia. *Mail and Guardian*, 14 April 2016.
- Sebola, M.P. 2012. Objective role of the South African media industry: The watchdogs for good governance and service delivery. *Journal of Public Administration*, 47(1):407-419.
- Sebola, M.P. (ed.) 2015. *Local government administration in post-Apartheid South Africa: Some critical perspectives*. Polokwane: Batalea Publishers.
- Shejvali, A. 2015. Ask the Africans betrayed by their leaders about the ICC. *Mail and Guardian*, 26 June 2015.
- Siswana, B. 2007. *Leadership and governance in the South African public service: An overview of Public Finance Management System*. Unpublished PhD thesis. University of Pretoria, Pretoria.
- Sobuwa, Y. 2018. Sadtu teachers strike in Eldos. *Sowetan*, 15 February 2018.
- Tedesse, T. 2016. Failed bid for quality assurance. *Mail and Guardian*, 31 March 2016.
- Theletsane, K.I. 2014. Drawbacks in South Africa's pursuit of democratic rule and good governance. *Journal of Public Administration*, 49(3):836-846.
- Thornhill, C. & Van Dijk, 2010. Public administration theory: Justification for conceptualisation. *Journal of Public Administration*, 45(1.1):95-110.
- Tisdall, S. 2015. Burundi on the brink of a cataclysm, *Mail and Guardian*, 8 May 2015.

- Tsheola, J.P. 2002. South Africa in Gear: "A better life for all" or a zero-sum game of globalization? *Geo Journal*, 57:15-28
- Van Niekerk, E.J. & Van Niekerk, P. 2009. Managing change in education through a model of long-term leadership and short term leadership. *Journal of Educational Studies*, 8(1):1-21.
- Welman, J.C., Kruger, F. & Mitchell, B. 2005. *Research methodology*, (3rd ed.). Cape Town: Oxford University Press.
- Yukl, G. 2006. *Leadership in organisations*. New York: University of Albany.
- Zwane, T. 2015. Activism: The ANCWL is out of its league. *Mail & Guardian*, 20 August 2015.

The Elusive Quest for a Functional Higher Education Funding Mechanism for South Africa: A Time to Walk the Talk

PT Ayuk and SB Koma
Milpark Business School, South Africa

Abstract: The South African higher education (HE) sector faces a watershed moment. A key question on most minds is: what is the best way of funding higher education in South Africa? Although relevant stakeholders might have conflicting interests on this matter, the ultimate goal must be to find a mechanism that best responds to South Africa's developmental realities and aspirations. A marked feature of the SA (and indeed global) HE sector has been increased demand, in excess of supply for HE services. Additionally, there has been increased pressure on the national treasury for competing public goods such as transport energy and healthcare infrastructure. The effect of this has been dwindling state subsidies for HE, which has compelled state-owned higher education institutions to explore alternative sources of funding, notably rising tuition fees and other commercial revenue streams which hitherto were typically associated with private HE providers. The "fees must fall" student unrests which gripped most HEIs in South Africa in 2016 signaled the heightened and growing discontent among students (and by extension, their parents and sponsors) regarding the crippling effects of current HE funding mechanisms in SA. In response to this and related matters, the Fees Commission was set up and delivered its report on 12 November 2017. But before the key findings and recommendations of this report could even be understood, President Jacob Zuma in a knee-jerk reaction seized the occasion of the opening of the 54th conference of the ANC to announce conditional free higher education. Using a thematic analysis of SA's own experience and selected international experiences and in the context of the envisaged development trajectory for South Africa, this paper argues that major shifts in the psychosocial compact between government and the people are required to find an enduring solution to the current HE funding debacle. More specifically, it offers some recommendations towards attaining such a solution.

Keywords: Financial access, Heher Commission, Higher education funding, Income-contingent loan

1. Introduction

Almost a decade ago, Altbach, Reisberg and Rumbley (2010) warned that the 2008 global economic crises would have repercussions in higher education in ways that were yet unclear. Rather prophetically, they predicted that many countries would be forced to introduce or increase student fees, enforce cost-cutting measures such as freezing academic posts and holding back on the expansion of facilities and innovations, with the attendant impact of eroding the quality of educational delivery, in the face of ever-rising demand for access.

South Africa faces its fair share of global challenges confronting the higher education (HE) sector, notably rising massification, commodification and internationalization (Nixon, Scullion & Hearn, 2018). Underneath these topline issues is the question of how best to fund such a dynamic sector, so that both the strategic goals of higher education and national development are best achieved? This

question rose to the pinnacle of national discourse in South Africa in the last quarter of 2015, epitomised by the #FeesMustFall student protests which rocked almost all HE institutions (HEIs) in South Africa. In spite of demonstrated political will by the government and HEIs to address the question of HE funding, a permanent solution remains elusive. This paper offers a critical review of the pathways to funding HE historically followed in South Africa; the main proposals tabled by key national forums tasked with finding solutions to the recent HE funding debacle; and pertinent international experiences on HE funding and proffers recommendations which might contribute towards a more functional and sustainable HE funding mechanism for South Africa.

For the purpose of this paper, a relatively narrow definition of HE is adopted, which is limited to public universities. Although other important components of the South African HE system, such as colleges and private HEIs, are recognised we believe that

the nature and largely unique purposes served by these components warrant differentiated funding strategies which cannot be comprehensively interrogated in one article.

2. Rationale, Research Objectives and Approach

It is widely accepted that HE serves two primary goals, namely, national development and personal growth. In the context of South Africa with a well-entrenched history of social inequality, HE serves a third key goal, namely, as a vehicle for social justice.

South Africa's national democratic project is now well into its third decade and is expected to be reaching maturity. In its first decade, an intensely developmental approach to HE reforms was adopted, with the primary goal of opening up access to large segments of society that were hitherto systematically excluded from the rights and privileges of HE (DOE, 1997). By the second decade, the need to balance access with quality came to the fore and the focus rightly shifted to quality regulation and promotion (DHET, 2013). In the current decade, while the questions of access and quality remain pertinent, a new question that preoccupies national policy makers and leaders in the HE sector is how best to fund the HE sector so that it continues to effectively serve strategic national objectives.

As at 2007, HE funding was already a topical matter at the 52nd conference of the African National Congress (ANC). A key resolution of that conference was the governing party would progressively introduce free education for the poor until undergraduate level. Since then, and while the full

realisation of that resolution remains pending, state subsidies to universities have continued to decline in real terms. In reaction, universities have had to increasingly rely on tuition fees and third stream incomes (i.e. contract fees, donations etc.) to fund their programmes (DHET, 2018).

Although in nominal terms the yearly increases in state subsidies to universities were consistently higher than the average rate of general inflation (measured by the consumer price index (CPI)), it remained below the higher education price index (HEPI) which more accurately reflects inflation within the HE sector (HESA, 2014).

NSFAS was created through the NSFAS Act of 1999 as a conduit for financing HE access for poor students. While NSFAS has achieved much in fulfilling its mandate, the data indicate that the agency has been under increasing pressure to meet its financial obligations (CHE, 2016). Three fundamental reasons for this trend are identified (CHE, 2016; DHET, 2018): (i) declining real value of state allocation, (ii) increasing demand and (iii) persistently low recovery rates of loans. Further, most universities, especially the historically disadvantaged institutions (HDIs) have very limited capacity for generating third stream incomes. As a consequence, most universities have increasingly placed the burden of cost of HE on the students, in the form of tuition fees. The impact of rising fees is further exacerbated by the rise in related costs of HE, notably student accommodation and living expenses.

In the last quarter of 2015 and through most of 2016, the South African HE sector was embroiled in a series of student protests. What started as

Table 1: Changes in the Real Value of per Capita State Funding of Public Universities in South Africa: 2012 - 2017

Financial year	Block grants (R '000) - excluding NSFAS and Earmarked grants	Enrolments	R'000 per student	% Increase in funding per student	% Nominal increase in funding	CPI	HEPI *
2011/12	19 354 159	938201	20.63			5.71	7.51
2012/13	20 902 779	953373	21.93	6.28	8.00	5.30	7.10
2013/14	22 388 767	983698	22.76	3.81	7.11	5.32	7.12
2014/15	24 155 093	969155	24.92	9.51	7.89	5.18	6.98
2015/16	26 342 110	986212	26.71	7.17	9.05	7.07	8.87
2016/17	27 964 560	975835	28.66	7.29	6.16	4.50	6.30

*Average Higher Education Price Index (HEPI) is estimated at a conservative CPI + 1.8

Source: DHET (2018) and USAf (2017)

a demand for broader social reforms, tagged #RhodesMustFall soon morphed into the more focused demands for reforms in HE funding. In response, government took a number of short term measures (e.g. tighter fees regulation and increased allocation to NSFAS) aimed primarily at stemming the tides, while the Commission of Inquiry into Higher Education and Training (CIHET) was tasked with finding long term solutions to the question of HE funding and related matters. The commission, chaired by retired judge Jonathan Heher released its report (hereafter referred to as the Heher Report) on November 13, 2017.

Addressing the opening of the 54th congress of the ANC, then ANC President, Jacob Zuma reiterated the party's commitment to implementing free higher education for poor students, citing the Heher Report as the basis for a sustainable implementation of this policy (Zuma, 2017:9). This sentiment was carried through in the conference resolutions and has since triggered a series of political decisions such as the DHET directive for zero fees increase in 2018 as well as budget adjustments by National Treasury.

Against the above background, the quest for a workable and sustainable solution to the funding of HE in South Africa remains ongoing. The main aim of this paper is therefore to critically review and reflect on the documentary evidence pertaining to the funding of HE in South Africa vis-à-vis relevant international experiences, so that suggestions for a more nuanced, functional and sustainable solution can be advanced. In pursuit of this aim, the paper targets the following specific objectives:

- To critically review the evidence and recommendations of the Heher Report and related reports in respect of HE funding in South Africa;
- To identify and motivate key international experiences in HE funding that might be beneficial for South Africa;
- To advocate for fundamental shifts in the way key stakeholders in HE, notably students, government and the universities perceive their rights and obligations in respect of the provision and funding of HE.

In tackling these objectives, the authors adopt a rather unconventional research approach, based on a conceptual analysis of secondary documentary

evidence, juxtaposed with the authors' own experiences both as members of the South African public and as HE practitioners.

3. The Strategic Objectives of Higher Education Funding in South Africa

Globally, HEIs have been recognised as strategic instruments for addressing key policy priorities; as sources of research and innovation and agents of social justice and economic development (Bamiro, 2012:2; Bray & Varghese, 2010:47) and SA is no exception.

South African Higher Education Institutions (HEIs) are established in accordance with the *Higher Education Act, 1997*, as amended. However, individual institutions reserve the prerogative to develop their own policies on matters such as the mechanisms for financing their operations, within the broader national regulations. The *Bill of Rights* enshrined in the Constitution of the Republic of South Africa *inter alia*, provides that further education must be made progressively accessible, through reasonable measures, to all who qualify. The development of the system of higher education, according to the *Education White Paper 3, 1997*, cannot be left to market forces, especially since it is not able to find solutions to the reconstruction and development challenges of the country. The White Paper proposes a planning model of higher education funding which is able to achieve amongst others, pertinent policy objectives of equity in the system of higher education and a funding framework which is responsive to national economic and social needs and ensures stability in the budget process.

In the heat of the 2015/16 protests by students at SA HEIs, many questions regarding the purpose and approach to HE funding in the country surfaced from diverse stakeholders, notably the students, government and the Universities, often signaling competing interests. The only areas of agreement were limited to two goals, namely, increased access and better quality of provision. On a third goal, namely fairness and equity, the students seemed to contradict themselves in how it should be attained, by calling for free HE for all, which in the view of many, would reinforce existing socio-economic inequalities (HESA, 2008; van der Berg, 2016). The key issue of disagreement however, has been how to sustainably fund the envisaged increases in both access and quality. Some of the pertinent questions

that have surfaced in this regard are (Baijnath, 2016:2,4):

- Can a developing country such as SA afford free higher education?
- How can the demands for increased funding to HE be balanced with competing demands such as health and basic education in a fiscally constrained environment? And lastly,
- Should the goal be for free HE for the poor or for all?

These and other related questions were at the core of a colloquium at the instance of the CHE on 3 December 2015 and subsequently, a Presidential Commission – CIHET. A critical review of the key findings from these and other related reports might help surface a shared understanding of how the question of HE funding in SA should be best approached.

3.1 Key Issues and Recommendations From National Forum on the Question of HE Funding in SA

3.1.1 The Davis Tax Committee Report

The Davis Tax Committee (DTC) Report on funding for tertiary education published on October 2016, argued that fee-free higher education for all is neither economically possible nor desirable in the short to medium term for South Africa. The committee which serves an advisory function to the Minister of Finance recommended a hybrid system made of grants for the poor, government-backed income-contingent loans for the so-called missing middle (i.e. students from families whose household incomes are too high to qualify for grants yet too low to qualify for commercial loans) and full fees for the wealthy (DTC, 2016:5).

3.1.2 The CHE Colloquium of December 2016

Although the presenters at the CHE colloquium articulated their views in their personal capacities, several points of convergence were evident. Signaling the positions of various participating agencies notably the DHET, NSFAS, some universities and NGOs active in the HE domain, the following views stood out (CHE, 2016:11-32):

- The South African Constitution does not guarantee access to HE as a fundamental human right

but rather, one that must be earned; hence the idea of free HE for all has never been a policy aspiration of the SA government.

- Free HE for all is neither feasible nor desirable.
- Any funding model must be rooted in the values of Efficiency, Access, Fairness and Equality. Although government-backed income-contingent loans were identified as the model that best reconciled all these values, it was conceded that financing such as scheme remained problematic, especially in the face of ever-rising demand for HE places.
- In general, a cost-sharing funding model remained the best way of financing HE in SA, which is regarded as both a public and private good.

One key outcome of the colloquium was a shift in linking student loans to the income potential of the family or sponsors, but to the student's own future earnings. This shift also implies a reconceptualisation of who constitutes the poor; no longer defined in terms of the students' background, but their own potential earning capacity; thus better matching the incidence of the cost of HE to its dividends. In several instances during the conference, there was a palpable apprehension that students would not accept any solutions that required any material contribution from them (or their sponsors), whether now or in the future. Such apprehension almost forces participants to advance solutions that promise short term political gains (i.e. curbing any further student protests, at least for now) over enduring long term options.

3.1.3 The Heher Commission

In this section, we analyse the main issues deliberated by the Heher Commission and the key findings of its report (Heher Report, 2017) with a view to assessing its contributions towards finding an enduring solution to SA's HE funding debacle.

Following a very expansive consultative process involving among many other key stakeholders; students, several HEIs across the PSET sector, DHET and its associated agencies such as the CHE, HESA and NSFAS and several champions in their private capacities, the following salient points emerged from the deliberations of the commission (Heher Report, 2017:228-262):

- Although NSFAS had generally done very well in improving access to HE for the poor, its impact was severely undermined by significantly lower success rates of NSFAS-funded students in comparison to the others;
- South Africa's expenditure on higher education and training as a percentage of GDP is well below the average for African and OECD countries;
- DHET funding to universities declined from 49% to 38% of total University revenue between 2000 and 2014; a point that is further aggravated by the reality that HEPI is on average, 2% higher than CPI;
- Core principles underpinning HE funding in SA are primarily access, efficiency and fairness, as well as equality, quality and sustainability.

In seeking to address its mandate, the Commission heard and considered several proposals on how to fund HE in South Africa, notably (Heher Report, 2017:471-516):

- **Differential fees:** This approach involves charging different amounts of tuition fees, depending on the interaction of factors such as the cost of provision of individual institutions, the type of course in question, and students' socio-economic background, which would require means testing. Although means testing has the potential to provide a sensible basis for equitable contribution by families that benefit from HE, it has been criticised for two main reasons: (i) it can (and has been) easily manipulated by applicants, thus distorting the integrity of the data collected and (ii) it undermines the equality principle (Hull, 2016) as students from poor background feel stigmatised by the screening process.
- **Ikusasa student financial aid programme (ISFAP) model:** This is also a cost-sharing model involving a mixture of grants and loans from the national treasury, but with even higher reliance on means testing. Further, a distinctive feature of this model is a widened funding pool from the private sector, notably in the form of public private partnerships (PPPs), Corporate Social Investments (CSIs), Social Impact Bonds (SIBs) and B-BBEE levies.
- **Fee free for all:** Examples of systems where students pay no tuition fees, such as Brazil and Norway were considered; but neither of them fitting the SA context. For example, in Brazil, due to limited funding, only a small proportion of students can access the public universities, leaving the vast majority of students at the mercy of demand-absorbing private institutions of variable, but mostly inferior quality. Pertinent lessons from the Brazilian example are that in such a country with high income inequality (as is the case with SA), (i) free HE benefits the rich more and (ii) the private benefits of HE outweigh the public benefits; thus making a user-pay system even fairer. In Norway, the system is able to cater for the large majority of enrolments but is funded by high personal income and corporate tax rates, backed by a larger tax base than is currently possible in SA. The committee heard that in general, developing countries (e.g. Uganda, Ghana, Nigeria and Cameroon) that have experimented with free HE have since realised that it not only restricts access but also unsustainable. Many of these countries have progressively moved towards more cost-sharing models to alleviate these challenges.
- **Graduate tax:** Input on deferred payments via a graduate tax was led by delegates from the national treasury, but seemed to be fraught with more challenges than opportunities. As only graduates who are gainfully employed would be required to contribute, the tax rate might be prohibitively high, which might in turn trigger a talent flight. Also, the treasury was uncertain that such a system would be administered to ensure both efficiency and effectiveness.
- **Income contingent loans:** A HE funding mechanism financed by student loans linked to their future earnings was advocated by several presenters and seemed to be the most appealing option, in terms of ensuring access, fairness, sustainability and equality. Evidence from countries such as Australia, New Zealand and the UK suggests that such a system, backed by effective fee regulation mechanisms, enrolment planning and loan recovery mechanisms (e.g. by the Receiver of Revenue) has yielded resounding success in terms of sustained access and quality provision. This, its proponents argue, is indeed 'free education for the poor' as beneficiaries who never earn above a set threshold will never have to repay the loan. It also shifts the locus of the definition

of poverty from the student's family, directly to the student. A major weakness of this scheme is that its introduction would require a major initial capital injection, which, as evidenced by a statement by the Banking Association of South Africa (BASA), it is not ready to commit to.

Although it is recognised that internal institutional efficiencies (as indicated by pass rates and throughput rates) impact on any funding mechanism, none of the proposed mechanisms delved into how the stubbornly low progression rates prevalent in SA HEIs could be addressed.

After weighing the evidence before it and in motivating the ICL as the current optimal approach for funding HE in SA, the commission concluded that in order to achieve the ultimate goal of universal access to quality education (Heher Report, 525-536):

- An ICL system is best suited for the current SA context, as a developing country with high income inequality.
- The political pressure (mostly by students) for fee-free education is unlikely to go away and might in fact, intensify. The Commission therefore urges the government to take a common sense approach in managing student's expectations towards the realities that they would be required to pay for what they receive, in order to give future generations a chance at similar opportunities.
- In order to fund the recommended (ICL) model, the commission advises that:
 - » The primary responsibility for funding the scheme rests with commercial banks. However, it must be cautioned that until they come on board, this too remains only wishful thinking.
 - » Long unclaimed pension benefits (over R42 billion) should be used to service government guarantees and liabilities associated with ICL.
 - » An education fund should be established to which companies can make donations.
 - » All students, regardless of their personal or family means would be obliged to participate in the scheme. Those who wished to

opt out, or make an early settlement would be required to pay an equalisation premium, in the interest of social advancement and cohesion.

- » Repayments would commence once the student starts earning above a stipulated threshold and increase in direct proportion to subsequent increases in earnings.
 - » Fees must be regulated to ensure that they reflect the real cost of provision, in environments of rigorous financial management of institutions.
- The participation of the National Student Financial Aid Scheme in the funding of university students should be replaced by the ICL system. NSFAS should be retained for the provision of funding of all TVET students and TVET student support if such retention is considered necessary.
 - The scheme should progressively be extended to include all undergraduate and postgraduate students studying at both public and private universities and colleges, regardless of their family background.
- Since the release of the Heher Report, institutional response to the lingering HE funding crisis can be inferred mainly from the 2018 budget speech, as well as operational decisions made by the universities at the opening of the 2018 academic year.
- Pertinent pronouncements by the February 2018 Budget Speech in relation to HE funding include (National Treasury, 2018:14):
- An upward revision of VAT to 15% and adjustments to personal income tax brackets which are expected to raise an additional R36 billion in 2018/19 towards financing HE;
 - A total of R57 billion allocation towards fee-free HE over the next 3 years, giving HET top most priority during the period; and
 - A commitment to fully fund all new first year students at (public) HEIs from families with household incomes below R350 000 in 2018 which will be expanded in subsequent years until all students in that category are covered.

At minimum, the budget speech demonstrates government's commitment to promoting access to HE, especially for the poor. It further emphasises the view that South Africa cannot afford free higher education for all at this time; instead a hybrid system is required, comprising of grants for the poor, as well as tuition fees for the wealthy.

4. Review of International Experiences in HE Funding

Some authors have sought to make international comparisons of HE funding practices by focusing on metrics such as the proportion of GDE allocated to HE funding and total allocation per student (Browne, 2010). However, such comparisons have been found to be of little instructive value, as they do not take into account the contextual differences in the relevant strategic objectives and the real impact that HE funding systems have on national development outcomes (Glennie, 2016). Perhaps a more meaningful approach is to base such analysis on the underlying principles, processes and outcomes of HE funding and the extent to which valuable lessons can be drawn to benefit the SA situation. Accordingly, this paper draws primarily from the experiences of two countries namely, Nigeria and the United Kingdom (England) which might benefit SA. The choice of Nigeria was influenced partly by its long history of HE provision and SA's major economic competitor in the African market. The UK on the other hand has an even longer history of HE provision; a major source of cultural influence on the SA HE; and lies ahead of the development curve in relation to SA and might offer opportunities for SA to flatten its own learning curve. But before delving into specific country analysis, the scene is set by outlining global trends in HE funding.

4.1 Global Trends in HE Funding Practices

In most countries around the world, the conception of higher education has shifted from one of a predominantly public good to that of a predominantly private good. Many authors have reported that such shifts have coincided with the stages of national development, the public good notion favoured during early stage development and then drifting to the private good notion as the countries became more developed (Kallison & Cohen, 2009; Tilak, 2015). Countries at early stages of development tend to prioritise the goals of access and participation in HE in order to build the critical mass of

human resources needed to drive national development. However, over time, as earnings potentials increased significantly with HE, the notion of HE as private good tended to take precedence, signaled by declining public funding and a corresponding increase in the burden of HE costs on the users or their private sponsors (Bolton, 2017; Kallison & Cohen, 2009).

Tilak (2015) highlights the decline in public expenditure in HE as the most important crisis facing the HE globally, with countries with tuition-free HE now becoming a rarity. Most countries now favour a dual-track system in which tuition fees are selectively applied to exempt or subsidise the poor. In most countries, state grants and subsidies were initially replaced by government-operated student loans. However, as governments' capacity to sustain such loans became hampered mainly by low recovery rates and rising demand, most countries HE funding to income-contingent loans run by commercial banks, effectively shifting the responsibility for financing HE from government to individual families and more specifically, from parents to the individual students.

As the void left by declining state funding could not be fully filled by tuition fees, it also became imperative for HEIs to generate third stream revenues, typically by providing consultancy and commercial services to Corporates, a practice which many fear might inadvertently change the mission of HEIs (Glennie, 2016; Tilak, 2015). Declining state funding of HE has had several indirect consequences, some prominent ones including the rise in privatisation and internationalisation of HE (Altbach *et al.*, 2009). Rising privatisation is characterised by the increasing role of private (and often for-profit) HEIs in many countries, with diverse implications for access, quality and cost of HE. Rising internationalisation has been mostly driven by the need to attract foreign students, who typically pay higher fees that subsidise their local counterparts. A common critic of internationalisation relates to the quality of provision, as unscrupulous institutions from developed countries prey on gullible students in developing countries, especially when their programmes are delivered in the host countries.

4.2 The Nigerian Experience

From the inception of the earliest HEIs in Nigeria in the early 1960s, they were mainly funded through

state subsidies, complemented by tuition fees. Thanks to the so-called oil boom of the seventies, school fees were abolished for all public HEIs in 1978 (Olutayo, 2016). In Nigeria, two types of public HEIs exist, namely, federal institutions and state-owned institutions. Since 1978, all federal institutions and most state institutions have been funded mainly through government subsidies, while students are charged minimal amounts (e.g. averaging \$100.00 (federal) and \$500.00 (state)) as levies (Bamiro, 2012:19).

However, while the provision of tuition-free HE in Nigeria might have made it affordable to a privileged few, it has in the main, failed to meet national objectives in terms of both access and quality of provision. For instance, a snapshot of data of all Nigerian universities between 2003 and 2007 (Akinyemi & Basse, 2012:88) indicates that, on average, only about 8.4% of all applicants were successfully enrolled. Notwithstanding the limited access, the government of Nigeria has struggled to provide globally competitive quality HE. In order to prop up the state's capacity to finance HE, the Tertiary Education Trust Fund (TETF) was created in 1993 and funded through a 2% tax on corporate profits (Bamiro, 2012:15). Additionally, public universities are required to generate 10% of their budgeted revenue from third stream income sources (Bamiro, 2012:18). In response to such pressures and with apparent lack of imagination some institutions have been engaging in mundane ventures such as the operation of bakeries and toll gates on campuses to generate additional revenue (Bamiro, 2012:18).

Despite the efforts of the Nigerian government towards providing tuition-free HE, the lack of both meaningful access and quality provision has, since the early 2000s, resulted in the upsurge of private HEIs and the emigration of many school leavers to seek HE in other countries. For example, since 2006, there has been a spike in enrolments in private HEIs in Nigeria, which have gained a reputation for better quality of provision (Obasi, 2015). This signals the importance of quality over price, as students and their sponsors (mostly families) place greater value on the private benefits of HE. The Nigerian HE system thus remains locked in a quandary of balancing cost to users with widened access and quality. The stark disparities in quality of provision between public and private HEIs in Nigeria is creating a new form of social injustice (Bamiro, 2012:20;

Iruonagbe, Imhonopi & Egharevba, 2015), where students from poorer backgrounds are condemned to poorly resourced public institutions while those from more affluent backgrounds study in the better equipped private institutions locally or in foreign universities. In response to this untenable situation, there are many who are now calling for the reintroduction of tuition fees in public universities; calls which have been met with stiff resistance by students (Bamiro, 2012:20; Okebukola, 2015). Thus driven by an unsustainable sense of security from the 'oil boom' of the late 1970s and 80s, the Nigerian government promised more than she can deliver and now faces an even bigger challenge of providing fair and affordable access to quality higher education.

4.3 The UK Experience

Although the United Kingdom (UK) has a longer history of HE compared to both SA and Nigeria, she too continues to grapple with the question of funding the sector in an effective and sustainable manner. The Browne (2010) Report marks a major turning point in redefining the goals and means of financing HE in the UK and more specifically, England. The Browne Commission followed a broad consultative process (which is similar to and might in fact have influenced the design of the Heher commission) and had three main aims (Bolton, 2017; Browne, 2010), namely, to:

- increase participation in HE (i.e. access) to sustain the UK's competitiveness in global matters;
- maintain a high quality of educational provision; and
- ensure sustainability in financing HE, in pursuit of which the commission recommended higher contributions from those who can afford, including private companies.

In fulfilling their mandate, the commission was guided by three core principles. Firstly, no one should be excluded from HE for financial reasons. Secondly, no one should have to pay for higher education until they become employed and earn above a specified income threshold. Like the CEHER, the Browne Report had recommended a premium charge for students (or their sponsors) who elected not to take up the loan. Thirdly, the commission was determined that loan repayments must be affordable, being contingent on the beneficiary's

eventual income and not linked to interest rates or the outstanding balance.

As noted by Bolton (2017), most of the recommendations of the Browne Report were adopted by the UK government's 2012 HE funding reforms, with minimal modifications as outlined in Table 2.

However, the government of England soon reneged on its own policy of capping student numbers, as increases in student numbers for 2014-2016 were announced in 2013, more in line with the initial recommendations of the Browne commission (Bolton, 2017:6). This shift in policy position was an unavoidable response to ever-mounting demand for access to HE. The increases in enrolment were to be funded by the sale of older student loan books, thus ensuring that the quality of provision is not undermined. In England, the current HE funding mechanism is characterized by increasing student loans and declining grants as typified by the decision to replace maintenance grants with maintenance loans from the 2016/17 academic year (Bolton, 2017:10), thus further shifting the burden of funding from government to the student. In general, there is a clear shift towards market related costs of financing.

4.4 Breaking the Cycle of Poverty

Midway into the 2018 academic year, there has been apparent calm at SA HEIs but not many are under

any illusion that the dust raised by the 2015/16 #FeesMustFall strikes has finally settled. As promised in the 2018 Budget speech, students from households with proofs of incomes below R350 000 now enjoy free HE. However, tensions continue to simmer below the surface as there are many more, in the so-called missing middle for whom access to HE remains a problem. To solve this problem now and for the future generations, something tangible needs to change.

The three commissions reviewed above are only a selection of many that have been tasked with finding a solution to the question of HE funding in SA. Ironically, each commission has ended with a recommendation to set up another task team (or similar) forum to take the process forward. For example, despite the time and resources invested into the Heher commission, it also recommended the formation of a task team to advise the minister of higher education on funding for the poor and missing middle. It appears therefore that either the truth is elusive or as a country we know it, but are not ready to face it. We subscribe to the second view and therefore urge all key stakeholders to face up to the challenge so that together, we can build an enduring democracy for ourselves and future generations.

We focus our argument on two key findings emerging from the forgoing narrative: (I) the appropriateness of the ICL system as a credible option for South

Table 2: Higher Education Funding in England

Browne Recommendations	Major Differences in the 2012 HE Funding Reforms
<ul style="list-style-type: none"> • Remove direct public funding for most undergraduate courses and retain a much smaller amount for higher cost subjects. • Remove the cap from tuition fees. Institutions would keep all the income up to £6,000 per year and share any more with Government. • Extend student loans to part-time students. • Increase the loans repayment threshold from £15,000 to £21,000 and increase it in line with earnings in the future. • Introduce a real interest rate on loans for those earning above the threshold equal to the Government's cost of borrowing (inflation plus 2.2%) and ensure no one repaying their loan sees its real value increase. • Extend the write-off period of loans from 25 to 30 years. • Increase student numbers by 10% to remove excess demand. 	<ul style="list-style-type: none"> • A cap on fees of £9,000, no levy on fees above this level, but obligations on the institution to spend more on access for disadvantaged students. • A real interest of 3% above inflation for graduates earning above £41,000 (in 2016) with a sliding scale rising from 0% (real) at £21,000. • Annual uprating of both thresholds in line with growth in average earnings. • No growth in student numbers.

Source: Bolton (2017:5)

Africa; and (II) the need for better sense of social responsibility and active citizenship by the primary stakeholders of HE, especially the students, government and the universities.

The proposed ICL system places the burden of responsibility for financing HE on the primary beneficiary, the student. Current practices place the burden mostly on government and/or the student's family or sponsors. If we accept the foreground argument that the current socio-economic realities facing SA make HE more of a private good than a public one, then it is only fair that those who stand to benefit the most from HE also take responsibility for funding it. The ICL system means that students would be categorised as poor not because of their family background (as is currently the case), but because of their own capacity (or lack thereof) to be successful in their academic and subsequent career endeavours. Mindful of the current economic realities, by offering guarantees for any liabilities associated with the ICL system and by fully funding the very poor, government would have reasonably demonstrated its commitment to fulfilling its constitutional obligation of alleviating socio-economic barriers to quality HE. However, unless students embrace this project, commercial banks that are mostly expected to fund it would be reluctant to inject the necessary start-up funds as the perceived prospects of debt recovery remain bleak.

SA universities must not be tempted to divert their primary attention away from providing quality education that is responsive to the fast changing needs of society into fundraising and managing political tensions. If this happens, it would only stall the country's development trajectory.

On its part, government must continue to promote quality access to HE. Viewed from a system perspective, such efforts must include appropriate investments in the basic and further education systems that feed HE to ensure equitable access as well as offering temporary relief (e.g. through systems of deferred payments) so that the success of those who enter HE is not constrained by financial resourcing.

As intimated earlier, evidence from all responses to the 2015 student uprisings suggests that the key decision-makers are apprehensive about students' reactions to any solution that falls short of free HE for all. In the meantime, most actions only 'paper

over the cracks', while the tensions continue to build up underneath. With government-guaranteed access through a system of deferred payments, students have the opportunity to create the future they desire by owning the process and playing their part in making it work. A cultural revolution is required, to break the current cycle of poverty, so that the future of today's students is defined not by their parents' circumstances, but by their own capacity and appetite for success. Students' commitment to such a revolution, we believe, would be an act of responsible citizenship.

5. Conclusions and Recommendations

For the sake of clarity, the conclusions and recommendations of this paper are framed against its stated objectives. The first objective was to critically review the evidence and recommendations of CIHET and related reports in respect of HE funding. In this regard, the paper concludes that the Heher Commission was meticulous in the execution of its mandate and, unsurprisingly, echoed the findings (albeit in a more instructive fashion) of others before it, notably the Davies Tax Commission and the CHE Colloquium on HE funding that:

- As a developing country operating in a constrained economic environment, fee-free higher education currently neither feasible nor desirable for SA; and
- A hybrid model, including full subsidies for students from the poorest backgrounds (currently defined by household incomes of less than R350 000 per annum) and deferred payments by the rest, funded through a system of loans contingent upon the expected future incomes of the students and backed by government guarantees.

The second objective was to identify and motivate key international experiences in HE funding that might be beneficial for South Africa. In this regard, we find that developing countries (e.g. Cameroon, Ghana, Nigeria and Uganda) that have in the past attempted to offer universal free higher education have done so initially at the expense of the goal of access. Subsequently, as the demand for HE in such countries became unbearably high, full subsidisation of HE became unaffordable while the quality of provision also suffered. Developed countries that offer high levels of subsidies for HE (such as Norway and other Nordic countries) only

fund them from long and stable histories of strategic social investment, driven by higher tax rates as well as larger tax bases than are currently feasible in SA. In most other developed countries that have not built such financial security HE is increasingly privately funded through various combinations of government-backed ICLs and graduate taxes. These findings offer both lessons that SA must avoid as well as some strategic objectives that SA might aspire to for the long term.

The third objective was to advocate for fundamental shifts in the way key stakeholders in HE, notably students, government and the universities perceive their rights and obligations in respect of the provision and funding of HE. In this regard, we argue that in the present context of SA, the benefits of HE accrue primarily to the individual students who can access it. Hence, while government must fulfil its mandate of providing reasonable access and the universities must safeguard the quality of provision, the students must contribute their quota by at least, committing to future payments for what they currently get. This way, all key stakeholders in SA HE would be contributing towards the strategic goals of access, quality, fairness and equality.

A final recommendation concerns the role of students in solving the SA HE funding puzzle. While they should be commended for highlighting the problem, they should also be enabled to own its solution. Accordingly, in the same manner that issues such as the decolonisation of HE are topical in the SA HE sector today, students' rights and obligations in respect of a quality, functional and sustainable HE must be part of their citizenship education.

References

- Akinyemi, S. & Ofem, I.B. 2012. Planning and funding of higher education in Nigeria: The challenges. *International Education Studies*, 5(4):86.
- Altbach, P.G., Reisberg, L. & Rumbley, L.E. 2010. *Tracking a global academic revolution*. Change: The Magazine of Higher Learning, 42(2):30-39.
- Bajinath, N. 2016. Foreword to CHE .2016. *Student funding*, Kagisano No. 10, 1-5.
- Bamiro, O.A. 2012. Sustainable financing of higher education in Nigeria: Funding models. Paper presented at a *consultative policy dialogue by the Committee of Vice Chancellors and Trust Africa*, 6-7 November 2012.
- Bolton, P. 2017. Higher education funding in England. Briefing paper No. 7393. London: House of Commons library.
- Bray, M. & Varghese, N.V. 2010. Directions in educational planning – Report on an IIEP symposium. Paris: IIEP.
- Browne, J. 2010. Securing a sustainable future for higher education: an independent review of higher education funding and student finance. Available at: http://dera.ioe.ac.uk/11444/7/10-1208-securing-sustainable-higher-education-browne-report_Redacted.pdf. Accessed on 25 March 2018.
- Cloete, N. 2016. For sustainable funding and fees, the undergraduate system in South Africa must be restructured. *South African Journal of Science*, 112(3):1-5.
- Council on Higher Education. 2016. *Student funding*, Kagisano No. 10. Pretoria: CHE.
- Dennis, M.J. 2017. Review 7 trends in higher education. *Enrollment Management Report*, 21(6):8-9.
- Department of Education. 1997. Education white paper 3 – A programme for the transformation of higher education. Pretoria: Government printer.
- Department of Higher Education and Training. 2013. *White paper for post-school education and training*. Pretoria: DHET.
- Department of Higher Education and Training. 2018. Statistics on post-school education and training in South Africa, 2016. Pretoria: DHET.
- Glennie, J. 2016. Funding. In *South African higher education reviewed: Two decades of democracy*. Pretoria: CHE.
- Heher, J. 2017. Report of the Commission of Inquiry into Higher Education and Training to the President of the Republic of South Africa. Available at: www.thepresidency.gov.za/download/file/fid/1075. Accessed on 12 March 2018.
- Higher Education South Africa. 2008. Tuition fees. Higher Education institutions in South Africa. Pretoria: HESA.
- Higher Education South Africa. 2014. Research and development of a higher education price index for South Africa. Pretoria: University of South Africa.
- Hull, G. 2016. Reconciling efficiency, fairness and equality: the case for income-contingent student loans with universal eligibility. In CHE (2016), *Student funding*, Kagisano No. 10, 187-217.
- Iruonagbe, C.T., Imhonopi, D. & Egharevba, M.E. 2015. Higher education in Nigeria and the emergence of private universities. *International Journal of Education and Research*, 3(2):49-64.
- Kallison, J.M. & Cohen, P. 2009. A new compact for higher education: funding and autonomy for reform and accountability. *Innovation in higher education*, 35(1):37-49.
- Ministry of Education. 2003. *Schedule. Funding of Public Higher Education*. Pretoria: Ministry of Education.
- Ministry of Education. 2004. *A New funding framework: How Government Grants are allocated to Public Higher Education Institutions*. Pretoria: Ministry of Education.
- National Treasury. 2018. 2018 budget speech. Presented by Malusi Gigaba, Minister of Finance on 21 February 2018. Available at: www.treasury.gov.za. Accessed on 20 March 2018.

- Nixon, E., Scullion, R. & Hearn, R. 2018. Her majesty the student: marketised higher education and the narcissistic (dis) satisfactions of the student-consumer. *Studies in Higher Education*, 43(6):927-943.
- Obasi, I. 2015. New private universities in Nigeria. *International higher education*, (45).
- Okebukola, P.A. (ed.) 2015. *Towards innovative models for funding higher education in Africa*. Accra: Association of African Universities.
- Olutayo, A.O. 2016. Democracy, funding of higher education and students' 'Brain Drain' in Nigeria: Development implications for now and the future. *Journal of Management and Social Sciences*, 5(2):1-14.
- Tilak, J. 2015. Global trends in funding higher education. *International Higher Education*, (42).
- The Davis Tax Committee (DTC). 2016. *Report on Funding of Tertiary Education for the Minister of Finance*. Pretoria.
- Universities South Africa. 2017. Universities funding in South Africa – a fact sheet. Available at: http://www.uct.ac.za/usr/news/downloads/2016/UniversitiesFundingSouthAfrica_FactSheet.pdf. Accessed on 20 March 2018.
- Van der Berg, S. 2016. Funding university studies: who benefits? In CHE (2016), *Student funding*, Kagisano, (10):173-186.
- Van Eesche, A. & Masson, A. (Eds). 2004. *The Guide to South African Tertiary Education*. 4th Edition. Durban: International Education Association of South Africa (IEASA) in association with the South African Vice Chancellors Association (SAUVCA) and Committee of Technikon Principals (CTP).
- Zuma, J.G. 2017. Political report by the President of the African National Congress. Johannesburg: African National Congress. Available at: <http://www.politicsweb.co.za/documents/jacob-zumas-political-report-to-ancs-54th-national>. Accessed on 20 March 2018.

Strengthening Non-Governmental Organizations Accountability Through Beneficiaries' Participation: The Case of NGOs in Botswana

K Mooketsane, K Bodilenyane and B Motshegwa
University of Botswana, Botswana

Abstract: Non-governmental Organizations (NGOs) play a critical role in development. This is particularly the case in developing countries such as Botswana where the state suffers from limited capacity. Botswana has a sizeable number of NGOs involved in all sectors of national development, notably in education, health, the environment and gender empowerment. Notwithstanding the important role played by these organizations, NGOs face a number of challenges such as lack of self-regulation and failure to ensure accountability, which limit their effectiveness. The focus of this paper is on beneficiary accountability. Studies on NGO accountability argued that upward accountability to donors has been effective at the expense of accountability towards beneficiaries. It is imperative that strong enforcement mechanisms exist for NGOs to demonstrate accountability to the people they reason to serve. This paper argues unprofessional conduct exist in every society, hence internal governance mechanisms needs to be strengthened to ensure accountability to beneficiaries, government and funding organizations. Effectively balancing the needs of these different stakeholders is the core of being accountable.

Keywords: Accountability, Beneficiaries, NGO's, Participation, Sponsors

1. Introduction

Non-governmental Organisations (NGOs) sector has witnessed an explosive growth in most countries. Leen (2006:5) argues that "NGOs have a long history with the oldest being the Anti-Slavery Society founded in 1839 and perhaps the most famous being the International Red Cross, established in 1864". NGOs play a critical role in development. This is particularly the case in developing countries such as Botswana where the state suffers from limited capacity. Uddin & Belal (2013) argue that most African countries and their governments do not always manage to pursue development objectives. Foreign assistance and aid are provided through NGOs to help African countries pursue development objectives. Botswana has a sizeable number of NGOs involved in all sectors of national development, notably in education, health, environment and gender empowerment. These organizations have gone beyond the traditional social welfare activities to play an active role in rural development, policy advocacy, community capacity building initiatives and promoting democracy, social justice and human rights. The umbrella organization for NGOs, The Botswana Council of Non-Governmental Organizations (BOCONGO) worked with its different sectors to advocate for

policy development or change such as the reversal of the payment of school fees for tertiary education, the signing of the gender protocol, the repeal of the Media Practitioners Act and the campaigns for TB eradication and HIV/AIDS treatment sustainability (Mooketsi, 2015). Uddin *et al.* (2013) argue that in recent times some of the NGOs have gained both prominence and power due to the enormous scale of their operations. Notwithstanding the important role played by these organizations, NGOs face a number of challenges such as lack of self-regulation and failure to ensure downward accountability, which limit their effectiveness.

Accountability measures have not been as successful as hoped. Practices to date have prioritized 'upward' and 'external' accountability to donors while 'downward' and 'internal' mechanisms remain comparatively underdeveloped. In concurrence Leen (2006:14) argues that "at present, upward accountability to donors is more developed than other aspects of accountability". There "is a paucity of research that gathers evidence from NGO fieldworkers and beneficiaries regarding the effectiveness of different accountability mechanisms in identifying and addressing their needs, especially more holistic forms of accountability mechanisms" (Agyemang *et al.* 2009:12). According to Ebrahim

(2003) much of the early work on stakeholder perspective is credited to Edward Freeman's (1984) writing on a 'stakeholder approach' to strategic management in which stakeholders are defined to include not only stockholders but also other individuals and groups who can affect, or are affected by, a particular business. Ebrahim (2003) argues that while stakeholder approach has promoted a wider view of corporate constituencies, it remains somewhat limited for reflecting on organizations such as NGOs where stockholders are not the primary stakeholders and whose missions often do not include a calculus of profit-making. Despite the increase in rhetoric and myriad accountability initiatives and codes of conduct, the issue of accountability to the 'beneficiaries' of development work remains highly elusive, and is addressed systematically by only a handful of initiatives (Keystone, 2006).

2. NGOs in Botswana

Most of the NGOs in Botswana are affiliated to an umbrella organisation called The Botswana Council of Non-Governmental Organizations (BOCONGO), with one for HIV/AIDS called Botswana Network of Aids Service Organization (BONASO). Among others there are NGOs such as Botswana Christian Council (BCC), Conservation International (CI), The Botswana Center for Human Rights (DITSHWANELO), Kalahari Conservation Society (KCS), Kuru Family of Organizations (KFO), to mention but a few. The government of Botswana recognizes the important role played by NGOs and creates a level playing field for these organizations to flourish and achieve their full potential. These NGOs play a huge role by taking the much needed services to the communities. They carry out activities such as, promotion of equality and human rights, legal services, education and training programs, socio-economic political empowerment, and employment creation schemes (Lekorwe & Mpabanga, 2007). A significant amount of money is being committed towards these activities by international agencies but in most cases there are no returns or output to show the activities undertaken to provide some form of assurance that the purposes of the programme were achieved. Motlaloso (2006) found that P29, 755,647 was disbursed to one NGO in Botswana between January 2001 and December 2003 and there has not been an accounting of any description to ensure that the funds had been applied on the purpose for which they were made available. In another case, The Global fund withheld US\$9million of US\$18million

allotted to the country because of the failure by National AIDS Coordinating Agency the National Aids Coordinating Agency (NACA) to submit reports detailing expenditure and impact of the previous batch of funds (US\$10 million) that had been disbursed (Mark, 2007). Accountability calls for proper procedures and mechanisms to ensure that funds are used for the purposes for which they are disbursed for.

Good intentions and values used to provide a sufficient basis for NGO legitimacy, but there is now pressure on NGOs to provide evidence that they are having a positive impact and are effectively representing those they claim to support (Governance, n.d.). With growing resources being channeled through the NGO sector, it has become imperative that NGOs are not able to demonstrate greater accountability to beneficiaries. A civil society organization in Botswana is likely to be facing or to have faced many challenges related to organisational capacity, human resources and financial resources (Governance, n.d.). Of particular concern is the limited participation of the people that NGOs claim to represent. The media has reported a number of scandals involving charitable organizations. According to media reports there is inadequate monitoring and evaluation of projects implemented in Botswana. The auditor general's report of 2005 as quoted by (Motlaloso, 2006) decries serious lack of control of funds that were disbursed by NACA to implement HIV/AIDS activities. NGOs were blamed for lack of accountability for the disbursed funds and failure to demonstrate attainment of the objectives for which the funds were disbursed. These kinds of waste go unnoticed due to lack of scrutiny on implementation of projects by the public or the beneficiaries. Leen (2006:4) argues that "allegations of corruption, bad governance and misuse of funds can prove fatal to individual NGOs". The author contends that public trust in NGOs is best built through ensuring sound structures of internal democracy are in place as is an ethic of professionalism and through fostering partnerships with organizations of the people whom they seek to serve.

3. Rationale of the Paper

One may wonder why there is concern about the money that donors choose or wish to give to beneficiaries through NGOs. With significant resources at stake, and broad acknowledgement of the importance of accountability, the need for NGOs to be

accountable towards their beneficiaries need not be overemphasised. Jordan (2006) argued that much private donor practice is augmented by public funds in the form of tax rebates from government to individuals, corporations or charitable foundations. Tax breaks on corporate giving are premised on the understanding that their motives are supportive of the public good and so they should be rewarded and encouraged (Jordan *et al.*, 2006). Likewise, Bendell & Cox (2006) note that aid money of institutional donors comes from tax payers and, as a result, the aid policy for channeling aid money for development and humanitarian assistance is a matter of public interest. Another concern is the diversion of aid to private benefit. Jordan *et al.* (2006) argue that aid is often soaked up by others than the (supposedly) intended beneficiaries. This is so called 'phantom aid', misdirected to highly paid international consultants requiring purchases of products and services from donor countries and badly coordinated planning and excessive administration costs (Jordan *et al.*, 2006). The creation of development wealth involves economic activities that affect the society both now and in the past (Jordan *et al.*, 2006). Therefore, activities of both donors and NGOs are a matter of public interest.

4. Conceptual Framework

4.1 Non-Governmental Organizations (NGOs)

The "concept of NGO came into use in 1945 following the establishment of the United Nations Organizations which recognized the need to give a consultative role to organizations which were not classified as government nor member states" (Willett in Lekorwe *et al.*, 2007:3). Between 1975 and 1985 official governmental aid to NGOs increased by 1,400% (Fowler, 1991), leading some to portray them as a creation of Western donors (Bendell *et al.*, 2006). There is contestation over the definition of an NGO. NGO is often used to refer to a particular type of organization which is neither governmental nor seeking governmental power, and which is not seeking to make a profit either, said in a slightly different way NGOs is a non-profit independent legally registered organizations focused on improving the welfare of society. According to Turner & Hulme (1997) NGOs are generally registered organisations, community groups, professional associations, trade unions, cooperate charity organisations whose aim is to improve the wellbeing of their members and of those areas in which they exist. Lekorwe *et al.*

(2007:4) argue that 'all NGO's can be regarded as civil society organizations though not all civil society organisations are NGO's'. NGOs are viewed by many official agencies and members of the public as more efficient and cost-effective service providers than governments, giving better value-for-money, especially in reaching poor people (Meyer, Sollis in Edwards & Hulme, 1998). According to Wise (1997) NGOs are better placed because they are less bureaucratic, more flexible and innovative, and thus more responsive to circumstances, and often have more committed staff. Helen, Cunt and Sujata (2005) identified the various strengths of NGOs that, they understand better the needs of the community, they are close to the community and they are more flexible as opposed to government bureaucrats to respond to community needs and priorities.

4.2 Accountability

There is a growing body of knowledge on accountability provided by scholars on good governance. There are number of definitions surrounding the concept of accountability because is a complex, abstract and dynamic concept. Relatively little research has been conducted on this topic with regard to NGOs (Edwards & Hulme, 1998). Accountability may be "defined not only as a means through which individuals and organisations are held responsible for their actions (e.g. through legal obligations and explicit reporting and disclosure requirements), but also as a means by which organisations and individuals take internal responsibility for shaping their organisational mission and values, for opening themselves to public or external scrutiny, and for assessing performance in relation to goals" (Ebrahim, 2003:815). Leen (2006:7) also argue that "accountability is both about being 'held responsible' by others and about 'taking responsibility' for oneself". In spite of the noticeable theoretical divergences and variations, accountability may be briefly defined as a 'fulfillment of a certain task and reporting the outcomes of it to somebody else' (Sulakvelidze, 2013). Leen (2006:7) quotes Slim (2002) who points out that a working definition of NGO accountability has to involve the three aspects of "reporting, involving and responding". Edwards and Hulme (1995) define accountability as the means by which individuals and organizations report to a recognised authority, or authorities, and are held responsible for their actions. In other words, accountability is "the obligation to report on one's activities to a set of legitimate authorities" (Jordan *et al.*, 2006:11). In addition, accountability implies that

people have some power to control the actions of those who work in their name, be it through effective complaints procedures, through the courts, or through elections (Transparency International, 2009). Effective accountability "requires a statement of goals (whether in adherence to certain rules or achievement of identified performance levels), transparency of decision making and relationships, honest reporting of what resources have been used and what has been achieved, an appraisal process for the overseeing of authority(ies) to judge whether results are satisfactory, and concrete mechanisms for holding to account (i.e. rewarding or penalising) those responsible for performance" (ODA in Edwards & Hulme, 1998:10). Thus accountability in this paper will be operationalised as the processes through which an organisation makes a commitment to balance the needs of stakeholders in its decision-making processes and stakeholders have some power to control the actions of those who work in their name.

4.3 Types of Accountability

Litovsky (2005:2) argue that "the accountability process demands a special responsibility of NGOs: the capacity to mediate, counterbalance and transform into learning the different voices, demands and expectations of the players who, with varying degrees of power and influence over these organizations demand their accountability". Thus accountability is not led by any one actor, but rather brings together a variety of actors and institutions. For oversight on public resources, accountability involves parliamentarians, national audit institutions, ministry of finance officials, and often monitoring by civil society groups and the media – it is not the responsibility of any one institution acting alone (OECD, 2013). This creates what is referred to as 'multiple accountability'. Multiple accountability "presents any organization with problems, particularly the possibilities of having to 'over account' (because of multiple demands), or being able to 'undercount', as each overseeing authority assumes that another authority is taking a close look at actions and results" (Edwards & Hulme, 1998:10). NGOs display "upward" accountability which typically involves providing donors with a written (usually quantified) account comprising information in a form they have requested to help ensure that the funds they have donated have been used for the purposes they have specified (Agyemang *et al.*, 2009). This is usually in the form of a one-way flow of information from the NGO to the donor, with the focus being on the

efficiency with which the donors' funds have been spent (Edwards *et al.*, 1996). On the other hand, NGOs exhibit accountability towards their partner organizations that is, horizontal accountability (also called peer accountability). They also exhibit 'downwards' accountability towards other stakeholders like the public or beneficiaries. Downward accountability is about providing people with the opportunity to understand and influence the key decisions which are made in their name. "Many of the concerns expressed about the non-accountability of NGOs relate to the difficulties they face in prioritizing and reconciling these multiple accountabilities" (Edwards *et al.*, 1998:10). Therefore, effectively balancing the needs of these different stakeholders is the crux to being accountable (Lloyd, 2005).

5. Overview of Prior Research and Theoretical Background

5.1 Democratic Governance

Democratic governance is a term difficult to define because it is packed with a number of sophisticated dimensions, variables and measurements. There are quite a number of cross country data source for democratic governance (accountability). Among others are; Afrobarometer, transparency International, Bertelsmann Transformation Index, global integrity Index etc. The focus in this paper is on participatory, responsive and inclusive decision making. Aspects of democratic governance requires "involvement of stakeholder, information exchange, holistic approach of the problem, power-sharing, joint responsibility of successes and failures, and a range of integrated solutions" (Randolph & Bauer, 1999:174). Inclusive governance is integral to viable decision making, despite its challenges, and there are several ways to engage stakeholders throughout the process. Sabatier (2007) argues that incorporating the public in the policymaking process can take place through several avenues, including public comment periods, stakeholder partnerships, advisory committees, public hearings, and negotiated rulemaking. In a democratically-governed society, a community of people ideally has meaningful participation in decisions and processes that affect them and are not systematically adversely affected by another group of people (Dahl, 1961). With these concepts in mind, the ideal is a society where all decision making is accountable to those affected by those decisions or indecisions. The author further argues that this ideal of "democratic accountability"

is one that concerns the whole of society, not just a particular organisation. Beierle (1999:75) argues that "one of the primary motives for involving the public is to meet several 'social goals' in planning and policymaking, including educating the public, incorporating public values in policy, making better policy decisions, creating trust in institutions, reducing conflict, and making cost-effective decisions". This approach of accountability will also ensure that support to specific actors will be 1) balanced (thus avoiding chronic and growing gaps in capacity and the scope for 'capture' by dominant accountability actors); and 2) more inclusive (e.g. reaching community-based groups, social movements, the private sector, trade unions, professional associations and others) (OECD, 2013). Similarly, "it will strengthen the scope for more comprehensive approaches that facilitate linkages and connections across different actors or processes engaged in specific accountability functions – often crucial for achieving lasting change or greater impact" (OECD, 2013:57). For this principle to be workable for the management and regulation of organizations, the challenge is to identify a form of accountability for individual organisations that is constitutive of this broader societal democratic accountability.

5.2 Accountability and the 'Powerless'

NGOs have multiple levels accountability to stakeholders with differing levels of leverage and power. Although NGOs argue that beneficiaries do negotiate, and these negotiations have changed some decisions, there is a perception that many beneficiaries consider themselves to be in a very weak negotiating position owing to a fear of losing the benefits from NGO aid projects (Agyemang *et al.*, 2009). This fear is "acute because of the poverty and resultant vulnerability of beneficiaries" (Agyemang *et al.*, 2009:30). Molebatsi (2002) argue that bargaining is influenced among other factors by the economic power that each party wields, therefore as long as the beneficiaries are powerless resource wise, they will always bargain from a disadvantaged position. Also few organizations have institutionalised means for beneficiaries to make their opinions felt, and as a result the accountability relationship with them is often weak (Lloyd, 2005). Lloyd argues that mechanisms for ensuring accountability between institutional donors and NGOs are generally strong because of contractual obligations and the dependence of NGOs on donor funds. For example, governments

create the legal and regulatory environment within which NGOs function, so they too have significant leverage to guarantee accountability. Beneficiaries, on the other hand, despite being the reason why most NGOs exist, generally lack the power to make demands of them (Lloyd, 2005). In a survey that was carried out by Agyemang *et al.* (2009) the powerlessness of beneficiaries was demonstrated in a micro-credit finance group, where beneficiaries were anxious not to be seen to be criticizing the NGO. The beneficiaries wanted a higher capital injection from the NGO but found it difficult to demand more funds. They also wanted the repayment terms adjusted, but during the focus group meeting they could not voice out what they wanted as they felt that could annoy the NGO. It is evident that beneficiaries do not often complain about certain things due to the power relations that are being played out on them. Bendell & Cox (2006) argues that we are not truly accountable to beneficiaries if we don't remain conscious of how our endeavors relate to them. Bendell *et al.* (2006) further argue that this leaves us with the difficult question of seeking to be accountable to the interests of all people we seek to help, even if this does not necessarily mean being directly accountable to them as agent and object.

However, scholars like Uddin *et al.* (2013) & Bendell *et al.* (2006) argue that this power imbalance can be turned into something beneficial. Due to their economic power, donors can have a huge impact in ensuring beneficiary accountability. They can make partnerships with NGOs that impose beneficiary accountability mechanisms. Uddin *et al.* (2013:6) argue that "once the accountability requirements are included in the aid contracts, the funded NGOs have to deliver according to the donor's requirements because they are dependent on donors for funding and support". According to Uddin *et al.* (2013) a UK-based institutional donor refused funding an NGO because it did not produce evidence regarding participation of beneficiaries in identifying their needs and their potential involvements in other stages of a project. Uddin *et al.* (2013) argue that donors may like to see the participation of potential beneficiaries in various stages of a project, including initial need assessment, project management, project implementation and project evaluation to make sure that their aid is making a positive change to the lives of beneficiaries. With this approach NGOs are contractually obliged to assure beneficiary participation.

5.3 Sponsor's Views on Downward Accountability

Literature indicates that sponsors also called donors or benefactors tend to take for granted issues of downward accountability, assuming that NGOs can do it. According to Keystone (2006:14) "there is a striking lack of 'performance criteria' that indicate whether or not an organization is actually accountable to its constituency". Similarly, Lloyd (2005) argues that many of the local, regional and international initiatives are not explicit about the need for organizations to be more accountable to their intended beneficiaries. The survey results by Keystone suggest that, only 26% of donors routinely ask that NGOs design their indicators of performance with beneficiaries. Also, only 30% of benefactors expect to regularly see beneficiaries' views translated into final reports. In the same survey only 22% of donors say they routinely discuss the feedback from beneficiaries with their grantees. Even though NGOs and donors do not put much interest in downward accountability, 71% of NGOs acknowledged that more structured ways of obtaining information about their beneficiaries' views could enhance their planning and performance; 84% of donors said this information would enhance their decision-making capabilities for selecting grantees and assessing their performance (Keystone, 2006). Furthermore "20% of NGOs and 11% of donors said they weren't sure if their decision-making capabilities would improve, and only 9% of NGOs and 5% of donors said it wouldn't" (Keystone, 2006:4). The survey by Keystone indicates that NGOs and donors are aware of the importance of downward accountability, but simply choose to disregard it.

5.4 NGOs Views on Downward Accountability

A normal requirement of good governance is that NGOs should exhibit upward, horizontal and downward accountability. Many concerns have been raised on the failure of NGOs to prioritize and reconcile these multiple accountabilities (Edwards & Hulme, 1998). NGOs have not done enough to protect the interests of beneficiaries; in most cases they impose their own interests on beneficiaries. According to CORE (2006) the non-involvement of other stakeholders means that the project implementers lose an opportunity of fully demonstrating downward accountability to all the other stakeholders most especially the community and the beneficiaries. Lloyd (2005) argues that

this is aggravated by the reason that most NGOs have not institutionalized means for beneficiaries to make their opinions felt, and as a result the accountability relationship with them is often weak. On contrary, a survey by Keystone (2006:9) shows that "an impressive number of NGOs offered other methods in which they obtain views from 'beneficiaries', such as (i) Community members that are appointed as fieldworkers; (ii) Open house policy for all beneficiaries to attend any meeting of the organization; (iii) In the community reunions where the beneficiaries come together and talk about the process, what is needed, what is lacking and what should be done; (iv) Through public town hall meetings (v) Social audits and public hearings". Keystone (2006:7) survey shows that "57% of NGOs, think it is 'essential' to engage with 'beneficiaries' in the evaluation of projects, 55% of NGOs and 40% of donors consider it 'essential' that impact indicators are informed by beneficiaries' views". In another study by Mark (2007), the involvement of beneficiaries in design of monitoring and evaluation plans had a mean score of 2.58 implying that it was inconsistently done on the projects done by the respondents. The implication of this is that the beneficiaries were mostly only a source of monitoring and evaluation data, without any meaningful input. Their inconsistent involvement in the design of monitoring and evaluation meant that the projects did not fully demonstrate downward accountability to the beneficiaries (Mark, 2007). This indeed augments the fact that widespread uptake of democratic governance has not been without problems. Beneficiaries are taken through an empty ritual of participation without any redistribution of power. Arnstein (1969) argues that beneficiary participation can be strategic such that the motive of the elites and the rich is not literally to engage the beneficiaries, but rather to muzzle them and destroy their capability. This allows NGOs to claim that all sides were considered, whereas the truth of the matter is that participation is used to manipulate beneficiaries.

6. Strengthening Downward Accountability

The analysis of literature shows that accountability mechanisms seek to improve the effectiveness of aid delivery, through participation of stakeholders. Social auditing incorporates all the accountability mechanisms so that the views of a range of stakeholders influence the organisational goals and values. The paper argues that to strengthen and

enhance downward accountability, participation is a key accountability mechanism. Beneficiary accountability needs to have a more central position in the standards set through self-regulation initiatives (Lloyd, 2005). This is supported by democratic governance approach that in a democratically-governed society, a community of people ideally has meaningful participation in decisions and processes that affect them and are not systematically adversely affected by another group of people (Dahl, 1964). With these concepts in mind, the ideal is a society where all decision making is accountable to those affected by those decisions. In principle during the participatory review, beneficiaries may comment on the performance of the NGOs and reflect on whether the performance indicators they had previously agreed at the planning stage have been achieved. Involvement of the beneficiaries in projects gives them a sense of ownership and contributes to long term sustainability long after the project donor has ceased financing the project and also increases the chances of more beneficiaries to take up the services of the project (Mark, 2007).

During the participatory process there are issues of power imbalances that in practice may prevent beneficiaries from participating effectively. It is upon donors and NGOs to guarantee a level playing field for stakeholders. In doing this, they should make information available and consult with beneficiaries and community leaders. CORE (2006) argues that the beneficiaries do not stand to benefit optimally from the monitoring and evaluations since information is not shared with them hence they reduce the chances of learning and improving the project implementation techniques. For effective downward accountability, decision-making power should be a joint task between NGOs and the beneficiaries. This is crucial because it is a common practice that participation does not give decision making power to beneficiaries, rather it is done for agencies to gain legitimacy whilst they retain decision making power. Ebrahim (2003) argues that beneficiaries should be able to negotiate and bargain over decisions with NGOs, or even hold veto power over decisions. Ebrahim (2003) criticizes NGOs for allowing very little decision-making authority vested in communities or clients, with actual project objectives being determined by NGOs and funders long before any 'participation' occurs. Ebrahim (2003:818) quotes Najam (1996) who argues that, "this sort of participation is what is referred to as 'a sham ritual' functioning as little more than

'a feel-good exercise' for both the local community and the NGO". In linking this problem to accountability, he argues that 'the sham of participation translates into the sham of accountability because unlike donors, communities cannot withdraw their funding; unlike governments, they cannot impose conditionalities'. The act of participation or the exercise of 'voice' is largely symbolic in such settings; it is not 'political action par excellence' (Hirschman, 1970). Rarely, "in mainstream development practice, has the notion of participation been extended to forms of politicized activity that directly challenge social and political inequities, thus creating benefits that might exceed the costs of exercising voice" (Ebrahim, 2003:818). Lack in those where it is, it is often expressed in rather vague terms (Lloyd, 2005). Lloyd (2005) gave an example of Botswana code notes that NGOs need to be accountable for their actions and decisions, not only to donors and governments but also to project beneficiaries. The partnerships between NGOs and donors should go so far as to commit NGOs to commit to involvement of beneficiaries. NGOs have a moral duty to be accountable to society because they exist in the name of the public. They have a duty to explain to the public how they are going to work with them. Agyemang *et al.* (2009:11) argue that "where one party has recognized that it has a responsibility to another, that party is accountable to the other for how it has behaved in relation to this responsibility". This requires commitment on the side of leadership, to facilitate and commit the organization to the process of downward accountability.

7. Conclusion

This paper has discussed the importance of downward accountability. It has discussed the key issues that appear to inhibit the use of downward-accountability such as power imbalances between NGOs and beneficiaries, prevalence of upward accountability and the importance of participation. It has also discussed the views of donors and NGOs on downwards accountability. It is evident that generally there is a striking lack of accountability to the intended beneficiaries and donors are not explicit about the need for NGOs to be more accountable to their intended beneficiaries. The paper underscores the importance of providing beneficiaries with the opportunity to understand and influence key decisions which are made in their name. NGOs should involve all the stakeholders in the design and implementation of their projects. The beneficiaries should

not be taken as passive recipients of the services that NGOs are offering. Beneficiaries have rights to ensure NGOs deliver services accordingly and should demand such services accordingly. Just like any other organisation, NGOs have a duty to demonstrate the principle of downward accountability. As discussed in the paper, downward accountability has advantages towards NGOs, beneficiaries and donors as it creates educational opportunities through two-way information transfer between NGOs, donors and beneficiaries. With downwards accountability NGOs and donors get feedback on the impact of their projects and seek ways to fulfill their responsibilities better. Accountability is not led by any one actor, but rather brings together a variety of actors and institutions. Thus accountability is a key governance principle that seeks to ensure organization commit to balancing the needs of stakeholders in its decision-making processes and stakeholders have some power to control the actions of those who work in their name.

References

- Agyemang, G., Awumbila, M., Unermanand, J. & O'Dwyer, B. 2009. *NGO Accountability and Aid Delivery*. London: The Association of Chartered Certified Accountants: Certified Accountants Educational Trust.
- Arnstein, S. 1969. Ladder of Citizen Participation. *Journal of American Planning* 35(4):216-224.
- Beierle, T.C. 1999. Using Social Goals to Evaluate Public Participation in Environmental Decisions. *Review of Policy Research*, 16(3-4):5-103.
- Bendell, J. 2006. *Debating NGO Accountability*. New York and Geneva: UN-NGLS Development Dossier.
- Bendell, J. & Cox, P. 2006. The Donor Accountability Agenda. In Lisa Jordan & Peter Van T. (eds.) *NGO Accountability – Politics, Principles and Innovations*. London: Earthscan.
- CORE. 2006. *Participatory Monitoring and Evaluation of Community and Faith Based Programs*. Washington: USAID.
- Dahl, R.A. 1961. *Who Governs? Democracy and Power in an American City*. New Haven: Yale University Press.
- Dombrowski, K. 2010. Filling the gap? An analysis of non-governmental organizations responses to participation and representation deficits in global climate governance. *International Environmental Agreements*, 10:397-416.
- Ebrahim, A. 2003. Accountability in Practice: Mechanisms for NGOs. *World Development*, 31(5):813-829.
- Edwards, M. & Hulme, D. 1996. Introduction: NGO Performance and Accountability. Pp.3-16 in Edwards, M. and Hulme, D. (eds), *Beyond the Magic Bullet: NGO Performance and Accountability in the Post-Cold War World*. London: Kumarian Press.
- Edwards, M. & Hulme, D. 1998. Too Close for Comfort? The Impact of Official Aid on Nongovernmental Organizations. *Current Issues in Comparative Education*, 1(1):1-21.
- Eskridge, A. 2014. *Georgia's Water Policymaking Process and the Role of Public Participation: Development and Analysis of Water Planning Process Evaluation Framework*. Unpublished Doctoral Dissertation. Clemson: Clemson University.
- Governance at a Glance. n.d. *Basic Guidelines on Governance for HIV and AIDS Service Organizations in Botswana*. Capacity building Series.
- Helen, C., Cunt, G. & Sujata, R. 2005. *Engaging the Local Non-Governmental Organizations (NGOs) in the response to HIV/AIDS*. Washington DC: Part. Inc.
- IFRC. 2011. *Beneficiary Communication and Accountability; A responsibility, not a choice*. Available at: <http://www.ifrc.org>. Accessed on 7 April 2015.
- Jordan, L. & Van Tuijl, P. (eds). 2006. *NGO Accountability: Politics, Principles and Innovations*. London: Earthscan.
- Keystone. 2006. *Downward accountability to 'beneficiaries': NGO and donor perspectives*. Available at: <http://www.keystoneaccountability.org/files/Keystone%20Survey%20Apr%2006%20Final%20Repot.pdf>. Accessed on 3 July 2015.
- Leen, M. 2006. *NGO Accountability: Issues, Lessons and Challenges for Dochas and its Members*. Paper produced for Dóchas.
- Lekorwe, M. & Mpabanga, D. 2007. Managing Non-Governmental Organizations in Botswana. *The Public Sector Innovation Journal*, 12(3):1-18.
- Litovsky, A. 2005. *NGO Accountability as Social Learning*. Available at: <http://www.accountability.org.uk>. Accessed on 7 April 2015.
- Lloyd, R. 2005. *The Role of NGO Self-Regulation in Increasing Stakeholder Accountability*. London: One World Trust. Accessed on 7 April 2015.
- Lloyd, R. & de las Casas, L. 2006. *NGO self-regulation: enforcing and balancing accountability*. London: One World Trust. Available at: <http://www.oecd.org/dev/devcom/44251309.pdf>. Accessed on 7 April 2015.
- Mark, M. 2007. *Monitoring and evaluation practices and Challenges of Gaborone based local NGOs Implementing HIV/AIDS Projects in Botswana*. Unpublished Masters Dissertation, University of Botswana.
- Molebatsi, C. 2002. The remote area development programme and the integration of Basarwa into mainstream of Botswana. *Pula: Botswana Journal of African Studies*, 16(2):123-134.
- Mooketsi, L. 2015. *BOCONGO: Milestones and Challenges*. Available at: <http://www.mmegi.bw/index.php?sid=1&aid=6227&dir=2010/November/Friday5/>. Accessed on 8 August 2015.
- Motlaloso, S. 2006. *State loses funds in Aids War*. Available at: <https://www.mmegi.bw/2006/May/Wednesday10/75487753770.html>. Accessed on 10 May 2015.
- OECD. 2013. Accountability and democratic governance: Orientations and principles for development. *DAC Guidelines and Reference Series*.

- Pritchett, L., Woolcock, M. & Andrews, A. 2010. Capability Traps? The mechanisms of persistent implementation failure. *Working Paper*, No 234. Washington, DC: Centre for Global Development.
- Randolph, J. & Bauer, M. 1999. Improving Environmental Decision-Making through Collaborative Methods. *Review of Policy Research*, 16(3-4):168-191
- Sabatier, P. 2007. From Policy Implementation to Policy Change: A Personal Odyssey. In Gornitzka, A., Kogan, M. and Amaral, A. (eds), *Reform and Change in Higher Education*. Netherlands: Springer.
- Sulakvelidze, V. 2013. *Links between NGO's Accountability towards the Beneficiaries and its Financial Independence*. Bachelor Thesis. Lund University: Scania.
- Szporluk, M. 2009. A Framework for Understanding Accountability of International NGOs and Global Good Governance. *Indiana Journal of Global Legal Studies*, 16(1):339-361.
- Turner, M. & Hulme, D. 1997. *Governance, Administration and Development: Making the State Work*. USA: Kumarian Press.
- Uddin, M.M. & Belal, A.R. 2013. *Beneficiary accountability in NGOs: can it be better in donor funded projects as compared to non-donor funded projects?* Available at: <http://www.apira2013.org/proceedings/pdfs/K304.pdf>. Accessed on 7 April 2015.
- Wise, D.E. 1997. Size and Administration Costs in the Voluntary Sector: A Note. *Financial Accountability & Management*, 13(1):81-88
- Wyatt, M. 2004. *A Handbook of NGO Governance*. Budapest: The European Centre for Nonprofit Law.

Community Participation in a Democratic Dispension: A Sine Qua Non for Integrated Development Planning in Lepelle-Nkumpi Local Municipality

KI Makalela

University of Limpopo, South Africa

Abstract: The purpose of this paper is to explore if weather community participation can receptively be used as a conducive condition for effective planning and implementation of the integrated development planning with a view to revamp on service delivery in Lepelle-Nkumpi Local Municipality. The debate about deadlock of community participation become pertinent in the recent and on-going political transformation in South Africa post 1994, through the realisation of democracy rooted in the cognitive convergence to the notion that "*The People Shall Govern*". Notably, this paper is grounded on the pragmatic repercussions felt by the ordinary citizens, in which the South African government is confronted and characterised by some form of upheavals and service deliver challenges. This paper argues that the genuine and authentic form of participatory governance is deemed to ameliorate on the long-standing patterns of service delivery backlogs in almost all South African municipalities. The study utilized a combination of qualitative and quantitative research approaches for data collection and analysis. However, the study was predominately qualitative. Twenty semi-structured questionnaires (N=20) were used to solicit data from household members. Interview schedule was also used to collect data from IDP manager (n=1). The major finding of the study is that IDP as part of the municipal planning process is largely ineffective as a strategy for unending service delivery backlogs within Lepelle-Nkumpi Local Municipality. The deficiency in terms of IDP planning is as the results of inadequate involvement and representation of communities in the preparation and implementation of municipal plans. The conclusion that can be made from this paper is that authentic promotion of community participation in the formulation and implementation of the IDP can deal effectively with service delivery challenges.

Keywords: Community Participation, Developmental Local Government, Integrated Development Plan (IDP) and Planning, Service Delivery

1. Introduction

South Africa is a unitary state which is divided into three distinctive and interrelated spheres of government in which are national, provincial and local government. The local government sphere is the only sphere which explicitly lamented and made the realisation of community participation purpose and its objective (Vivier & Wentzel, 2013). Continuingly, the local government is also on the other hand regarded as the delivery arm of the state simply because of its nature of being in close contact with its constituents, and this strategic position makes it the ideal tool for pragmatic evidence of community participation (Ababio, 2004). Some ample amount of scholars postulated a conception that no other sphere of government can exert more meaningful development that can inculcate community development than local government (Ababio, 2004; Vivier & Wentzel, 2013; Cash & Swatuk, 2010; Beyers, 2015). Therefore, the debate about deadlock of

community participation become pertinent in the recent and on-going political transformation in South Africa post 1994, through the realisation of democracy rooted in the cognitive convergence to the notion that "*The People Shall Govern*". This paper is grounded on the pragmatic consequences felt by the ordinary citizens, in which the South African government is confronted and characterised by some form of upheavals and service deliver challenges.

The point often overlooked is that, the development need to be a participatory process that encompasses all section of community, local business and other interested stakeholders (Cash & Swatuk, 2010). In actual fact, no local authority can effectively make a meaningful and productive contribution to improve the standard of living of its community without the necessary support and commitment from the communities themselves and other affected stakeholders. Sihlogonyane (2015) stated that the mood

of transformation especially in term of planning and implementation in the past development effort or apartheid planning practices is characterised with top-down authoritarian modernist systems served as predicaments towards effective community participation. Ultimately, the post 1994 government enacted the bottom-up post-apartheid democratic systems in which it was deeply marked by the emergence of a deluge of African metaphors such as *indaba*, *Batho-Pele*, *lekgotla* and *twele pele* *inter alia*. These metaphors immediately entered the contemporary planning and policy documents in which there are conspicuously seen largely and fundamentally as signifying the increased participation of black people marking moments of inclusion, transformation and empowerment (Sihlogonyane, 2015; Sinxadi & Campbell, 2015). This paper advances its argument that effective community participation in local government affairs inextricably lead to improved and accelerated service provision to an ample amount of service delivery beneficiaries at the local level. It is evident that following the outcry of the planning exertion of the preceding, it is then that culminated and calls for participatory planning by progressive planners especially academics, unions and Non-Governmental Organisations (NGO's) (Harrison, Todes & Watson, 2008). In response, the African National Congress (ANC) which led the first black democratic government in 1994 promoted the principles of community participation in its policy statements and adopted participatory planning with a revolutionary zeal to mark a fundamental paradigmatic break with the past (ANC Policy Guidelines for a Democratic South Africa, 1992; Reconstruction and Development Programme (RDP), 1995). It is then that community participation became a serious undisputed euphoric concept and its principles became central to the institution of local structures, processes and procedures of local government (Watson, 2011).

The state of Local Government report compiled by the Department of Cooperative Governance and Traditional Affairs (CoGTA) indicated that several municipalities are in a serious distress or challenges of effectively delivering services to its constituents (CoGTA, 2009). Additionally, more concerns have been raised regarding the local government failure and inability to deliver basic services (Akinboade, Mokwena & Kinfact, 2013; Makalela, 2017). Therefore, literature research reveals that local government failure to deliver services is largely attributed to lack of inculcation and mainstreaming

of community needs and interest in local government planning and implementation (Madzhivandila & Asha, 2012; Beyers, 2015). Lepelle-Nkumpi Local Municipality is a predominately rural municipality with deadlock and impasse of service delivery backlogs (Lepelle-Nkumpi IDP, 2013/2014). The failure of the municipality to eradicate the deadlock of service delivery backlogs is attached to inability of the municipality to incorporate the views and opinions of community members in their planning processes.

2. Theoretical Framework

The theoretical framework compliment and infuses the study arguments and give the base within which the study unfolds. It aims to underpin the researchers philosophical, epistemologically and analytically approach to the study (Eisenhart, 1991). Theoretical framework to development is a structured way of enabling the researcher to rely on a formal theory for coherent explanation of certain phenomena and relationships Eisenhart (1991). This paper is epistemologically grounded from the Humanistic People-Centred theory in which people and the community become increasingly the focus of development. People centred is a process enable members of the society to be able to realise their potential through capacity building and mobilisation of local resources for improved standard of living concomitant with their own aspiration (David, Theron & Maphunye, 2009). The reason for the adoption of People-centred development is simply because the micro-level development thinking places the interest and needs of the people at the forefront. This study therefore, postulate the fact that community participation should be rooted within humanistic paradigm in a sense that community members should be able to identify, prioritise, lead and manage their own development.

3. Literature Review

3.1 Conceptualisation of Community Participation in South African Local Government Realm

Fox and Meyer (1995:20) define community participation as "the involvement of citizens in a wide range of administrative policy-making activities including the determination of levels of service, budget priorities, and the acceptability of physical construction projects in order to orient government programmes toward community needs, build public

support and encourage a sense of cohesiveness within society". This conceptualisation denotes the involvement of the community in processes that determine the agenda and focus of development. On the other side, the development literature edifies that community participation is a concept adopted to ensure participation and give opportunities to communities to determine their own destination in terms of their needs (Sinxadi & Campbell, 2015). It is a means of empowering people by developing their skills and abilities to enable them to negotiate with development delivery system and equip them to make their own decisions in terms of their developmental needs and priorities. Important to realise, is the fact community participation is often in the discourse erroneously used interchangeably with public participation particularly giving inference to the Integrated Development Plan (IDP) (Mathebula, 2010). Ababio (2004) believes that community participation and public participation mean one and the same thing. This is evident by where he also refers to the two concepts as 'community public participation'. However, according to Mafunisa and Xaba (2008), community participation in the IDP exists only if the affected stakeholders particularly the municipal community integrally takes part in decision-making and the implementation process. As the results people are able to determine what constitutes their own development and able to influence their decision in any development effort of some sort.

3.2 South African Developmental Local Government

Developmental local government is apparently found to serve as an approach to development that intrinsically fathoms the grounds within which community participation is emanated. With that being said, it is clear that in order to eradicate the legacy of the past; the South African democratic government adopted a developmental approach (Section A of White Paper on Local Government, 1998). Davids (2005) notes that in addressing the injustices of past development efforts, a people-centered development was adopted as a starting point. Davids, Theron and Maphunye (2005) describe developmental local government as a shifting of interventions to the public and away from objects, delivery and production. A developmental approach aims to enhance the skills and capacity of the public by encouraging their participation in their own development process (Theron, 2005). The

White Paper on Local Government (WPLG) (1998) defines developmental local government as government committed to working with citizens and groups within the community, to find sustainable ways of meeting their social, economic and material needs and of improving their quality of life. The characteristics of a developmental local government are spelled out as follows in Section B of the WPLG (1998):

- Maximizing social development and economic growth – the powers and functions of local government should be exercised in a way that has maximum impact on the social development of communities.
- Integrating and coordinating – developmental local government must provide vision and leadership for all those who have a role to play in achieving local prosperity.
- Democratizing development, empowering and redistributing – municipalities can render support to individual and community initiatives, directing community energies into projects and programmes which benefit the area as a whole.
- Leading and learning – developmental local government requires that municipalities become more strategic, visionary and ultimately influential in the way they operate.

In order for a democratic government to exist, the community must govern by way of participating in issues of local government. The *Municipal Systems Act* (Act 32 of 2000) requires that every municipality develop a culture of municipal governance that complements representative governance within a system of participatory government. Thus, a municipality should create concerted and conducive environment for local community participation in the affairs of the municipality.

3.3 Community Participation for Effective Planning and Implementation of IDP in a Democratic Dispensation

It is argued that in order for development to address the needs of the community, communities have to play a role in the process (Madzhivandila & Asha, 2012). It is unabated that community participation currently constitutes an important element of the South African government's policy on integrated

development planning in local government (Coetzee, 2012). Important to realise in this paper is the conceptual clarification of Integrated Development Plan (IDP) and integrated development planning. Integrated Development Plan (IDP) refers to the output or product of the integrated development planning processes. This basically means that IDP is a document produced through integrated development planning process. Section 23(1) states that IDP as a strategic document must be produced by all municipalities as a super plan that gives the overall framework for development.

Integrated development planning process aims to coordinate the work of local and other spheres of government in a coherent plan to improve the quality of life of all people living in a particular area (Mautjana & Mtapuri, 2014; Makalela, 2016; Mashichidi & Moeti, 2016). Continuingly, the IDP should on the other hand take into cognizance the existing conditions and problems, as well as resources available for development (Tshabalala, 2006). Tshabalala further elucidated that community participation in its roots it cannot be left to the few, but however, it should embrace and transcend the needs of communities and also to make a true reflection of needs and prioritises of the municipal constituency. Section 17(1) of the *Local Government: Municipal System Act* sets out the mechanisms, processes and procedures for community participation in the affairs of a municipality. According to Ndevu (2011) the community must have a say in both the content and the process of drafting the IDP. The IDP as a management planning tool is used in municipalities to create a platform for sharing ideas with the public affected by such development initiatives as proposed in the plan. Worth noting is that, community participation in the IDP planning processes is rudimentary grounded from various pieces of legislation. *Inter alia*, is section 152 of the *Constitution of South Africa*, Act 108 of 1996, which complemented community participation as the integral part of the IDP planning process (RSA, 1996; Cash & Swatuk, 2010). The Constitution of the South Africa states the object of local government as to:

- Provide democratic and accountable government for local communities;
- Ensure the provision of service to communities in a sustainable manner;
- Promote social and economic development;

- Promote safe and healthy environment;
- Encourage the involvement of communities and community organisations in matters of local government (RSA, 1996).

This, therefore, implies transcending just consulting communities as an aid to deliberation. The *Local Government: Municipal System Act* in section 16 makes an obligation to municipalities to develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose encourage and create conditions for the local community to participate in the affairs of the municipality, including being encouraged to participate in:

- Integrated development planning.
- Decisions on the provision of municipality services.
- Monitoring and evaluation of performance.
- The budget and strategic decisions relating to services (RSA, 2000).

3.4 Community Participation and Integrated Development Planning: A Receptive Approach to Service Delivery

Chapter 4 of the *Local Government: Municipal System Act*, 32 of 2000 provides mechanisms, processes and procedures for community participation in order to fathom that there is a community ownership of an IDP given the fact that IDP is about providing services that addresses the challenges faced by communities in a systematic manner. To this end, it is of highly imperative to strengthen the role of communities in the entire process of developing and implementing an IDP. Additionally, the experience would suggest that improving community participation in the municipal administration can enhance good governance in the following key strategic areas of the municipality: Improved service delivery, community empowerment, better resource distribution and better needs identification for communities. Community participation for effective service delivery in South Africa is on the other side complemented by various structures such as Ward Committees at the local government that are established to ensure that relevant needs and priorities (services) of people are met through

participatory system (Akinboade, Mokwena & Kinfack, 2013; Makalela, 2017). The *Constitution of the Republic of South Africa* (108 of 1996) also envisaged and endorsed that effective and promotion amid of service delivery is the results of democratic participatory governance systems (Republic of South Africa, 1996).

Mashiachidi and Moeti (2016) elucidated that for local government to strategically achieve its mandate of service delivery, community needs and interest must be inculcated and mainstreamed in the municipal planning and implementation. This similar said by Robinson (2008) who echoed that overwhelming service delivery backlogs and structural imbalances were as a results of apartheid imprints that alienated the people at the ground with no hope and opportunities to drive their own development efforts. These however, stifle access and the effective provision of services by the government. Mautjana and Makombe (2014) assert that participation of community members in decisions influencing their future and wellbeing is one of the building blocks for democratic value. Mautjana and Makombe (2014) further supported the assertion that community participation enables community members to identify their needs and how they should be addressed, fostering a sense of community ownership and responsibility. Community participation at the local level is pragmatically deemed to empower communities, which leads to choice and greater acceptance of services delivered on their areas of jurisdiction.

4. Methodology

4.1 The Study Area

Lepelle-Nkumpi Local Municipality is one of the municipalities within the Capricorn District Municipality (CDM) in Limpopo Province. The municipality is located 55km south of the district municipality and Polokwane city. The municipality is pre-dominantly rural with a population of approximately 230 350, with a total of 59 682 households and an average household size of 3,9. The municipality covers 345 478 km squared, which represents 16% of the district's total land area (Lepelle-Nkumpi IDP, 2013/2014). The municipality has 29 wards and 93 settlements. The researcher chose ward 11 as the researcher is familiar and because this ward is situated far away from Lebogakgomo Township in a remote rural context.

4.2 Research Method

This study used a mixed methods approach, which is a combination of qualitative and quantitative techniques for data collection and analysis. But however, the study was pre-dominantly qualitative. The empirical data was collected was collected using a semi-structured questionnaire from household's members. In which, twenty (N=20) out of 520 households were conveniently sampled. Convenient sampling was habitually used precisely because of the researchers familiar with the area. An interview schedule was also used to solicit data from the key informant (n=1). The secondary data sources or the literature review processes were used to collect information regarding the involvement of community in the municipal planning processes. The degree of community involvement in the municipal affairs dominantly limited to the planning and implementation of the IDP. Lastly, the data was analysed using descriptive statistics and thematic content analysis techniques.

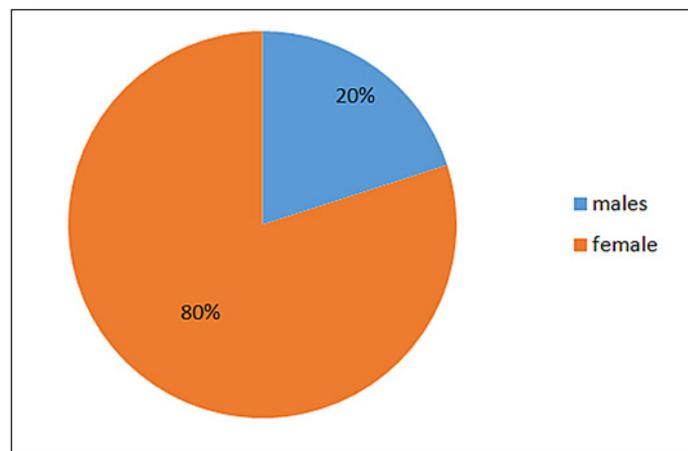
5. Presentation of Findings and Discussions

5.1 Demographic Profile

Figure 1 on the next page shows that (4) respondents who constitute 20% percent are males, while (16) respondents which constitute 80% are females. Therefore, this implies that Sehlabeng Village is dominated by females and men are in minority. The implication of this to the study is that women were found to be available and interested in participating in the study, as most of the men were found to be away in search for better opportunities. However, the main reason for majority of woman to be available for the study was because of their role as house wife's doing domestic work in their homes, so most of them were the ones which were found to be available to answer the semi-structured questionnaire.

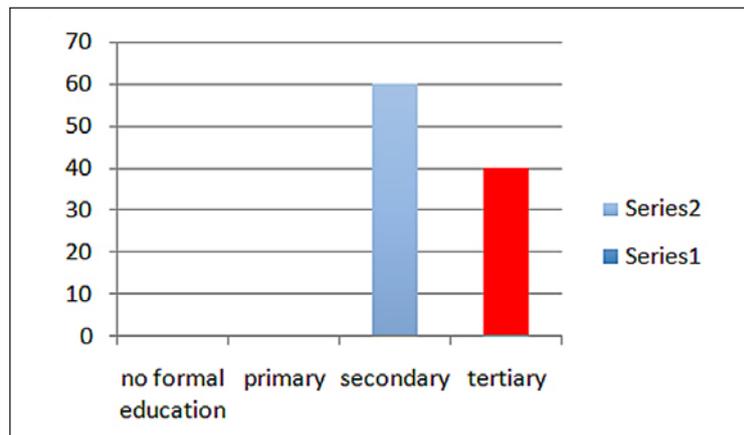
Figure 2 on the following page represents the (12) respondents which constitute 60% in the area are having the secondary educational level, while (8) respondents which yield 40% with tertiary level. Therefore, the findings are that majority of people in the village dominated by secondary entrance and followed by the minority with tertiary level. The implication of the findings to study is that the situation could lead to higher chances of the majority

Figure 1: Gender of Respondents



Source: Author

Figure 2: Educational Status



Source: Author

of people in the village to lack employment opportunities due to lack of market related skills. Lack of sponsor in the village to promote social development is also a key for example, such as bursaries. Another implication is that the municipality seems not to be doing well in encouraging and promoting education through conducting of career wise programmes that can make people in the village aware of taking informed career choices that will suits their interests and capabilities.

Table 1 shows that in Sehlabeng Village (5) respondents which yield 25% are formally employed, (11) respondents which constitute 55% are unemployed and lastly (4) respondents constituting 20% are self-employed. The finding is that unemployment is the highest in the area since majority of people are unemployed, then followed by formally employed which is the second highest while people who are self-employed are only the minority. Therefore, the implication of this to study is that majority of people

in the village are unemployed due to lack of educational facilities in the village and majority being unable to attain university entrance

In Table 2 the analysis of the finding revealed that 25% of the respondents explicitly indicated that they sometimes participate in the formulation of municipal IDP, 15% demonstrated that they always participate and 60% never participated in the formulation and implementation of the municipal IDP. Therefore, the results indicate that an enormous amount of people in the community are in alienation in the preparation and implementation of the municipal IDP. Some of the community members confidently demonstrated that in most of the instances the municipality keeps much of its planning processes in isolation from service delivery beneficiaries. The imprecision that can be drawn from the latter is that inadequate community participation of the people at the ground is inextricably led to poor and fragmented planning

Table 1: Employment Status

Employment Level	Frequency	Percentage
Formal employed	5	25
unemployed	11	55
Self-employed	4	20
other	-	-
total	20	100

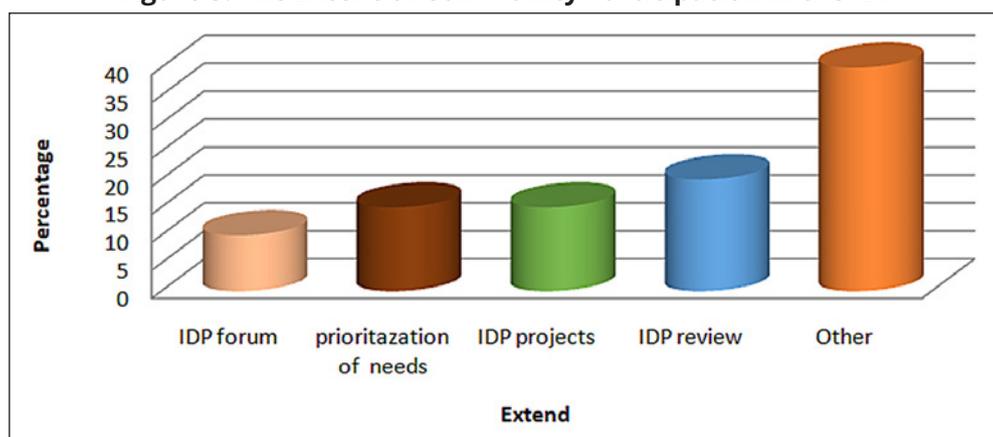
Source: Author

Table 2: Community Participation as the Integral Gist of IDP Planning Process

	Frequency	Percentage
Sometimes	5	25
Always	3	15
Never	12	60
Total	20	100

Source: Author

Figure 3: The Extent of Community Participation in the IDP

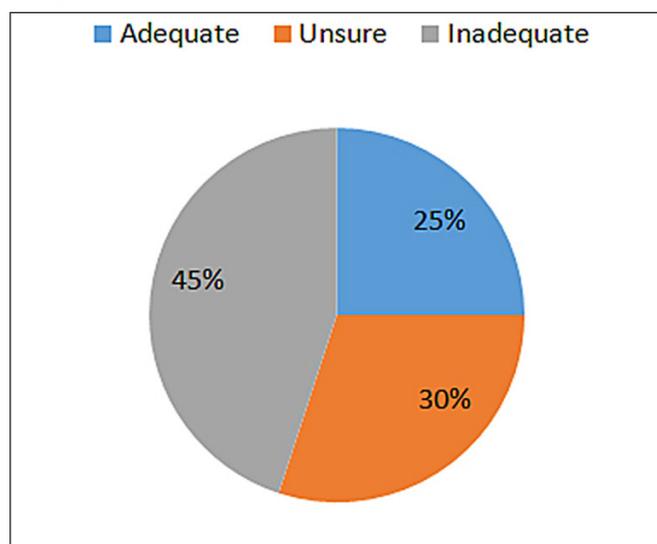


Source: Author

that is not reflective of the needs and priorities of communities. The development literature edifies that community participation lead to better design of development projects given the anecdotal fact that participants' concerns are incorporated within strategies (UN-Habitat, 2009). But however, an array of authors are found to be still sceptical about the latter, in which Mautjana and Makombe (2014) are of the opinion that, an assortment of communities within many municipalities in South Africa are still not represented municipal planning processes.

The findings in Figure 3 indicate that 10% of the respondents participate in the municipal IDP forums, 15% participate in the prioritisation of community needs, 15% participate in IDP projects,

20% participate in the IDP review process or meetings and lastly 40% never participated in any of the aforementioned extend of the IDP. Therefore, the results indicate that an enormous proportion of community members are found not to be compelled with genuine form of participation in the IDP. The latter is complemented and accompanied by the study that was conducted in Aganang Local Municipality in Limpopo Province. The study revealed that 85.3% of the community members are found not to be talking part in matters that affects the municipality, while 14.7% are found to be participating. The aforesaid problem is found to be perpetuated by lack of knowledge especially in terms of IDP forums, IDP review process plan and IDP projects identification and prioritisation. The

Figure 4: Ranking the Level of Community Participation in the IDP

Source: Author

above findings are complemented by the literature research which revealed that within the IDP processes in most municipalities in Limpopo Province, is that the convergence to the cognitive notion of community participation is incorporated mainly for the sake of compliance with the legislation (Mafunisa & Xaba, 2008). Mafunisa and Xaba (2008) further lamented that pragmatically no attempt is made by the municipalities to enrich communities by actively involving them.

The findings in Figure 4 reveal that 25% of the respondents demonstrated that they are adequately involved in the IDP planning activities, 30% were found to be unsure, while 45% arguably agreed that they are inadequate with regard to the level of participation in the IDP planning. The imprecision is that large proportion of respondents argued that the level participation in the IDP is inadequate, only few members of the community demonstrated that the level of participation in the IDP is adequate. This basically means that the municipality does not take into cognizance the community participation principles more especially inclusivity as a principle that is the one that embraces all the views and opinions of all relevant and affected stakeholders in the community. Asha (2014) echoed similar sentiments in the study conducted in Capricorn District Municipality (CDM), Limpopo Province. The study revealed that dissatisfaction of communities in terms of participation in the local government affairs results in unending service delivery backlogs. Another study conducted in Lepelle-Nkumpi Local Municipality revealed that the slow pace in terms

of service delivery in the municipality is as a result of community participation deficiency. The study further indicated that low level of community participation during the identification and prioritization of community needs lead to disconnect between the needs of communities and the actual services that the municipality provides (Makalela, 2016).

5.2 Summarised Responses: Key Informant (IDP Manager) and Community Members

The question was asked to the IDP manager with regard to municipal planning and IDP. The question was about the processes that the municipality is undertaking to involve community members in the IDP planning processes. The question was asked in the intention to evaluate and explore mechanisms that Lepelle-Nkumpi Local Municipality is using to inculcate the views of communities in the IDP planning processes. The IDP manager indicated the following:

"The municipality is using ward consultation meetings and IDP forums for identification and prioritization of community needs the municipality is a position to give people at the ground an opportunity to make inputs and comments in the drafting, formulation and identification of needs and priorities. But however, in most of the instance community members are reluctant when municipal meetings are called."

The latter is complemented by the findings of the study conducted in Aganang Local Municipality

by Mashiachidi and Moeti (2016). The study revealed that community members at Aganang are provided with free transport when municipal consultation meetings are called, but however, the attendance by communities is still not satisfactory.

The other question was asked to the IDP manager with regard to the roles and responsibilities of community members in the formulation and implementation of municipal plans. The intention of the question was to check whether the municipality is putting at the forefront the interest of communities. Therefore, the IDP manager demonstrated the following:

"Community members are given an opportunity to make input the allocation of budgets in the different projects and programmes of the municipality."

An open-ended question was asked concerning the level of understanding of the IDP by the local communities. Only few members of the community appeared to have little understanding of the IDP and what it entails, while the largest proportion of the members of the community were found to be lacking an understanding of the IDP. Those who appeared to have an understanding of the IDP they defined it as follows:

"IDP is a tool that is concerned about the needs of community members and their priorities". The other said respondents said, "IDP is considered to be municipal strategies to direct investments in the municipal area of jurisdiction."

Therefore, the imprecision from the above responses revealed that majority of community members do not understand the term IDP and what it entails. The latter is complimented by the study conducted in Aganang Local Municipality. The study revealed that lack of understanding of the IDP and its processes is in most cases as the results of the municipal officials' explanation of the tool that is not to the level of understanding by less literate community members. One of the community members highlighted the following:

"Understanding of the IDP processes and active involvement on the municipal plans is only limited to those who are educated and those who work closely with the municipality. Moreover,

there are the ones that are able to engage in discussions. Another challenge that affects our knowledge and understanding is that IDP documents are written in English which makes it difficult for us to read and understand."

6. Conclusion and Recommendations

It can be deduced from the study that community participation is highly significant in making the planning and implementation of the IDP a true reflection of the community needs and aspirations. It can be said also on the other hand that a credible and authentic IDP needs to mainstream the interest and the input of the community members. But however, the point often overlooked is the diverse population size of the municipalities which serves as impediments for inclusive participation. For example, the other scholars such as Bogopane (2012), contends that many municipalities in South Africa are too large to allow for active and direct community participation of all the residents in a complex planning processes. The results, thereof, is that active and direct participation in IDPs requires clear rules and procedures specifying who is to participate or to be consulted, on behalf of whom, on which issues, through which organisational mechanisms and with what effect. Therefore, it is pragmatically evident that the current policy prescripts and legislation regrettably fall short of spelling out how details of the aforementioned must take place. Further and additional challenge that give birth to lack of active community participation in the IDP relates, inter alia, to lack of explicit processes and structures of participation and lack of information. The analysis of the overall respondent's demonstrated that the municipality is faced with low level of community participation during the identification and prioritisation of community needs which lead to disconnect between the needs of communities and actual services that the municipality provides. Additionally, the analysis of the degree of respondents also revealed that is predominately affected by vast amount of factors that are also attributed to serve as impediments in which it includes, inadequate capacity of local government officials dealing with planning and implementation, alleged act of corruption in the municipality, lack of community participation guidelines and principles, lack of vertical collaboration between the municipality and community members.

The paper recommends the following:

- Capacity building as an intervention should be promoted to improve the overall functioning of the municipality. Capacity building includes the development of workplace skills plan (WSP), which it informs on capacity in terms of training of community members to acquire certain skills.
- There is a need for successive session or IDP workshops conducted by the municipality to enable community members an opportunity to gain insight knowledge about municipal planning processes. Excessive community meetings with community members will help in addressing service delivery problems in the community.
- As IDP processes is politically driven, there must be an opportunity for opposition parties to make comments and inputs in the planning processes in order to hold the ruling party accountable.
- The municipality must lastly be in a position to address the existing communication breakdown by making the use of local media, both print and electronic media, loudhailers as matters lobby the community members to attend the meetings.

References

- Ababio, E.P. 2004. Enhancing community participation in developmental local government for improved service delivery. *Journal of Public Administration*, 39(2):272-289.
- Akinboade, O.A., Putuma Mokwena, M. & Kinck, E.C. 2013. Understanding citizens' participation in service delivery protests in South Africa's Sedibeng district municipality. *International Journal of Social Economics*, 40(5):458-478.
- Asha, A.A. 2014. Attitudes and Perceptions Towards Local Government Service Delivery Efforts in Limpopo Province, South Africa. *Mediterranean Journal of Social Sciences*, 5(20):224.
- Beyers, L.J.E. 2015. Service Delivery Challenges within Municipalities in the Capricorn District of Limpopo Province. *Journal of Human Ecology*, 50(2):121-127.
- Bogopane, L.P. 2012. A qualitative assessment of the evaluation and monitoring processes of Integrated Development Planning (IDP) in the Ngaka Modiri Molema District, North-West Province, South Africa. *Journal of Social Sciences*, 32(1):91-100.
- Cash, C. & Swatuk, L. 2010. Integrated development planning in South Africa: Lessons from the Dwars River Valley. *Urban forum*, 22(1):53-73.
- Coetzee, J. 2012. The transformation of municipal development planning in South Africa (post-1994): Impressions and impasse. *Town and Regional Planning*, (61):10-20.
- Davids, I. 2005. Development theories: Past to present. In Davids, I., Theron, F. & Maphunye, K.J. 2005. *Participatory development in South Africa: A development management perspective*. Pretoria: Van Schaik Publishers.
- Davids, I., Theron, F. & Maphunye, K.J. 2009. *Participatory Development in South Africa: A Development Management Perspective* (1st eds.). Pretoria: Van Schaik Publishers.
- Department of Co-operative Governance and Traditional Affairs (CoGTA). 2009. *State of local government in South Africa*. Available at: <http://www.Government/documents/statelocalgovernment/report/html>. Accessed on 25 May 2016.
- Eisenhart, M. 1991. Conceptual frameworks for research circa 1991: Ideas from a cultural anthropologist; implications for mathematics education researchers. Paper presented at the Proceedings of the Thirteenth Annual Meeting North American Paper of the International Group for the Psychology of Mathematics Education, Blacksburg, Virginia, USA.
- Fox, W. & Meyer, I. 1995. *Public Administration Dictionary*. Cape Town: Juta.
- Harrison, P., Todes, A. & Watson, V. 2008. *Planning and Transformation: Learning from the Post-Apartheid Experience*. Abingdon: Routledge.
- Lepelle-Nkumpi Local Municipality (IDP). 2013/2014. Integrated development plan. Lepelle-Nkumpi Municipality. Available at: <http://www.Lepelle-Nkumpi.gov.za>. Accessed on 23 August 2016.
- Madzivhandila, T.S. & Asha, A.A. 2012. Integrated development planning process and service delivery challenges for South Africa's local municipalities. *Journal of Public Administration*, 47(1):369-378.
- Mafunisa, M.J. & Xaba, B. 2008. Public participation and the integrated development planning: the case of Limpopo province. *Journal of Public Administration*, 43(3.2):452-460.
- Makalela, K.I. 2016. Integrated Development Planning Processes as a coherent strategy for service delivery backlogs: a case of Lepelle-Nkumpi local municipality. In Sebola, M.P and Tsheola, J.P. (eds.). *Governance in the 21st Century Organisation. International Conference on Public Administration and Development Alternatives*. pp. 245-254.
- Makalela, K.I. 2017. Integrated Development Planning as a Strategy for Poverty Alleviation: The Dilemma Within the Ambit of South Africa. In Sebola, M.P. & Tsheola, J.P. (eds.), *Independence of African States in the Age of Globalization. International Conference on Public Administration and Development Alternatives*, 9-15.
- Mashiachidi, M. & Moeti, K. 2016. Community Participation and Integrated Development Planning: A Case Study of Aganang Local Municipality in South Africa. *Editorial Policy and Manuscript Specifications*, 51(3):399.

- Mathebula, N.A. 2010. Assessment of the integrated development plan as a management planning tool for effective service delivery: a case of selected municipalities in Mopani District Municipality. Unpublished Masters Dissertation. Polokwane: University of Limpopo.
- Mautjana, H.M. & Mtapuri, O. 2014. Integrated development plans without development indicators: Results from Capricorn District Municipalities in South Africa. *Mediterranean Journal of Social Sciences*, 5(8):474.
- Mautjana, M.H. & Makombe, G. 2014. Community participation or malicious compliance? *Journal of Africa Insight*, 44(2):51-67.
- Ndevu, Z.J. 2011. Making community-based participation work: alternative route to civil engagement in the City of Cape Town. *Journal of Public Administration*, 46(4):1247-1256.
- Reconstruction and Development Programme Office. 1995. Report on the workshop on the future of the town and regional planning profession. (Internal report), Johannesburg, RDP Office.
- Republic of South African (RSA). 1994. Reconstruction and Development Programme. Pretoria: Government Printers.
- Republic of South African (RSA). 1996. Constitution of the Republic of South Africa Government (Act 108 of 1996). Government Gazette No. 17678. Pretoria: Government Printers.
- Republic of South African (RSA). 1998. *White Paper on Developmental Local Government*. Pretoria: Government Printers.
- Republic of South African (RSA). 2000. Municipal Systems Act (Act 32 of 2000), Government Gazette No. 21776. Pretoria: Government Printers.
- Robinson, J. 2008. *Consolidating Developmental Local Government. Lessons from the South African experience*. Van Donk, M., Swilling, M., Pieterse, E. and Parnell, S. (Eds). Cape Town: UCT Press.
- Sihlogonyane, M.F. 2015. Empty Signifiers of Transformation in Participatory Planning and the Marginalization of Black People in South Africa. *Planning Practice and Research*, 30(1):83-100.
- Sinxadi, L. & Campbell, M. 2015. Creating sustainable environments through community participation: the case of Naledi Local Municipality, South Africa. *Journal of Public Administration*, 50(2):370-378.
- Theron, F. 2005. Integrated development planning as a micro-level development strategy. In Davids, I., Theron, F. & Maphunye, K.J. 2005. *Participatory development in South Africa: A development management perspective*. Pretoria: Van Schaik Publisher.
- Tshabalala, E.K. 2006. The role of community participation in the integrated development plan of Govan Mbeki Municipality. Unpublished Masters Dissertation. Pretoria: University of Pretoria.
- UN-Habitat. 2009. *Planning Sustainable Cities: Global Report Human Settlement*. London: Earthscan. Available at: www.unhabitat.org/grhs/2009.
- Vivier, E. & Wentzel, M. 2013. Community participation and service delivery: perceptions among residents in Cape Town. *Journal of Public Administration*, 48(2):239-250.
- Watson, V. 2011. Changing planning law in Africa: An introduction to the issue. In *Urban Forum*, 22(3):203-208.

Are State-Owned Enterprises (SOEs) Catalysts for or Inhibitors of South African Economic Growth?

P Madumi

Stellenbosch University, South Africa

Abstract: There is no doubt that State-owned enterprises (SOEs) play an important role in fostering economic growth, globally. Moreover, in South Africa, basic services such as water, electricity, sanitation, and transportation are provided by the state through the SOEs. Against this backdrop, most of these SOEs in South Africa have fallen into complete disarray and they are characterized by the upsurge in unbridled corruption. Whilst corruption is perceived to be on the rise, state capture is one of today's most widely discussed and controversial issues that is affecting these corporations and it is allowing corruption to thrive. Put simply, SOEs in South Africa are misgoverned. South Africa is in a period of low growth, which is likely to continue for the next few years. South Africa's GDP growth is currently below 2%, which is not ideal to produce sustainable growth. Undeniably, South Africa is plagued by economic challenges such as lack of service delivery, poor financial management, weak business confidence, low growth, massive unemployment, and corruption which are threats to the economic and financial sustainability of the country. Arguably, if the government is serious in solving these economic challenges, drastic action is required to stimulate economic growth, investment and ultimately creating jobs. The role of SOEs is well-embedded in scholarly arguments, however, there is very little attention paid to the impact of reckless and mismanagement of SOEs in South Africa. Using economic theories relating to SOEs as a conceptual framework, this chapter analyses the economic growth and determines the impact of the SOEs' mismanagement of economic growth and investment in South Africa. It concludes that SOEs can make an essential contribution to the economy, but most of South Africa's SOEs need a serious reform because they are currently negating the economic growth of the country.

Keywords: Economic growth, Market Failure and Corruption, State-owned enterprises, Sustainability

1. Introduction

Many countries regard the public sector as a powerful engine of economic growth and sustainable development. Mainly, the developing countries view public corporations and state-owned companies as an instrumental device to stimulate and accelerate GDP, employment and infrastructure development. In South Africa, State-owned enterprises (SOEs) play a vital role in government activities and to deliver basic services to the people. The government is active in the key sector, such as services, utilities, transportation, and construction. Presumably, the distribution of basic resources and infrastructure development is to some extent dependent on SOEs. In other words, the role of SOEs is to provide basic services and fostering development in order to improve the quality of life of South African. There is a noticeable progress made over the past few years in the delivery of basic services. According to the Community Survey 2016, 89,8% of households used piped water, 63,4% used flush toilets connected to either the public sewerage or to a local septic system, 63,9% of households receive refuse

removal services, and that 87,6% of households had access to electricity. The reality, however, is that the government still needs to do lots of work in the area of basic service delivery because, currently, it is failing to provide all citizens with these services and those who do not get the services tend to protest and damage the available limited infrastructure.

While not all inefficiency problems accountable for lack of service delivery, one could say that most of these problems are attributed to the sluggish and underperforming economy. The South African economy grew by 1,3% in 2017 (Stats SA, 2018) and at this rate of growth, the economy is not big enough to eliminate major challenges facing the country. Of greater concern are the triple economic challenges, namely, poverty, inequality, and unemployment. These challenges tend to create a high level of dependency on the government of the day and continue to undermine its effort to deliver adequate basic services to the needy. Although these problems are equally important, evidently, the higher rate of unemployment can perpetuate both poverty and inequality. Put simply, if the government can

manage to eliminate unemployment - poverty and inequality will decrease drastically.

To this end, unemployment remains a major problem in South Africa. The recent job statistics indicate a high unemployment rate of about 27.2% (StatsSA, 2018). A striking feature of the unemployment rate is the immense youth unemployment. The recent figures suggest that almost 50% of South Africans between 15 and 34 are unemployed (StatsSA, 2018). The central challenge of eliminating persistent unemployment is that the government has become one of South Africa's biggest job creators, and SOEs are responsible for a fair share of the overall government employment. Disappointingly, most of these SOEs are bankrupt due to corruption and mismanagement, and they desperately need financial injections from government. Scholars attribute the poor performance of SOEs to problems, including leadership, governance, and financial propriety issues. Rhodes, Biondi, Gomes, Melo, Ohemeng, Perez-Lopez & Sutyon (2012) noted institutional characteristics such as inefficiencies, poor management, mismanagement, corruption, and political interferences as the leading causes of the poor performance of the SOEs.

The fundamental characteristics of corruption and political interference in the running of the SOEs manifested through the most widely discussed and controversial issues in South Africa- state capture. Transparency International (2014) described state capture as a situation where powerful individuals, institutions, companies or groups within or outside a country use corruption to shape a nation's policies, legal environment, and economy to benefit their own private interests. Currently, there is a growing onslaught of public enterprises in South Africa, which results from state capture. This is no surprise because the performance of SOEs in South Africa is increasingly deteriorating, subsequently, negatively affect both a country's economic stability and its growth prospects. One of today's core challenges is to justify the existence of some of the SOEs in our economy. Florio (2014) argues that despite the fact that SOEs still play a significant role in many countries, economists and policymakers no longer seem to have a firm understanding of why SOEs exist. It is no surprise because looking at South Africa, as discussed earlier, that most of SOEs financial performances are severely deteriorating. Due to their financial constraint, they have received several cash injections from the government to enable them to continue to deliver services. This begs the question

of the persisting existence and contribution of SOEs to the economy of the country. The focal point of this paper is to analyses and determines the impact of the SOEs' mismanagement of economic growth and investment in South Africa. This is a conceptual paper based on secondary information and it is structured in three parts. It begins with a review of relevant theories that justify the establishment of SOEs and those against their (SOEs) existence. The second part of this paper reviews the state of the SOEs and their mismanagement implications on South Africa's economy. The last section summarizes the conclusions about the roles and consequences of SOEs on the economy.

2. Theoretical Exposition

2.1 Defining State-Owned Enterprises (SOEs)

There are several definitions of a state enterprise. For example, State ownership may refer to state ownership or control of any asset, industry, or enterprise at any level, national, regional or local (municipal); or to common (full-community) non-state ownership. It is a business that is either wholly or partially owned or operated by a government. State-owned enterprises are common throughout the world (Clarke & Kohler, 2005). Black, Hashimzade and Myles (2012:1) define a state enterprise as a firm founded on the initiative of the state and run by it. A state enterprise is likely to exist when there are activities that would be socially beneficial, but which are not attractive to private entrepreneurs or activities that will be profitable but which involve natural monopolies. Whilst, Davies, Lowes and Pass (2005:485) define a state enterprise as the basic production entity that is owned by the state and which operates on the basis of production plans and targets laid down in the country's national plan.

2.2 The Purpose of State-Owned Enterprises

Public enterprises occupy an important position in the national economy of most countries and there are many fundamental reasons why it is unavoidable for developing countries to establish large public enterprises. Conventional wisdom suggests that the establishment of the state corporations is for the good cause, and often positive for the economic growth. The establishment of the public enterprises is a good method of state intervention and management of the economy. It is not surprising, that state intervention is certainly one of the most intensely

debated economic and political subjects in this century. Karl Marx suggested that the peoples' misery was the direct result of the private enterprise economy caused and encouraged by the theory of limited state intervention in the economic development of the state. Meanwhile, Keynesian economists argue that at certain times limited State intervention becomes a relatively acceptable practice (Sudgen, 1983). For instance, after the turmoil of the Great Depression state involvement in the economy seemed to be the correct path, with public enterprises being developed in the Western economies through deliberate nationalization of the enterprises (Efird, 2010). Efird (2010) further opined that SOEs have always played important roles in the political economies of nation states. According to Turner and Hulme (1997), SOEs are for the purpose of economic development. In the same vein, Buge, Egeland, Kowalski and Sztajerowska (2013) postulate that SOEs are a vital element of development in most economies. The purpose of SOEs can be summarized in two forms. Firstly, is the delivery of core public services such as postal services, sanitation, power, airports, telecommunications, water, broadcasting and telecommunications and; secondly, for purely commercial purposes such as air transport, banking, real estate development, retailing and shipping. In the simplest terms, profits reaping (generate public funds) is the main purpose behind the creation of such enterprises.

3. Theoretical Justifications for the Existence of SOEs

The economic theory emphasizes the importance of state ownership and the benefits which can be yielded from existing SOEs. Moreover, rewards from the SOEs are almost always debated in terms of economic utility. The basic premise and the reasons behind the existence of SOEs are provided in the next section.

3.1 Market Failures

The simplest economic explanation of state ownership of firms is that it is one of the solutions to market failure problems. Authors such as (Levy, 1979; Lindsay, 1976) argue that the markets are unable to efficiently allocate products or resources to the most welfare-enhancing use and it compels the government to intervene to address these inefficiencies using an array of instruments such as taxation, regulation, and direct ownership the via creation of SOEs. In other words, the government

can serve the public interest by maximizing allocation of scarce resources to society as much as possible. Black, Calitz, Steenekamp *et al.* (2003) contend that market failures provide a prima facie case for government intervention. They list the reasons why in reality markets may fail to provide the optimal solution promised by the perfectly competitive model. These include lack of information, lags in adjustment, incomplete markets, non-competitive markets, macroeconomic instability and non-optimal income distribution. In the same strain, Cuervo-Cazurra, Inkpen, Musacchio and Ramaswamy (2014) assert that market failures constitute public goods, in which the rival and non-excludable nature of their consumption will result in their depletion; positive externalities, in which the providers of the externalities are not compensated for this effect and thus will under provide them to society; negative externalities, in which the generators of the externalities do not have to pay for these effects and thus will over-provide them to society; information asymmetries, which result in moral hazard and adverse selection problems; incomplete markets, in which consumers cannot obtain the products even if they are willing to pay their price; and natural monopolies, in which it is more efficient for society to have one provider than to have competition among several firms, and thus there is the danger of undersupply or overpricing.

Competition is one of the key elements that drive a market to achieve efficient resource allocation. In some industries, goods or services are produced by a small number of firms. In the extreme case of a monopoly, one firm has the entire market share. However, competition will be low in markets with few firms if there are substantial barriers to entry that restrict new firms from entering the market. Barriers to entry can result from laws, such as copyrights, patents, and licenses. There are two distinct reasons why unregulated monopolies fail to produce goods in a manner that maximizes social welfare. The first is that, regardless of the returns to scale, a profit-maximizing monopolist will exploit their market power to increase the price above that which would arise in a competitive market. This maximizes the monopolist's profits, but it also reduces the quantity produced.

3.2 Political Strategy

In one way or another, organizational success often depends on political action. In general, politics plays

an important role and has many effects on the economy. However, authors such as (Aplin & Hegarty 1980; Boddewyn & Brewer, 1994) suggest observing the influence of organizations on the politics of a given corporate in some state or region. This approach is known as Corporate Political Activity (CPA). On the contrary, the political point of view explains the existence of SOEs as a result of the ideology and the political strategy of government officials regarding private ownership of particular productive assets (Cuervo-Cazurra *et al.*, 2014). Cuervo-Cazurra *et al.* (2014) further distinguish four types of economic ideologies or political strategies that result in the creation of SOEs, namely, communism, nationalism, social, and strategic ideology.

First is the (Marx cited in Cuervo-Cazurra *et al.*, 2014) argument that communist ideology justifies the creation of SOEs as a way to redistribute wealth from a few private people. Under this view, citizens are the rightful owners of companies. Second is the nationalist ideology, which argues that the government needs to create SOEs to speed up the development of the country and address the inability of private enterprise to achieve this (Bruton, 1998). Third, is a social ideology that proposes that the government needs to invest in SOEs to facilitate the achievement of socially desirable objectives, such as education, healthcare, or poverty reduction? The role of the state is the control of markets, redistribution of income and the provision of welfare services for all citizens (Gildenhuys, 1998:8). According to Swilling (1999), the state creates an enabling environment for all its citizens to enjoy a good life in a democracy with a free-market system. In such cases, the political strategy of the government promotes redistribution and questions the ability of private entrepreneurs to achieve social objectives. Fourth is the economic-strategic ideology that justifies the creation of SOEs as being strategic for the country, such as defence. The definition of which industries have strategic merit and require SOEs varies across countries based on the particular perspectives and political strategies of governments and politicians (Cuervo-Cazurra *et al.*, 2014).

3.3 Socio-Economic Motives

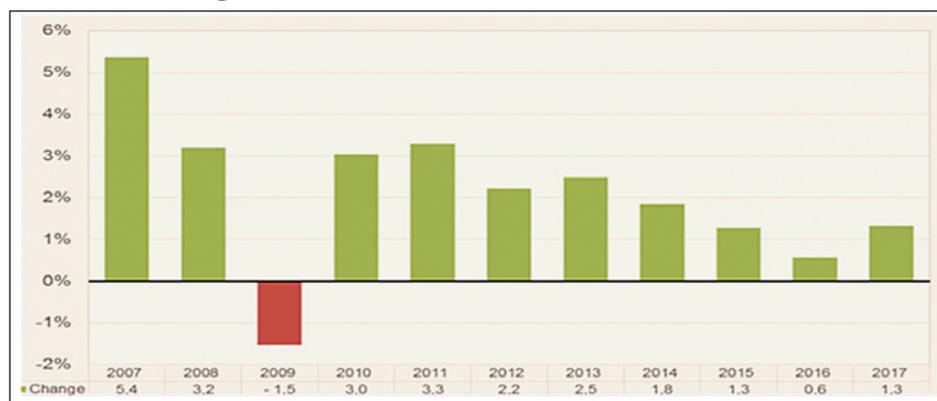
State-owned enterprises (SOEs) account for a substantial proportion of gross domestic product, employment, and assets in many countries. In the Organization for Economic Co-operation and

Development (OECD) countries alone, SOEs employ more than six million people and have a value of close to US\$ 1.9 trillion (Christiansen, 2011). On the contrary, privatisation forces the new private companies to be efficient, but the costs cut mechanism for these firms is to shed labour in large quantities and this tends to aggravate poverty and inequality (Estache, Gomez-Lobo & Leipziger, 2001). Inequality is a major cause of poverty growth not only in South Africa but worldwide. Authors such as (Malcolm, 2014; Bakkeli, 2017; Alexeev, 1999) consider privatisation to be one of the leading causes of the world inequalities. The main idea here is that the government trade-off state assets, which are owned by everyone, to the affluent minority of the population, consequently increasing the gap between the rich and the poor. In other words, privatization just turns up to be rewarding the wealthy while the rest of the population suffers.

4. Theoretical Case Against the SOEs

4.1 The Principal-Agent Problem

By definition, the Principal-Agent Problem occurs when one person (the agent) is allowed to make decisions on behalf of another person (the principal). For instance, most of the government's own the SOEs on behalf of the people (the principal). These governments then entrust managers (the agent) with the day to day running. In almost every nation in the world politicians are the agents and voters are the principals. The core issue here is that the principal-agent problem generates market failure because most of the agents have a tendency of pursuing their own self-interest instead of the principal. If this is true, then the principal-agent problem can create managerial failure and the SOEs may be sadly run in an undesirable and ineffective way in this instance. On the contrary, State-owned enterprises (SOEs) are often criticised for being inefficient and under-performing due to political interference and the lack of a profit motive and disciplining market forces (Shirley, 1999). On the contrary, it should be noted that there some benefits associated with the agent. Most of the agents do have extensive management experience from the private sector and as such, they will bring the knowledge that can help to create the infrastructure to carry the SOE to the next stage of development and in turn economic growth. They can also turn SOEs which are in a dire circumstance into profit-making firms.

Figure 1: South African Annual GDP Growth

Source: Stats SA (2018)

4.2 Free-Rider Problem

The free rider problem is an economic concept of a market failure that occurs when individuals are able to consume a good without paying. In other words, few people pay for the consumption of goods and services while the majority gets to utilize them for free. Consequently, this may discourage the few who are willing to pay. Private companies find it difficult to produce public goods. Ulbrich (2003:95) argues that the biggest reason why it is difficult to rely on the market to produce public goods and services is the free rider problem. In the case of public goods or services, free riding would simply mean that there will be insufficient payers to cover the costs of private profit undertaken during production. A private producer cannot build street lightings or flood control systems that can be used only by people who pay for them (Fourie & Mohr, 2004:388). All people can benefit from them or directly use them. As a result, no one will be willing to pay for public goods and services that is roads, street lights, and subsidised electricity. In the end, no private producer will be willing to supply that product (Cowen, 1988:101).

4.3 The Soft Budget Constraint Syndrome

According to Kornai and Weibull (1983:153-155), the 'softening' of the budget constraint appears when the strict relationship between the expenditure and the earnings of an economic unit (firm, household, and government) has been relaxed, because excess expenditure will be paid by some other institution, typically by the paternalistic State. Put simply, the soft budget constraint refers to the expectation of a bailout by a business in case of financial distress. Chang (2007) maintains that this means that being part of the government structure, SOEs have the

ability to secure financing from the national government, thus, bankruptcy or insolvency never poses a real threat to them. Chang further stressed that SOEs can act as if their budgets are soft or malleable because of the "infinite" source of money they could secure from the national treasury in case they need it. This might be true because the existence of soft budget-constraints in developing countries like South Africa is clear and unlimited.

5. State of the SOEs and Implications Their Mismanagement on the South Africa's Economy

Economic growth in South Africa is currently growing at a sluggish pace and it enough to forester sustainable development which required country. Figure 1 shows that the country's GDP has contracted form 2.5% in 2013 to 0.6% in 2016, and followed by a recovery of 1.3% in 2017. Moreover, the World Bank has projected that South Africa GDP growth of 1.1% in 2018.

According to the Investment Climate Statement (ICS, 2017), there are approximately 700 SOEs that exist in South Africa (at the national, provincial, and local levels). The Department of Public Enterprises (DPE) has oversight responsibility for only six SOEs, namely Alexkor (diamonds), Denel (military equipment), Eskom (electricity generation), South African Express Airways, South African Forestry Company (SAFCOL) (forestry), and Transnet (transportation). Most importantly, these six SOEs employ approximately 105,000 people and their overall fixed investment was 19% of GDP (ICS, 2017). Table 1 on the next page provides a summary list of some of South African major SOEs and their designated departments in according to the National Treasury.

Table 1: Major South African SOEs

No	Schedule 2	Department
1	Air Traffic and Navigation Service Company	Transport
2	Airport Company of South Africa	Transport
3	Alexkor	Public Enterprises
4	Armsscor	Defence
5	Central Energy Fund	Minerals and Energy
6	Denel	Public Enterprises
7	Development Bank of Southern Africa	National Treasury
8	Eskom Holdings (Pty) Ltd	Public Enterprises
9	Industrial Development Trust	Public Works
10	Industrial Development Corporation of SA	Trade and Industry
11	Land and Agricultural Bank of South Africa	Agriculture
12	South African Broadcasting Corporation	Communications
13	South African Forestry Company	Public Enterprises
14	South African Nuclear Energy Corporation	Minerals and Energy
15	South African Post Office Limited	Communications
16	Telkom SA Limited	Communications
17	Trans-Caledon Tunnel Authority	Water Affairs and Forestry
18	Transnet Limited	Public Enterprises

Source: National Treasury (n.d)

5.1 Challenges Facing SOEs

Poverty is the mother all developmental challenges that are confronting most South Africans in general. Lack of sustained economic growth and job creation are some of the major challenges which demand immediate attention in order to tackle the socio-economic problems which continue to plague South Africa today. It is not surprising that there are ebullient discussions amongst South Africans from all walks on the mismanagement of SOEs. SOEs were created to serve as one of the solutions of the socio-economic problem. Such socio-economic contribution by SOEs in the economy appears to mirror an international trend in developing countries (OECD, 2015). Castells (2001) affirms that the government's effort to establish and safeguard basic infrastructure is largely provided through SOEs as an instrument of social development. Nevertheless, most of South Africa's SOEs are continually criticized for their poor performance.

It is important to note that the poor performance of the SOEs, it is not strictly a post-apartheid phenomenon. In spite of the imperative role played by the SOEs in the early 1920s, they started to crumble in the 1980s. Klopper (2010) underlines that in

the late 1980s a number of SOEs faced privatization because they were financially unsustainable, and were funded from limited state resources. Furthermore, they were not an attractive proposition, enabling them to acquire immediate capital for additional projects and were so inefficient that they elicited unwanted criticism against the government. At this juncture, it is imperative to emphasize that the foregoing statement is not the justification of the equally important poor performance of SOEs in the post-apartheid era. Of course, the state of the SOEs has worsened in the current dispensation. In the same vein, the office of the Public Protector 2014 report (cited in Thabane, 2018) describes the South African Broadcasting Corporation (SABC), a state-owned enterprise, to be "symptomatic of pathological corporate governance deficiencies".

Qobo (2018) claims that South Africa has seen an increased failure of various SOEs, in the past 10 years, which has negatively affected public finances and economic growth. Qobo (2018) further points out that the bailing out of crumbling SOEs has negative effects on the welfare of the nation. This is because funds are diverted away from critical public services such as education, health, and housing towards incentivizing inefficiencies and wastage.

It is worth noting that the Soft Budget Constraint Syndrome is an extreme problem which is perpetuated by the mismanagement of SOEs funds in South Africa. For instance, in the 2015-2016 the debt of the nine South Africa's SOEs was about R700 billion plus R51 billion repayable interest. A noteworthy contributor to the SOEs' debt is the SAA over the period of 1991 to 2012 this public enterprise received R11 billion of the public funds (Korhonen, 2017). Consequently, the Auditor-General has raised concerns about SAA's 'ability to generate sufficient cash to fund operations' (Ensor, 2018). During 2017, SAA received R5-billion of bailout, including a portion of R3-billion that was meant to settle SAA's debt with Citibank. Another R5-billion payment to SAA was due at the end of March 2018 (Qobo, 2018).

In 2017, SABC urgently needed a massive R3bn bailout to keep it from collapse which was more than double its last government bailout of R1.47bn in 2009 (Ferreira, 2017). Muller (2017) points out that Eskom holds up to R350 billion in government guarantees because it is financial instability. Muller further claims that before the 2007 load-shedding debacle gripped South Africa, the running of Eskom seemed unquestionable and that it was functioning efficiently. Compounding to the challenges which are facing Eskom, it is the increasing municipalities' arrears which is currently about R 12 billion. Ferreira (2018) noted that Denel needs a R3 billion capital injection. Although we restricted our discussion to these four SOEs, it should be noted that there are not the only SOEs which are in disarray. The South African Post Office, the Land Bank and the Road Accident Fund are the other examples of the public enterprises which are consistently demanding the capital injection from the government. Although it is critical to have these SOEs, It is clear that they continue to put pressure on the country's economy. This is because they have often altered the government's fiscal balances and policy priorities.

Another cardinal problem which exacerbates the mismanagement and the failure of the SOEs was that in past recent years South Africa was no longer as a democracy but as an oligarchy. Most of the SOEs were notorious in the hands of the oligarchy of the former president, Mr. Jacob Zuma and one big family business, the Guptas. Oligarchy is mostly strengthened by the Principal-Agent Problem. This problem arises is when the agent (leadership) fails to balance their own interests with those of the owners (public). Martin and Solomon (2017) contended that

political power is a mechanism that can be used to extract financial benefits from the state, and consequently, the needs of ordinary citizens will not be satisfied. In addition, they argued that power is interest driven in South Africa and the economy is becoming increasingly centralized, where only a small segment of society is benefiting from it. Many commentators argue that South Africa was recently captured by President Jacob Zuma and the Gupta family. Carbore (2016), points out that the Gupta family was alleged to be powerful and have an influence in the appointment of government ministers, officials and boards of directors to state entities like the country's Electricity Supply Commission (ESKOM), the rail agency – Passenger Rail Agency of South Africa (PRASA), South African Airways (SAA) – the national airline and the national broadcaster, the South African Broadcasting Commission (SABC) to name but a few.

Broadly speaking, the highest degree of human depravity, which is confronting these SOEs is corruption. Bhorat, Buthelezi, Chipkin, Duma, Mondli, Peter, Qobo, Swilling, and Friedenstein (2017) maintain that the decomposition of South African state institutions has long been blamed on corruption, but it remains imperative to note that state capture is a far greater, systemic threat. Arguing in a similar vein, Ennsler-Jedenastik (2014) notes that patronage contributes to the mismanagement of SOEs in most of the developing countries. This is true because in South Africa some of SOEs' employees are solely appointed because of their loyalty to the ruling party (ANC) as opposed to being employed based on merit. For instance, in 2011 Mr. Hlaudi Motsoeneng was appointed as the chief operating officer of the SABC without necessary qualification and he disarrayed the SABC.

In some cases, free rider problem does contribute to poor performance of these SOEs. Due to higher levels of unemployment in South Africa, the majority of people are unable to pay for the services which are provided by some of these enterprises. However, they still expect and plan to utilize the services free of charge. For instance, some people are stealing electricity from ESKOM through illegal electricity connections and this may affect the quality of electricity supply, which in turn negatively affects the economy. On the whole, the free-rider problem leads to market failure of the public goods. Challenges facing SOEs in South Africa most of the economists conclude, under some simple premises,

that establishing SOEs in an economy improves the welfare of society overall. However, in conduct SOEs seldom live up to the same standards. Subsequently, in most developing countries, there is a general call to reduce the overall level of state ownership through privatization efforts.

5.2 Opportunities of SOEs

Although there are a couple of drawbacks linked to the management of the SOEs, they remain an important instrument in any governments which is serious with enhancing their economy and have a sustainable investment. Despite the current the poor performance, SOEs played a crucial developmental role in South Africa in the past years. Jerome and Rangata (2003:6-7) argue that in the early 1920s, SOEs had become instrumental in shaping the South African economy. Their initial mandate was to strengthen import-substitution industries and operate as exclusive franchises. Eskom was required to produce and maintain electrical power distribution and The Iron and Steel Corporation (later Iscor) to secure iron and steel production. The Industrial Development Corporation (later IDC) was to assist in the establishment of new industries such as the Phosphate Development Corporation to mine and process phosphate minerals to advance agriculture and peripheral practices. The Armaments Development and Production Corporation and later Armaments Corporation of South Africa (Armscor), responsible for all research and development pertaining to munitions and military paraphernalia; and South African Airways (SAA), which functions as the national airline. Jerome & Rangata (2003) further suggest that all were established to ensure the country's sustainability and self-sufficiency.

SOEs such as Eskom, Transnet, and Telkom are playing a huge role in the infrastructural development in South Africa. The investment in infrastructure does have positive effects on the economy. In 2012, Transnet launched a R300 billion infrastructure with the prospect of creating 588 000 jobs (Doke, 2015). The economy would grow at a slower pace these SOEs this disinvesting on infrastructure investment. South Africa has relatively high levels of unemployment and job creation is a very critical concern. "Jobs are the cornerstone of economic and social development" (World Bank, 2013:2). The government is creating and maintaining jobs via these SOEs, but that is not enough to offset unemployment and poverty. In 2017, Eskom, Transnet, and Telkom

were having 47 658, 58 828 and 20 341 employees, respectively (Writer, 2017).

Market failures provide a rationale for government interventions via SOEs. Most economic arguments for government intervention are based on the idea that the marketplace cannot provide public goods. Put simply, a market failure occurs when the supply of a good or service is insufficient to meet demand leading to inefficient distribution of resources in the economy. Government intervention is critical in order to ensure economic growth and to provide social services, such as health and water, which the private sector could not readily offer. On the whole, the private sector fails to distribute resources fairly to the poor relative to the rich. Bishnoi (2015) claims that since SOEs are controlled and owned by the state basic services and goods are made affordable for the citizen. Thus, SOEs do not primarily focus on making profits, but to provide services to the people. As aforementioned, through ESKOM about 87, 6% of households had access to electricity and at affordable prices.

SOEs are also an important force behind international trade. In South Africa, SOEs are active internationally and engaged in trade increased global competition for finance, talent, and resources. Thus, they stimulate economic growth and sustainable development. South Africa has eight commercial ports: Richards Bay and Durban in KZN, East London, Port Elizabeth and the Port of Ngqura in the Eastern Cape, and Mossel Bay, Cape Town, and Saldanha in the Western Cape. Transnet National Ports Authority (NPA) manages the ports and Transnet Port Terminals is responsible for managing most port and cargo terminal operations (Doke, 2015). Drawing from the above discussion, SOEs, if well managed are capable to create wealth in the economy and wellbeing and jobs for its citizens.

6. Conclusion and Recommendations

This paper examined the challenges and opportunities facing SOEs in South Africa and how they affect the economy. It was noted that there are several advantages to SOEs. SOEs play an important role in South Africa's economy and their influential role can be observed in both domestic and international trade. The remarkable feature of the SOEs are their significant contribution to the maintenance of the basic infrastructure of South Africa, in turn, creating

jobs and driving growth in existing and emerging industries, which is positive for the economy and society. The other advantage is their ability to continue to render the core category of essential goods and services, such as electricity, water, telecommunications, transport, education under severe pressure of the ever increasing population. However, SOEs are currently facing huge difficulties and are in a dire state. The main problems facing SOEs are mismanagement and corruption. This notion is articulated well by the principal-agent problem. Thus, mismanagement and rampant corruption occur because SOEs are managed not by their owners (public), but rather by principals (Board members). The board members normally serve their own interest, and they are loyal and accountable only to whatever political party is in power.

In view of these challenges, the paper makes several recommendations. These include, among others, SOE board members must be independent and need to be loyal to the owner (the people). Thus, there must be a clear government ownership policy which stipulates board members are not the owners of the SOEs and they must regularly report to the owner on their performance. In other words, SOEs must be managed according to principles of transparency and accountability. In this regard, their performance must be monitored and reported on a timely, and transparent via the parliament. Further, the appointment of key senior managers in SOEs must be discussed and be inclusive of all those who are affected (the people). SOEs can be transparent and accountable through active citizen participation. This can be realised if, for instance, the interviews of such post should be conducted and televised through the parliament TV channel. Most importantly, if the government seriously wants to curb mismanagement and looting of funds in SOEs, this paper recommends that there must start to deal with unethical conduct without any biases. While it is important that the state provides financial support to SOEs, the government should consider merging SOEs which are in the dire state, like SAA and SA Express. Conversely, the government should also allow for privatisation such SOEs if they might not be revived. This will preserve the taxpayer's money which is used to provide bailouts for such SOEs. To sum up, it would seem that SOEs continue to be the catalysts for sustainable economic growth if they are well managed.

References

- Alexeev, M. 1999. The effect of privatization on wealth distribution in Russia. *Economics of Transition*, 7(2):449-465.
- Aplin, J. & Hegarty, H. 1980. Political influence: Strategies employed by organizations to impact legislation in business and economic matters. *Academy of Management Journal*, (23):438-450.
- Bakkeli, N.Z. 2017. Income inequality and privatisation: a multi-level analysis comparing prefectural size of private sectors in Western China 4(7). Available at: <https://doi.org/10.1186/s40711-017-0055-4>. Accessed on 20 May 2018.
- Bhorat, H., Buthelezi, M., Chipkin, I., Duma, S., Mondli, L., Peter, C., Qobo, M., Swilling, M. & Friedenstien, H. 2017. Betrayal of The Promise: How South Africa is Being Stolen, The State Capacity Research Project. Available at: <https://www.outa.co.za/wp-content/uploads/2017/06/Betrayal-of-the-Promise-25052017.pdf>. Accessed on 22 March 2018.
- Bishnoi, B. 2015. What are the Advantages & Disadvantages of Government Company? Available at: <http://www.publishyourarticles.net/knowledge-hub/business-studies/what-are-the-advantages-a-disadvantages-of-government-company/768/>. Accessed on 20 May 2018.
- Black, J., Hashimzade, N. & Myles, G. 2012. A dictionary of Economics. London: Oxford University Press.
- Boddewyn, J.J. & Brewer, T.L. 1994. International-business political behavior: New theoretical directions. *Academy of Management Review*, (19):119-143.
- Bruton, H.J. 1998. A reconsideration of import substitution. *Journal of Economic Literature*, (36):903-936.
- Buge, M., Egeland, M., Kowalski, P. & Sztajerowska, M. 2013. State-Owned Enterprises in the Global Economy: Reason for Concern? VOX: CEPR's Policy Portal. 2 May. Available at: <http://voxeu.org/article/state-owned-enterprises-global-economy-reason-concern>. Accessed on 21 May 2018.
- Carbone, G. 2016. South Africa The need for change, Milano: Ledizioni LediPublishing
- Castells, M. 2001. Information technology and global development. In Muller, J., Cloete, N. and Badat, S. (eds), *Challenges of Globalisation: South African Debates with Manuel Castells*. Centre for Higher Education Transformation/Maskew Miller Longman: Cape Town, pp. 152-67.
- Chang, H. 2007. National Development Strategies Policy Notes: State-Owned Enterprise Reform, Available at: http://esa.un.org/techcoop/documents/PN_SOERreformNote.pdf. Accessed on 22 March 2018.
- Chavez, D. & Torres, S. 2014. Reorienting development: State-owned enterprises in Latin America and the world. Amsterdam: Transnational Institute.
- Christiansen, H. 2011. The size and composition of the SOE sector in OECD countries. OECD Corporate Governance Working Papers (No. 5). Paris, France: OECD Publishing.
- Clarke, A. & Kohler, P. 2005. Property law: commentary and materials. Cambridge University Press: Cambridge.

- Cowen, T. 1988. *The theory of market failure: A critical examination*. Fairfax: George Mason University Press.
- Country Economy. 2018. South Africa GDP –Gross Domestic Product. Available at: <https://countryeconomy.com/gdp/south-africa>. Accessed on 29 August 2018.
- Cuervo-Cazurra, A., Inkpen, A., Aldo Musacchio & Ramaswamy, K. 2014. Governments as Owners: State-Owned Multinational Companies. Special Issue on Governments as Owners: Globalizing State-Owned Enterprises edited by Alvaro Cuervo-Cazurra, Andrew Inkpen, Aldo Musacchio and Kannan Ramaswamy. *Journal of International Business Studies*, 45(8):919-942.
- Davies, L., Lowes, B. & Pass, C.L. 2005. *Collins dictionary of Economics*. London: HarperCollins.
- Doke, L. 2015. Investment still needed in transport infrastructure. Available at: <https://mg.co.za/article/2015-07-17-investment-still-needed-in-transport-infrastructure> Accessed on 22 March 2018.
- Ennsner-Jedenastik, L. 2014. The Politics of Patronage and Coalition: How Parties Allocate Managerial Positions in State-Owned Enterprises, *Political Studies*, 62(2):398-417.
- Ensor, L. 2018. Auditor-general Kimi Makwetu: SAA had a net loss of R5.6bn. Available at: <https://www.businesslive.co.za/bd/national/2018-03-08-auditor-general-kimi-makwetu-says-saa-and-mango-given-qualified-opinions/>. Accessed on 22 March 2018.
- Estache, A., Gomez-Lobo, A. & Leipziger, D. 2001. Utilities Privatization and the Poor: Lessons and Evidence from Latin America, *World Development*, 29(7):1179-1198,
- Ferreira, E. 2018. Gordhan slams Denel after it pleas for R3 billion lifeline. Available at: <https://www.iol.co.za/news/politics/gordhan-slams-denel-after-it-pleas-for-r3-billion-lifeline-13130150>. Accessed on 22 March 2018.
- Ferreira, T. 2017. SABC wants R3bn bailout. Available at: <https://www.channel24.co.za/TV/News/sabc-wants-r3bn-bail-out-20170914>. Accessed on 22 March 2018.
- Florio, M. 2014. Contemporary public enterprises: innovation, accountability, governance. *Journal of Economic Policy Reform*, 17(3):201-208.
- Fourie, D.J. 2001. The restructuring of state-owned enterprises: South African initiatives. *Asian Journal of Public Administration*, 23(2):205-216.
- Fourie, L. & Mohr, P. 2004. *Economics for South African students*. Van Schaik: Pretoria.
- Gildenhuys, J.S.H. 1988. *South African Public Administration*. Pine Town: Owen Burgess Publishers.
- Investment Climate Statement (ICS). 2017. South Africa –8-State Owned Enterprises. Available at: <https://www.export.gov/article?id=South-Africa-State-Owned-Enterprises>. Accessed on 29 August 2018.
- Jerome, A. & Rangata, M. 2003. *The Tortuous Road to Privatisation and Restructuring of State Assets in South Africa: Lessons from African Privatisation Experience*. Cape Town: Development Policy Research Institute.
- Klopper, H. 2010. Research Report on State Owned Enterprises. Available at: <http://www.whoownswhom.co.za>. Accessed on 22 March 2018.
- Korhonen, M. 2017. ANALYSIS: For all the billions, SA Airways bailout money not enough to buy Emirates. Available at: <https://africacheck.org/2017/10/30/analysis-billions-sa-airways-bailout-money-not-enough-buy-emirates/>. Accessed on 30 March 2018.
- Kornai, J. & Weibull, J.W. 1983. Paternalism, Buyers' and Sellers' Market. *Mathematical Social Sciences*, 6(2):153-169.
- Levy, B. 1987. A theory of public enterprise behavior. *Journal of Economic Behavior and Organization*, 8:75-96.
- Lindsay, C.M. 1976. A theory of public enterprise. *Journal of Political Economy*, (84):1061-1077.
- Malcolm, K. 2014. *Managing the Boundary between Public and Private Policing*. New Perspectives in Policing Bulletin. Washington, DC: Department of Justice and the National Institute of Justice.
- Martin, M.E. & Solomon, H. 2017. Understanding the Phenomenon of "State Capture" in South Africa, *Southern African Peace and Security Studies*, 5(1):21-33.
- Marx, K. 1967. *Capital: A critique of political economy*. New York: International Publishers.
- Muller, S.M. 2017. SA needs to sober up to save itself from sickly CEOs. Available at: <https://mg.co.za/article/2017-09-13-sa-needs-to-sober-up-to-save-itself-from-sickly-state-owned-enterprises>. Accessed on 14 March 2018.
- National Treasury. (n.d). *Governance Oversight Role Over State Owned Entities (SOE's)*. Available at: <http://www.treasury.gov.za/publications/other/soe/Governance%20Oversight%20Role.pdf>. Accessed on 29 August 2018.
- OECD. 2005. *OECD Comparative Report on Corporate Governance of State-owned Enterprises*. Paris: OECD Publishing.
- OECD. 2011. *Organisation for Economic-Operation and Development*. Paris: OECD Publishing.
- OECD. 2014. *Guidelines on the Governance of State-Owned Enterprises for Southern Africa*. Available at: <https://www.oecd.org/daf/ca/soe-guidelines-southern-africa.pdf>. Accessed on 6 April 2018.
- OECD. 2015. *OECD Guidelines on Corporate Governance of State-Owned Enterprises (2015 Edition)*. Paris: OECD Publishing.
- Rhodes, M.L., Biondi, L., Gomes, R., Melo, A.I., Ohemeng, F., Perez-Lopez, G. & Thynne, I. 1994. The incorporated company as an instrument of government: A quest for a comparative understanding. *Governance*, (7):59-82.
- Shapiro, D. & Gliberman, S. 2012. The international activities and impacts of state-owned enterprises. *Sovereign investment: Concerns and policy reactions*, 98-144.
- StatsSA. 2018. *Economic growth better than what many expected*. Available at: <http://www.statssa.gov.za/?p=10985>. Accessed on 29 August 2018.
- StatsSA. 2018. *Quarterly Labour Force Survey*. Available at: <http://www.statssa.gov.za/?p=11361>. Accessed on 29 August 2018.

- Sudgen, R. 1983. After the New Right, Heinemann Educational Books. *Journal of Social Policy*, 12(4):572-573.
- Swilling, M. 1999. Changing concepts of governance. *Africanus*, 29(2):20-40.
- Transparency International. 2014. State capture: An Overview. Available at: https://www.transparency.org/files/content/corruptionqas/State_capture_an_overview_2014.pdf. Accessed on 29 August 2018.
- Ulbrich, H.H. 2003. Public finance in theory and practice. Abingdon: Routledge.
- Wong, C.Y.S. 2004. Improving Corporate Governance in SOEs: An Integrated Approach, in *Corporate Governance International*, 7(2):1-11.
- World Bank. 2013. Jobs, a world development report. Washington, DC. Available at: <https://siteresources.worldbank.org/EXTNWDR> 2013/Resources/82580241320950747192/8260293-1322665883147/WDR_2013_Report.pdf. Accessed on 14 April 2018.
- World Bank Group. 2014. Corporate governance of state-owned enterprises: A toolkit (English). Available at: <http://documents.worldbank.org/curated/en/228331468169750340/Corporate-governance-of>. Accessed on 14 April 2018.
- Writer, S. 2017. CEO vs employee salaries at Eskom, SAA and other state companies. Available at: <https://businesstech.co.za/news/wealth/194164/ceo-vs-employee-salaries-at-eskom-saa-and-other-state-companies/a>. Accessed on 14 April 2018.
- Zhong, H. 2014. Where is the Future: China's SOEs Reform? *Journal of the Washington Institute of China Studies*, 1(1):105-115.

Effectiveness of Student Involvement Theory Through Co-Curricular Development in College Context: Enhancement of Societal Transformation

BK Sebake

Nelson Mandela University, South Africa

Abstract: Higher Education Institutions in South Africa and elsewhere in the world aspire to produce well rounded graduates that feed into active sectors of the society and add value. Apart from the above, students at universities and colleges are supposed to be at the cutting edge of innovation through balancing their academic life, and outdoor learning activities in order to balance amongst others, their psychological, intellectual and social beings. In light of the above, *student involvement theory* provides an opportunity to inculcate and assert both the theoretical grounds and empirical nature through utilisation of co-curricular development to contribute in a journey of societal transformation, with important pillars being: cultural awareness, social development and justice, and diversity. The fundamental enquiry of the paper is whether in the journey of this transformation, is student involvement theory effective and co-curricular activities have impact on the contribution towards societal transformation and how? The attention will be drawn from conceptual framework of student involvement theory, framework models of co-curricular, effectiveness of outdoor learning activities towards personal development, quality student engagements, and quality promotion in co-curricular activities. The above assist in affirming the importance of co-curricular activities in complementing the quality student experience, which in turn *student involvement theory* will be proven effective within universities and college context. The paper is conceptual in nature through analysis of the desk top literature and testing the empirical evidence in order to assess the effectiveness, with conclusion to be made without any recommendation.

Keywords: Co-curricular development, Cultural awareness, Diversity Student involvement theory, Transformation, Well-rounded graduates

1. Introduction

Universities and Technical and Vocational Education and Training (TVET) colleges in their own nature constitute communities that should provide all the necessary support to its students to grow and develop. This assumption is always interpreted against the background that academic activities are the only methodological essence of entrenchment of student involvement theory in college or university context. However, the paper argues that the thinking that co-curricular activities provide opportunities to complete the cycle of development of a graduate, which contributes to transformation of any country. At first, it is necessary to relate the student involvement theory with the behavior of the customers in which, in this instance, students are the major customers that require that attention. Beatty, Homer & Kahle (1988) state that there are still inconsistencies and ambiguities in the conceptualisations of student involvement theory, along with a sparsity of empirical work in the area, and further, the usefulness of this body of knowledge to managers has received little attention. The

student involvement theory draws its epistemological conceptual grounds from empirical work, which in this instance, co-curricular constitutes the empirical grounds that espouse the theory of student involvement. It is also important to assert the agenda of co-curricular as designed model of entrenching student engagements that espouse graduate philosophy of the colleges and universities. Finelli, Holsapple, Ra, Bielby, Burt, Carpenter & Sutkus (2012) argue that students' co-curricular experiences (e.g. participation in student organisations, project teams, or community service) supplement their formal instruction and have also been shown to be related to ethical development. This instrument assesses student characteristics, curricular and co-curricular experiences related to ethics, and three constructs of ethical development (i.e. knowledge of ethics, ethical reasoning, and ethical behaviour). The essence of co-curricular in the college set-up creates an opportunity for social cohesion which, at the same time, deepens the ethical development on the basis that all activities in this area have rules that are applicable. It is the view of the author that the student involvement

theory aspires to deepen compliance in a form of understanding the application of rules that constitute informal education, and therefore, ethical development is used to foster transformation of human capital ready to conduct itself within a diverse society. In terms of transformation agenda, higher education is the facilitator, the bedrock, the power house and the driving force for the strong socio-economic, political, cultural, healthier and industrial development of a nation as higher education institutions are key mechanisms increasingly recognised as wealth and human capital producing industries (Peretomode, 2007; as cited in Asiyai, 2013), further argues that the quality of knowledge which is generated in institutions of higher learning is critical to national competitiveness. The paper further notes that such quality also gets complemented by the outdoor learning activities which provide a different space of learning and nurturing of talents. The emphasis is provided on how these co-curricular are effective to both theoretical and empirical work to forge or ponder transformation in the society.

2. Student Involvement Theory: A Conceptual Framework

The theory on student involvement has been observed as extensively written by Austin (1984) as an important instrument that articulates learning through actions of the students as customers themselves. This theory is emphatic on students taking ownership for their own development. In keeping track of the paper, the co-curricular conceptual framework seeks to advance a groomed graduate that is culturally aware, socially able, and embrace diversity where it emerges. After careful consideration, these co-curricular development activities build a character of a graduate that any college or university in the world wishes to produce. In observing the literature on student involvement theory Austin (1984) states that student involvement refers to the amount of physical and psychological energy that the student devotes to the academic experience. Thus, a highly involved student is one who, for example, devotes considerable energy to studying, spends much time on campus, participates actively in student organisations, and interacts frequently with faculty members and other students. The narrative above suggest that students get involved in academic activities and such alone will not complete quality engagements, but suffocate students, in which co-curricular ground students on college or

university campus and feel sense of belonging to a society full of diversity and abundant opportunities, and such students remain active in their learning activities, both academic and outdoor learning activities. The earlier assertion is in conformity with what Austin (1984) suggests, that conversely, a typical uninvolved student neglects studies, spends little time on campus, abstains from extracurricular activities, and has infrequent contact with faculty members or other students. From the conceptual point of view, student involvement theory validates yet another assumption that higher failure may be apportioned to a lack of involvement, which ultimately increases a drop-out rate in any college and university. The concept of student involvement theory postulates that no amount of involvement on one side (academic or co-curricular) may solemnly succeed to transform human capital ready to transform any society than both areas of learning co-delivering quality graduate to the society.

In the literature of student involvement from the international perspective, there is an indication that students who are involved in their own development persist on their success and knowledge at all times. According to Vincent Tinto (1993, as cited in Berger & Milem, 1999), also supports the role of student involvement in promoting positive educational outcomes for college students. Moreover, he emphasizes the need to better understand the relationship between student involvement and the impact that involvement has on student persistence. Involvement has also been shown to have specific benefits for various subgroups of students on campus, particularly for students from underrepresented populations. For example, Davis (1991, as cited in Berger & Milem, 1999) found that increased interaction with peers and faculty, along with increased involvement in organised activities, leads to a lower dropout rate for African-American students. The above assertion represents the philosophical assumption of Austin's theory, which the paper argues that the more students are involved, the more time they spend on campus and get grounded for primary purpose of learning, both academic and outdoor activities. An interesting pedagogies of student involvement theory where identified by Austin, however, one interesting thematic trail is the content theory, in particular, tends to place students in a passive role as recipients of information. The theory of involvement, on the other hand, emphasizes active participation of the student in the learning process. Recent research

at the pre-collegiate level (Rosenshine, 1982 as cited in Austin, 1984) has suggested that learning will be greatest when the learning environment is structured to encourage active participation by the students. The co-curricular in this instance represents a stimulus of students' mental and physical readiness for academic activities, which complete the cycle of learning within the college and universities, which also invokes the essence of physical education as a pedagogy through its own activity arrangement asserts cultural awareness, social development and justice; and diversity. Student involvement theory from the philosophy of learning completes a well-rounded graduate that ponder transformation in the society.

3. Narrative Trends on Co-Curricular Development Framework

The co-curricular in colleges and universities have been treated as activities by choice of students, which is problematic in the context of enabling each space for learning. At the very moment, the current debate particularly in African colleges and universities is to transcend our mind to move from extracurricular activities to co-curricular. This movement constitutes a framework of transformation in higher education, which is transcending very slowly in the minds of particularly senior management in higher education. King and Anderson (2004) in conformity with the assertion of the paper argue that they (as authors) made acceptance of the belief that it is the student who is primarily responsible for this development. However, it is important in this section to keep up with focus in order to interrogate the framework models for co-curricular, which King and Anderson (2004) argue that the co-curricular activities program model provides guidance for the student affairs practitioner in developing learning environments that nurture student involvement in a variety of creative ways. This approach requires the support of administrators who are experienced facilitators of cognitive, psychosocial, and moral development and who possess strong theoretical knowledge. The co-curricular in this instance, is noted as strong theoretical framework, which plays an important role to model activities towards transforming human capital that is ready to cope with diverse cultural and socio-political space in the society. The earlier assertion goes with what is the kind of the individuals that understand what the society's model of transformation is, and ensure that the theoretical conceptual frameworks changes

to attract suitable outstanding individual who are at the cutting edge of transformation of the society.

Interestingly about the framework model of learning, a closer look at the Work Integrated Learning (WIL) model was established, which was made to be compulsory for some reasons. Ferns, Campbell and Zegwaard (2014) state that students come to tertiary education to pursue an interest in a subject but aside from some vague notions hold unclear views about future careers. Work placements allow students an opportunity to work alongside an established practitioner in their field of study and to engage with an authentic workplace of practice. Ferns, Campbell and Zegwaard (2014) further argue that WIL is the term most often used within the Australasian context, and increasingly globally, to identify the myriad experiences that engage students in the workplace. The argument of the author is that the framework of WIL makes it compulsory for students in colleges and universities to undergo, however, as it relates to co-curricular development, the model used for WIL may come handy in advancing the importance of these outdoor learning activities and start enjoying the same amount of significance as the WIL program. Cooper, Orrell, and Bowden (2010) posit that the demand for work-ready graduates, who are familiar with organisational practices in the workplace is increasing, and so the need for greater work integrated learning is a growing concern for the education sector. From the above assertion, co-curricular activities demand has also grown significantly, but the challenge is the finalisation of recognition of its significance to co-deliver the well-rounded graduate. This requires fundamental and persistent research and more theoretical innovation to justify framework model for the co-curricular activities that are bound to quality promotions standards. The framework model is intended to ensure that the outcomes based results in all universities, which represent the bedrock of teaching and learning.

4. Effectiveness of Outdoor Learning Activities

The effectiveness of these activities is assessed in terms of contribution towards personal development in order to create focus of the paper. While outdoor learning activities remain part of physical education. Gatzemann, Schweizer and Hummel (2008) state that, in principle, the effects of outdoor education activities emphasizing the body

can also be expected of indoor activities, especially nowadays with practical scenarios for activities of outdoor education in physical education. The author posits that any element that enriches both the mind and the body provides opportunity for effective grooming of human capital. This assumption is made precisely to empower developmental aspects of students in any college and university. In the quest to argue the effectiveness of the outdoor learning activities, the author argues that these activities are experimentally designed in nature and therefore, any learning opportunity that is experimental is effective on the basis of providing physical results in terms of its effectiveness. The argument of the author is informed by the assumption that physical activity assists in measuring extend of individual involvement in devoting both mental and physical energy into the activity at hand. The above invoke the conceptual analysis of learning, which (Calhoun, 1996) suggests that the concepts "learning", "personal development", are inextricably intertwined and inseparable. Higher Education traditionally has organised its activities into "academic affairs" (learning curriculum, classroom, and cognitive development) and "student affairs" (co-curriculum, student activities, residential life, affective or personal development).

Calhoun (1996) continues the narrative that this dichotomy has little relevance to post-college life, where the quality of one's job performance, family life, and community activities are all highly dependent on cognitive and affective skills. However, the paper argues that the academic and student affairs aspects of learning in a college or university context shapes an individual into a transformed human asset that asserts a progressive and ethical agenda in all odds of life, the earlier assertion is confirmed by (Calhoun, 1996) who further argues that experiences in various in-class and out of class setting, both on and off the campus, contribute to learning and personal development. The personal development ethos creates capacity and experience on leadership, creativity, citizenship, ethical behaviour, self-understanding, teaching and monitoring. In the author's view, co-curricular also assist in building graduate attribute in a sense of asserting civic responsibility in a graduate, this is informed by the nature of designed co-curricular activities that are presented on voluntary basis and in most cases, no assessment to build in to the academic modules thus far, but interestingly, more significant number shows interest to participate. Nicol

(2010), in affirming the earlier assertion, suggest that Higher Education institutions should focus their efforts primarily on developing in student's ability to critically evaluate the quality and impact of their own work, and for that to happen, both self-assessment and peer review must play a more prominent role in the curriculum. Developing this "core attribute" is the key purpose of a university education, it is necessary for productive engagements in employment and for engagement in civic responsibilities beyond the university. The literature reviewed confirm that co-curricular is effective in the co-deliverable of graduate with attributes that are designed by the philosophy of Higher Education globally and that of the universities and colleges in particular. What is lacking at this stage is assessment models, which will confirm the extent of outdoor learning effectiveness.

5. Quality Student Engagements

The concept of quality student engagements requires a deeper analysis to the degree, which an engagement is valued as that of quality. This is against the bedrock of lack of assessment and standards in the performance of co-curricular activities. However, the stages of interest in co-curricular activities are those of mass participation, and elite levels of participation. These key concepts are identified to guide the dialectical disclosure of quality student engagements. Coates (2005) states that as the principles and practices of quality assurance are further implanted in higher education, methodological questions about how to understand and manage quality become increasingly important. The author argues that that assessment standards present predicament in co-curricular activities or development, which question the standards in this area. The empirical evidence notes that, at this stage, each university or college attempts to use its own standards to define quality, which is problematic in formalising the essence of quality in this area of learning.

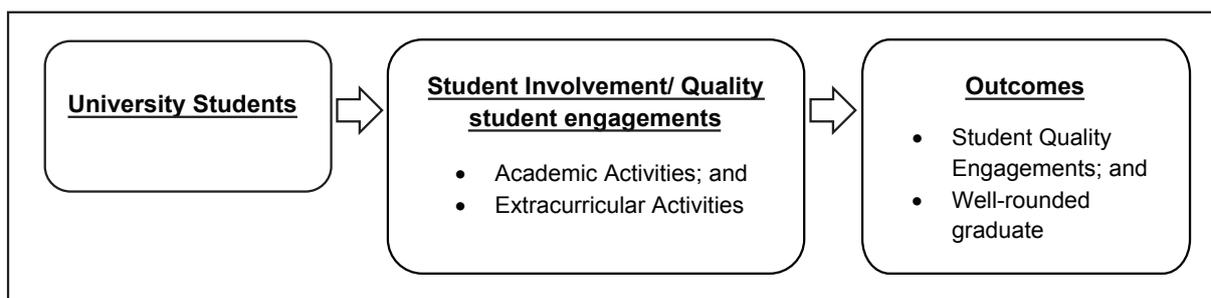
The evolution of the theoretical construct, in the 1970's, drawing on thirty years of his own research, Pace (1990) developed the College Student Experiences Questionnaire, which was based on what he termed "quality of effort". Pace (1990) showed that students gained more from their studies and other aspects of the college experience when they invested more time and energy in educationally purposeful tasks: studying, interacting

with their peers and teachers about substantive matters, applying what they are learning to concrete situations and tasks, and so forth (Pace, 1990; as cited in Kuh, 2009). It is arguable that Austin student involvement theory, creates a platform for the empirical outcomes which quality has to be determined out of it. Therefore, theory in the analysis of the author represents a cornerstone for quality engagements within the context of co-curricular development.

In the analysis of the quality student engagement, it is necessary to rethink holistic development of students as part of a strategic approach to navigate quality student engagement. It is also necessary to note that holistic development assists in the enhancement of social construct. Torres, Jones, and Renn (2009) state that social construction of identity occurs in different contexts on campus such as on how student organisations are created and which students are drawn to them, or in the social identities among those in leadership positions and those not, as well as on issues of institutional fit within access retention. In the pursued of the argument, it is important to note that enhancing the development of students has long been a primary role of student affairs practitioners. Identity development theories help practitioners to understand how students go about discovering their "abilities, aptitude and objectives" while assisting them to achieve their "maximum effectiveness" (American Council on Education, as cited in Torres, *et al*, 2009). From the earlier assertion, one could immediately pick up and interesting thematic trail being at the cutting edge of addressing the element of quality in student engagements. It is therefore, that the epistemological existence of quality in student engagement is that which provide a theoretical context, which ultimately informs a practitioner of the expected outcomes of the quality engagement. It is also interesting that the

empirical nature of co-curricular activities provides yet a scientific space to develop the body of knowledge that narrates quality engagements. Shek (2010) notes that many researchers suggest that building cognitive, academic, social, and emotional competence is a fundamental task, with reference to the specific assets to be developed, in which (Shek, 2010) proposes five core social-emotional competencies to be targeted in positive youth development programs: self-awareness, social awareness, self-management, relationship skills, and responsible actions. The author, after careful rethinking informed by the review of the literature, asserts that the quality of student engagements is defined by impact. This impact is measured on how it has transformed students socially and imparted skills that are tools to transform diverse odds of lives. From the research perspective on the enhancement of first year experience, Krause and Coates (2008) argue that engagement is a broad phenomenon that encompasses academic as well as selected non-academic and social aspects of the student experience. At a certain level of analysis, engagement is taken to provide a singularly sufficient means of determining if students are engaging with their study and university learning community in ways likely to promote high quality learning. While student engagement tends to be viewed as a quintessential reflection of learning processes, there is an important sense in which such involvement is one of the more significant outcomes of first year study (Krause & Coates, 2008). The fundamental argument of the author in this regard is that, the more engagements are viewed as meaningful, the more the horizon of the students will grow. It is then necessary to rethink student quality engagements within the context of the student quality experience as the fundamental outcomes of student involvement. In the conclusive argument, Figure 1 illustrates how the quality outcomes are derived:

Figure 1: Connectivity of Involvement Activities and Outcomes



Source: Author

The narrative of the connectivity between the academic and extracurricular activities provide basis for enhancement of student experience and contribute effectively to transformation of human capital for the diverse societal challenges, and the essence of their existence translate into the scientific learning within the higher education framework. The interesting theoretical framework that enjoys the narrative of the connectivity of Figure 1 is the social exchange theory. Homans (1961:13 as cited in Cook, Cheshire, Rice & Nakagawa, 2013) defined social exchange as the exchange of activity, tangible or intangible, and more or less rewarding or costly, between at least two persons. Cost was viewed primarily in terms of alternative activities or opportunities foregone by the actors involved. The author argues that involvement theory has aspects of physical activities with none-physical outcomes that are the indicators of social behavior of students in higher education generally. The influence which the activities and outcomes in terms of the student experience marks the enhancement of quality student experience. In illustrating this thematic trail further as Cook, *et al.* (2013) explain social behaviour and the forms of social organisation produced by social interaction by showing how A's behaviour reinforced B's behaviour (in a two party relation between actors A and B), and how B's behaviour reinforced A's behaviour in return. In a scholarly conclusive reflection note that the outcomes reflect the quality student engagements that is remarkable to influence social behaviour of students at universities and colleges and beyond tertiary live, and therefore is the backdrop of transformation of the society.

6. Quality Promotion in Co-Curricular Activities

It is imperative to first provide a theoretical basis of what constitutes quality promotion for co-curricular activities in particular. Green (1994) states that the concern about quality and standards is not new. However, until the mid-1980s, any debate was mainly internal to the higher education system. Green (1994) further states that while education will never, strictly speaking, be a 'free' market, nevertheless an injection of market forces should engender the kind of behaviour, essentially competition for students and resources, which is conducive to greater efficiency. The assumption of the author on quality promotion requires a set of framework and standard of outcomes for co-curricular activities in

higher education sector to ensure return on investments. While quality promotion from the academic point of view marks a conceptual framework of fitness for purpose, which is controlled by Higher Education Quality Committee (HEQC), and which also claims the status of quality assessment for the overall university offering, but for a long experience, it has concentrated much on quality of fitness for academic programs. The essential component of fitness of the academic programs in this case is defined by addressing learning objectives that should yield specific outcomes.

The emergence of Student Affairs Associations provided platform from conceptual understanding of higher education systems to provide hope to prioritise, what constitutes quality from national framework on co-curricular activities, which Deardorff (2011) argues that one of the first steps in assessment is knowing exactly what is to be assessed. The fundamental methodological challenge in co-curricular activities is that existing professional bodies in pursuance of professionalising student affairs have not acceded to lead in the formalisation of the framework of standards that can be quantified, and therefore, universities and colleges still set their own standards. This dilemma creates a gap into methodological assessment in co-curricular activities. The author notes that quality promotion is a complex, and constantly appealing to many professional associations or bodies with less understanding of what it entails. Altbach & Knight (2007) attest the author's argument by asking an important question on quality assurance in education that the first issue is, are the institutions, companies, and networks that deliver cross-border courses or programs registered, licensed, or recognised by the sending and the receiving countries?

Many countries – lacking capacity or political will – do not have the regulatory systems to register or evaluate out-of-country providers. It is in the context of arriving at assessment of the work done by existing associations of student affairs on how quality assurance has been only important to share platforms in conferences without finalisation of national framework for quality promotion that is quantified in co-curricular activities. In comparison in the world, the existence of National Association of Student Personnel Administrators (NASPA) brought hope to assessment in student affairs activities in the context of internationalisation. NASPA has been established in 1918, and founded in 1919, with

affiliates around world colleges and universities. In the assessment of one of its major contribution in student affairs practices assessment of impact, and in the same narrative, it is noted that over the past two decades, there have been three multi-institutional studies examining the benefits of Collegiate Recreational Sports (CRS) participation that warrant further review. In a study designed to assess "student involvement and satisfaction with campus recreational programs and facilities, and their relationship to recruitment, retention, outcomes, and satisfaction with the institution" (Bryant, Banta & Bradley, 1995:155, as cited in Forrester, 2015), further posits that students reported the greatest benefits from participating in recreational sports CRS to be: feeling of physical well-being, stress reduction, respect for others, friendships, and self-confidence. Forrester (2014) posits that this specific study, reporting the results from the Recreation and Wellness Benchmark/Survey used as part of the 2013 NASPA Assessment and Knowledge Consortium, represents the most comprehensive effort to date substantiating the impact of participation in campus recreational sports, activities, facilities, programs and services on student recruitment and retention, and various health and wellness as well as student learning outcomes. The NASPA Assessment and Knowledge Consortium is a collection of assessment instruments focused on key areas within Student Affairs. This remarkable project by NASPA provide in-depth analysis that an impact survey becomes one of the most important aspect that assess the quality in co-curricular activities with a framework of variables that provide feedback on the benefits of student involvement, particularly on co-curricular activities.

7. Conclusion

Student involvement theory is presented as a leading theory in Higher Education in the world, which the essence of its existence presents an opportunity to justify the impact of co-curricular activities to co-deliver a quality graduate. Interesting element remains transcending administrators in Higher Education from extracurricular to co-curricular development as the first step to transform this section of learning. The question of impact has been presented through how co-curricular activities transform human capital for the society outside the college and university set-up, which aspects of cultural awareness, social development and justice; and diversity, on the basis of its empirical nature.

From the theoretical context, it is conclusive that student involvement theory provides platform for quality student experience, which in the context of student affairs, this would have been impossible without the existence of co-curricular activities. The connectivity was used through Figure 1 in the paper to illustrate the connectivity and its imperatives on transformation of human-beings. The fundamental challenge at the stage is the application of standards as aspect of institutional (colleges and universities) prerogative compromises the aspect of national and international benchmark on quality student engagements in Higher Education system, and this goes against the bedrock that Education is a national social capital, due to its nature decided by institutions of Higher Learning individually. The emergence of a professional association in student affairs is challenged to step up their research and innovative strategies to reaffirm the nobility of co-curricular activities in contributing to the architect of societal transformation. However, one could conclude that at the stage, human capital constitutes one important aspect that the author's view is groomed individual who understand what to transform post-university life, and this has been demonstrated by skills transfers through innovative capacity buildings etc. it is only that more research need to be done in formalising co-curricular development in transforming human minds.

References

- Altbach, P.G. & Knight, J. 2007. The internationalization of higher education: Motivations and realities. *Journal of studies in international education*, 11(3-4):290-305.
- Asiyai, R.I. 2013. Challenges of quality in higher education in Nigeria in the 21st century. *International Journal of Educational Planning & Administration*, 3(2):159-172.
- Astin, A.W. 1984. Student involvement: A developmental theory for higher education. *Journal of College student personnel*, 25(4):297-308.
- Beatty, S.E., Homer, P. & Kahle, L.R. 1988. The involvement-commitment model: Theory and implications. *Journal of Business research*, 16(2):149-167.
- Berger, J.B. & Milem, J.F. 1999. The role of student involvement and perceptions of integration in a causal model of student persistence. *Research in higher Education*, 40(6):641-664.
- Calhoun, J.C. 1996. The student learning imperative: Implications for student affairs. *Journal of College Student Development*, 37(2):188-122.
- Coates, H. 2005. The value of student engagement for higher education quality assurance. *Quality in Higher Education*, 11(1):25-36.

- Cook, K.S., Cheshire, C., Rice, E.R. & Nakagawa, S. 2013. Social exchange theory. In *Handbook of social psychology* (pp. 61-88). Springer Netherlands.
- Cooper, L., Orrell, J. & Bowden, M. 2010. *Work integrated learning: A guide to effective practice*. Routledge: Taylor & Francis.
- Deardorff, D.K. 2011. Assessing intercultural competence. *New directions for institutional research*, (149):65-79.
- Ferns, S., Campbell, M. & Zegwaard, K.E. 2014. Work integrated learning.
- Finelli, C.J., Holsapple, M.A., Ra, E., Bielby, R.M., Burt, B.A., Carpenter, D.D. & Sutkus, J.A. 2012. An Assessment of Engineering Students' Curricular and Co-Curricular Experiences and Their Ethical Development. *Journal of Engineering Education*, 101(3):469-494.
- Forrester, S. 2014. The benefits of campus recreation. *Corvallis, OR: NIRSA*.
- Forrester, S. 2015. Benefits of collegiate recreational sports participation: Results from the 2013 NASPA assessment and knowledge consortium study. *Recreational Sports Journal*, 39(1):2-15.
- Gatzemann, T., Schweizer, K. & Hummel, A. 2008. Effectiveness of Sports Activities with an Orientation on Experiential Education, Adventure-Based Learning and Outdoor-Education. *Kinesiology*, 40(2):146-152.
- Green, D. 1994. *What is Quality in Higher Education?* Taylor & Francis: Bristol.
- King, J.M. & Anderson, D.M. 2004. A practitioner's guide to a learning-centered co-curricular activities program. *College Student Affairs Journal*, 24(1):91.
- Krause, K.L. & Coates, H. 2008. Students' engagement in First-year University. *Assessment & Evaluation in Higher Education*, 33(5):493-505.
- Kuh, G.D. 2009. The national survey of student engagement: Conceptual and empirical foundations. *New directions for institutional research*, (141):5-20.
- Nicol, D. 2010. The foundation for graduate attributes: Developing self-regulation through self and peer assessment. *The Quality Assurance Agency for Higher Education. Scotland*.
- Shek, D.T. 2010. Nurturing holistic development of university students in Hong Kong: where are we and where should we go? *The Scientific World Journal*, (10):563-575.
- Torres, V., Jones, S.R. & Renn, K.A. 2009. Identity development theory in student affairs: origins, current status, and new approaches. *Journal of College Student Development*, 50(6):577-596.

Transforming Healthcare Service Delivery at a Selected Public Hospital Through Appreciative Inquiry

CA Mayeza and HR Maluka
University of Limpopo, South Africa

Abstract: South African healthcare system is currently faced with challenges of service delivery that requires effective change management programmes. The South African government adopted Primary Healthcare (PHC) approach to deliver District Healthcare System (DHS), as a vehicle for the delivery of PHC. This also included the adoption of People First (Batho Pele) principles and "Batho Pele" strategy, in delivering healthcare services to the community from the hospital and its surrounding clinics. It is important to note that even during times of transformation, there could be lessons learned from the past, which could be valuable to be used in the future. The objective of the study was to obtain valuable information relating to past successes and strengths from senior employees, which could be used in driving transformation at a selected hospital. The study adopted a qualitative research design in the form of an appreciative inquiry, by asking pertinent questions about previous successes and strengths. In-depth interviews were conducted on 17 hospital senior employees in KwaZulu-Natal. Thematic analysis was adopted to analyse the data, whereby themes were created to group similar data. The interviewees identified the following as successes that the hospitals could promote: open communication channels (87%); provision of optimum healthcare to all (76%); empowerment of health workers (59%); conducting health awareness campaigns (47%); engaging workers in decision making (53%) and; promoting of team spirit (53%). The study used appreciative enquiry (AI) as an organisational development (OD) intervention method in change management programmes, and ascertaining valuable successes that are being valued by senior employees in the workplace. The study could contribute in designing change management programmes in the health sector. Appreciative Inquiry is one of the OD strategies that could be used to reduce resistance to change to healthcare reform programmes.

Keywords: Appreciative inquiry, Human resource management, Primary healthcare, Service delivery, Transformation

1. Introduction

Healthcare organisations in all countries are facing unprecedented challenges in both public and private healthcare (WHO, 2008). This is due to ever-increasing number of informed patients with high expectations; rise in communicable and non-communicable diseases; increasing healthcare expenditures; continuous emerging drugs and deteriorating health professionals' morale (WHO, 2008). Continuous innovations are needed in the health sector in order to meet the changing and rising demands of healthcare services. Mhlambi (2002:62) asserts that "transformation becomes even challenging in a complex and diverse challenging environment where the needs of historically disadvantaged groups have to be balanced against those of previously advantaged groups".

The South African healthcare sector has been undergoing fundamental changes since independence in 1994. In 1994, the ruling African National Congress

(ANC) government promised the electorate free basic healthcare for all the citizens (ANC, 1994). Prior to 1994, the South African health system was built on apartheid ideology and characterised by a racial, geographic disparities, fragmentation duplication and lip service paid to the PHC approach (White Paper for the Transformation of the Health System in South Africa, 1997). In 1996, the South African Department of Health tabled a policy document called "Restructuring the National Health System for Universal Primary Healthcare", after introducing PHC. The document specified that professional nurses should function as frontline providers of healthcare services at the local clinics (Department of Health, 1996). The most significant policy development was the promulgation of the National Health Act (No. 61 of 2003), with Section 48 making provision for monitoring and utilisation of human resources within the National Health System. The National Health Council developed policy guidelines that ensured adequate distribution of human resources and provision of

appropriately trained employees at all levels of the National Health System. This simply implies that there must be some significant impact on district hospitals, especially in the rural areas in order to ensure appropriate distribution of health service providers and health workers at all levels (Couper, Villiers & Sodzaba, 2002).

In South Africa, the District Health System (DHS) has been adopted as the vehicle for decentralisation and implementation of PHC at community level (Department of Health, 2001; Sooruth, Sibiyi & Sokhela, 2015). The PHC system provides for the decentralisation of services, i.e. the active involvement of primary level health management units in the delivery of health services (WHO, 2008). In 1997, the government published the "White Paper on Transforming Service Delivery", that resulted in the adoption of Batho Pele Principles (White Paper on the Transformation of the Health Systems in South Africa, 1997). The White Paper introduced eight service delivery principles, namely; consultation, setting service standards, increasing access, ensuring courtesy, providing information, openness and transparency, redress and value for money. At the Batho Pele workshop, Mhlamba (2002:64) was confronted by an irate employee who demanded to know "when Batho Pele would benefit her as an employee!", and this outburst demonstrated frustration of some employees at the perceived neglect of their needs. The White Paper on the Transformation of the Health Systems in South Africa (1997) specifies that the healthcare system of South Africa should be based on the following broad principles:

- To unify fragmented health services at all levels in a comprehensive and integrated National Health System;
- To promote equity, accessibility and utilisation of health services;
- To extend the availability and ensure the appropriateness of health services;
- To develop human resources available to the health sector;
- To foster community participation across the health sector; and
- To improve health sector planning and the monitoring of health status and services.

2. Problem Statement

The South African healthcare sector despite progressive policies in the health and societal sphere since 1994 is still experiencing service delivery challenges (Brauns, 2016). There is disconnection between progressive policies for transforming delivery of healthcare services and the implementation of the policies (Gray & Vawda, 2017). Though PHC approach is central to the plans of transforming the health services, the high toll of diseases such as HIV/Aids and TB put a lot of pressure in the health environment. There are shortages of skilled human resources to fulfil the mandate of the policies aimed at transforming the health sector and service delivery for the greater citizens (Sooruth, Sibiyi & Sokhela, 2015; Gray & Vawda, 2017). The majority of the population of South Africa are experiencing inadequate access to basic services, namely, health-care, clean water and basic sanitation. The current report by Statistics South Africa (2017) revealed that poverty levels in South Africa rose in 2015 to 55,5% from a series low of 53,2% in 2011. This means that more than half of South African population are poor and live below poverty threshold. Healthcare emphasis has moved from mainly curative model to PHC model in order to provide affordable, accessible, and cost effective health services to the communities. The concept of PHC calls for health services to cover the entire spectrum of preventive and curative services (WHO, 2008). As majority of the population have no medical aid, this shift brought a need to address previous inequalities, which resulted in burdens of long queues, and insufficient supplies to make provision for treatment (Sooruth, Sibiyi & Sokhela, 2015).

Although the Department of Health has embarked on capacity building for health workers to strengthen the PHC, service delivery remains a challenge in rural communities. Armstrong (2006:107) maintains that, in a relatively well-resourced health department, community members are dissatisfied with the service they receive. Complaints are largely levelled at poor "attitudes" of health workers. Most health workers are dissatisfied with their working environment. Dissatisfied health workers are unlikely to render quality care, and are unlikely to communicate well with patients".

South Africa is experiencing a health workers' "brain drain" due to low salaries and poor working conditions (Kaplan & Höppli, 2017). Mhlambi (2002:63)

observed that "the flight of skills" from the public health services had reached alarming proportions, with endangering service delivery undermined when nurses "moonlight" in the private sector". The reasons for staff shortages are many but most professionals cite uncompetitive salaries and poor working conditions (Kaplan & Höppli, 2017). In essence, the solution to the South African healthcare system lies in supporting healthcare professionals, as human resources in the health sector to optimise service delivery through transformational stories. The use of a social constructionist in the form of appreciative inquiry can enable health professionals to better contribute positively towards transforming healthcare delivery (Reed, 2010).

3. Literature Review

3.1 The Origin of Appreciative Inquiry (AI)

In 1980, David Cooperrider, a young doctoral student at Case Western Reserve University was doing a conventional diagnosis and organisational analysis for the Cleveland Clinic in Cleveland, Ohio, USA. David Cooperrider was asking, "What is wrong with the human side of the organisation?" In gathering data, he was amazed by the level of positive cooperation, innovation, and governance in the clinic. His promoter, Suresh Srivastva, noticed his excitement and suggested that he makes his excitement the focus of his research. In 1986, David completed his doctoral dissertation, titled "Appreciative Inquiry: Toward a methodology for understanding and enhancing organisational innovation" (Cooperrider, 1986).

David found that every system has a "good" and "bad" in it, and his research confirmed that people tend to look for the "bad" and "fix", instead of paying attention to the good. Cooperrider and Srivastva (1987:130) maintain that AI "involves, in a central way, the art, and practice of asking questions that strengthen a system's capacity to apprehend, anticipate, and heighten positive potential. It centrally involves the mobilisation of inquiry through the crafting of the 'unconditional positive question', "instead of negation, criticism and spiralling diagnosis". All of these are based on five principles; namely constructionist, simultaneity, poetic, anticipatory and positive principles (Cooperrider & Whitney, 1999). Constructionist principle concedes that reality is created in communications, words and dialogue with others about the organisation's

collective experiences, assumptions and expectations. This means that narrative is a stimulus for change. Simultaneity principle sees the seeds of change as deep-seated in the things that people talk about and in the things that inspire positive images of the future. Simultaneity principle sees the seeds of change as deep-seated in what people talk about and what inspire positive images of the future. Poetic principle suggests organisations are open to endless interpretation and reinterpretation, where stories evolve or new stories are inspired (Cooperrider & Whitney, 1999). Anticipatory principle suggests reframing people's vision of the future may result in movement toward the envisioned future. Positive principle emphasises the usefulness of positive imagery in building connection and initiating sustainable change, therefore the more positive the questions you ask, the more lasting and successful the change effort (Watkins, Dewar & Kennedy, 2016).

There are various models of appreciative inquiry, but all the models regard appreciative inquiry as a 4-D cycle, involving the discovery phase, dream phase, design phase and destiny phase (Nyaupane & Poudel, 2012). This study focussed on the discovery and dream phases of the 4-D model of AI.

3.2 Appreciative Inquiry in the Healthcare Environment

The quality of healthcare services is very important for people in any country. The first door that people knock in search of health services in South Africa is at a PHC clinic, where members of the community interact with nurses. This means that the Department of Health in South Africa needs human resources (nurses) who will be able to perform their duties effectively and efficiently. Various studies have revealed positive results from using AI (Beauchamp & Glessner, 2006; Watkins, Dewar & Kennedy, 2016). Beauchamp and Glessner (2006:82) found that "AI process changes the method of interaction between nurses and peers, providers, and patients, thereby changing the culture from problem-focused to a positive future-focused".

Havens, Wood and Leeman (2006), conducted a study to investigate reasons for nurses to choose to stay at Lovelace Health Systems in Albuquerque, New Mexico, by using Appreciative Inquiry. The study showed that nurses love their work, giving the Lovelace nurses a positive avenue for change,

while encouraging personal responsibility for their own satisfaction. An appreciative inquiry conducted by Dewar and Nolan (2013) on nurses, patients and relatives resulted in the development of a framework for practice that radically shifted how nursing was done, and resulted in the creation of a safe place for nurses. This study showed that AI assisted in improving job performance and working conditions of nurses.

3.3 Human Resources Management (HRM) Practices in Health Environment

There is no excellent operation without excellent employees, and for employees to be excellent, there must be excellent human resources management practices (Enz & Siguaw, 2000). Human resource management refers to the development and application of policies, systems and practices and procedures aimed at influencing the thinking and behaviour of people towards the vision and strategy of the organisation (Nel & Werner, 2014:3). The human resource practices include amongst others the following; human resources planning, job analysis, recruitment, selection, induction, job evaluation, training and development, employment relations, health and safety management as well as performance management (Nel & Werner, 2014).

Jónczyk (2015) conducted a study on the impact of human resource management on the innovativeness of public hospitals in Poland, and discovered that there is a relationship between the following human resource management practices and the innovativeness of public hospitals; the selection of open to change and creative employees, emphasis on training and development, encouraging employees to develop and share information as well as the incentive system that rewards achievements of innovative employees.

The South African public health sector experiences HR crisis, particularly at community and primary healthcare levels in rural areas (Brauns, 2016). A study conducted on voices of PHC workers revealed that most of the PHC facilities have limited access to doctors and other health professionals (Ijumba, 2001). Furthermore, Ijumba (2001) indicates that PHC workers raised the following:

- The initial training of PHC workers, was and is still urban-hospital based and academic-institution base;

- Continuous transformation has impacted negatively on the quality of care;
- Nurses are expected to perform multiple roles due to the absence of other health professionals at PHC facilities;
- Many health workers were satisfied and proud of their relationship with patients or communities;
- Health workers do not feel secured at work, as at times are they threatened by patients;
- Lack of transport is a major hindrance; and
- Inadequate space affects quality of care.

The Ijumba (2001) study shows challenges and realities facing healthcare workers in South Africa. Most of the challenges raised, are HRM related. It also revealed that "despite the host of negative experiences, there are some positive experiences and dedicated employees doing their best", and therefore these need to be recognised and applauded (Ijumba, 2001:198). One way of recognising and applauding excellence is through AI. Therefore, the objective of this study was to assess health workers' stories and voices in order to obtain positive inputs in transforming healthcare service delivery in a hospital setting.

4. Research Methodology

4.1 Research Design

A qualitative research design, using Appreciative inquiry (AI) methodology was used in this study. The qualitative design was appropriate for this study as it enabled researchers to gather rich data on the participants' opinions about the hospital's previous successes and strengths (Flick, 2009). Keefer (2004) emphasise that appreciative inquiry is a philosophy and methodology for promoting positive change through creating meaningful change, inspiring hope and inviting action by engaging members in a manner that focuses on appreciation of organisational strengths and successes, which in turn reduces probabilities of change resistance.

4.2 Population and Sampling

Participants were senior health employees from a selected hospital, who were attending a Human Resource Management training workshop for

Table 1: Hospital's Achievements and Strengths

Category and Percentage	Extracts
<p>Open communication channels 82% (n=14)</p>	<ul style="list-style-type: none"> • Visited churches and communities with an aim of informing them about Batho Pele principles; • Commitment to sharing information with the community regarding human rights practises; • Extended meetings for special announcement and dissemination of information; • Complaint procedure for clients; • Multiple ways of communication: Distribution of policies and circulars, communication books, communication through supervisors, via Fax, Cellular Phones, Emails, Computer, Radio phones, Telephones, meetings at all levels, hospital newsletter; • Good communication between management, staff and patients; • Introducing suggestion boxes and Exit questionnaires; and • Quality day whereby departmental services were displayed for the community to see health services available for them.
<p>Provision of optimum healthcare to all 76% (n=13)</p>	<ul style="list-style-type: none"> • Provision of optimum care to all; • Renovation of wards; • Incident of train and bus accident, nurses did not go off duty, those off came back to help; • Ophthalmic nursing team visiting the clinic in order to bring service to the people; • Community visits on home base care and encourage people on DOT; • Being chosen the best clinic in the district and the community thanking us with cards and presents; • Removal of cataract – successful operations and media exposure of the event; • During cholera outbreak, nurses from other divisions assisted and sacrificed their off duty time; • Reducing waiting periods for patients from 60 to 30 minutes; • New equipment from Japan and renovations of wards enabled us to render quality service; • Introducing emergency alarm devices in wards for patients in need; • Introducing therapy community services improved service delivery; • The ICU got first price Quality care (1997-2001); • The staff's dedication to help patients in the Dehydration centre; • Improved standard of healthcare during COHSASA evaluation.
<p>Empowerment of health workers 59% (n=10)</p>	<ul style="list-style-type: none"> • I was groomed, I achieved a lot, and I am now Paediatric trained nurse. Attended Genetics Aids counselling and critical care congress in Cape Town; • The commitment in skill development; • Skills audit conducted for personnel to list their needs; • Nurses trained and offered study leaves; • People sent for development in various divisions; • Training given to all employees; • Introduction of ABET to empower staff; • Training for HIV and being the first to offer HIV counselling; • Granted study leave to study Ophthalmic nursing service in 1990, on coming back, the eye clinic was opened on 1.10.1991 supervised by a qualified ophthalmic nurse and eye specialist with all necessary equipment; • General workers trained on gardening and keeping the yard clean; • Voluntary workers getting certificate of recognition; and • Making housekeepers to be in control of the entire hospital cleanliness.

Table 1: Continued

Category and Percentage	Extracts
Workers' engagement in decision making 53% (n=9)	<ul style="list-style-type: none"> • Helping the new leader to structure, formulate policies and procedures; • Management used our initiatives to introduce a new method for checking sterilisation effectiveness; • Co-operation and active participation at all levels; • There was a problem with Psychiatric patients in the hospital. They were admitted in General ward and were not well cared for. With the knowledge and experience that I got from Madadeni Hospital, I assisted the Management in planning for the management and care of Psychiatric patients, both in the hospital and the community; and • Involving staff in decisions relating to innovations and engaging workers in finding solutions to problems.
Promotion of Team work spirit 53% (n=9)	<ul style="list-style-type: none"> • During cholera breakout, colleagues from other divisions assisted in OPD; • Stretches, trolleys were hard – we introduced waitresses on the stretches and experimenting with ways of securing it; • When there was a shortage in OPD (clerk section) colleagues from procurement assisted; • Team spirit of the ward, transparency, participation in decision making, and problem solving; • Co-ordination of the service working as a multidisciplinary team; • Teamwork has proved to be more effective in our service delivery; • Good team spirit resulted in accreditation; and • Involving external bodies such as NGO's and private hospitals.
Conducting health awareness campaigns 47% (n=8)	<ul style="list-style-type: none"> • Engaging community when Launching Batho Pele principle; • Training care givers to monitor members taking treatment; • Involving community in health-related events. • Involving community in hospital projects; • Educating and encouraging community to use PHC; • Educating elders about ways to fight cataract; • Organised awareness programme of occupation therapy decreased number of paraplegics coming back with pressure sore; • Conducting awareness on different health issues; • Health education given to relatives and patients to control cholera outbreak; • Teaching community to grow vegetables; and • Involving community members in sport and recreation.
Valuing clients 18% (n=3)	<ul style="list-style-type: none"> • Respecting patients' rights; • Ensuring privacy in the wards; • Prioritising patients according to their needs; • Community visits to prevent treatment default; • Introducing complaint lodging procedures; and • Providing suggestion box.

Source: Authors

capacity building and organisational change. Seventeen (17) senior health workers attended the workshop, and all participated in the appreciative interviews. 53% of the participants were males whilst 47% were females. 76% were in the 21-29 years' age group, 18% in the 40-49 years' age group, and 6% below 21 years. Majority of the health workers have been working for the hospital for years, as 6% have

started between 1970 and 1979, 41% began between 1980 and 1989, 18% joined the hospital between 1990 and 1999, 12% started between 2000 and 2009, and 23% joined the hospital between 2010 to date. 58% of the participants were supervisors from different divisions, 12% Heads of Departments, 12% Sisters in Charge, 12% Senior Administrative Officers and 6% Acting Supervisors.

4.3 Data Collection

In-depth semi-structured AI interviews were used to collect stories from the participants. These enabled researchers to ask participants similar questions in a flexible manner in order to allow them "to engage freely in the process" of storytelling (Bryman, 2012). Watkins and Mohr (2001:30) argue that "storytelling is a powerful pathway to creating images and building relationships between people". Participants were informed about the purpose of the study and written consent to record the interviews was obtained. Participants were assured of anonymity, privacy and confidentiality of their responses and were also informed that they will be given a copy of the completed research report. They were asked to recall and reflect on positive peak experiences from the hospital, with specific reference to their rewarding experiences, successes and strengths; and their vision for the hospital in the future. Each interview lasted for approximately 45-60 minutes.

5. Results and Discussions

Thematic analysis was used to make sense of the data. Researchers independently captured the thematic content of the narratives in order to uncover the themes. Recordings were transcribed word-for-word into an Excel spreadsheet and read in order to identify sentences addressing the purpose of the study; sentences to be used were highlighted and broken down into segments; coding schemes were identified; key and recurrent themes were validated; and coding schemes and themes validated by the two researchers were compared in order to ensure credibility and conformability (Bryman, 2012). The perceived rewarding experiences for the majority of the participants included experiences relating to empowerment of health workers, recognition received for good work, teamwork spirit and optimum service delivery. The participants' perceived hospital's achievements and successes are summarised, and categorised according to the following themes, open communication channels (87%), provision of optimum healthcare (97%), empowerment of health workers (59%), workers' engaging in decision making (53%), promotion of teamwork spirit (53%), conducting of health awareness campaigns (47%) and valuing of clients (18%).

The participants' visions for the hospital in future include improved human resource practices (100%), infrastructure and equipment (76%) as well as

quality service delivery (65%) (see Table 2 on the following page).

It is apparent that the visions that the health workers have for the hospital in future correspond with their perceived hospital's strength and successes. This means that health workers' wishes or dreams for the hospital relate to seeing the hospital continue to capitalise more on its strengths for future successes.

This study assisted in assessing appreciative stories of health workers in a hospital and clinic setting, which helped in capturing the stories and voices of health workers. These stories can be useful in the process of transforming the health sector. However, the study covered only the first two phases of AI process, namely, the discovery and dream phases. It is therefore necessary for a further study to focus on the design and destiny phases, whereby senior health workers participate in a dialogue aimed at constructing the desired future as well as implementing the crafted ideas and sustain positive change (Cooperrider & Srivastva, 1987; Cooperrider & Whitney, 1999; Nyaupane & Poudel, 2012). The study was limited to a convenient sample of 17 senior health workers who were attending a training course. The study cannot be generalised to the entire health sector transformation initiatives.

6. Conclusion

The health sector is faced with ever increasing demands for quality healthcare expenses, and citizen's demands for quality healthcare. This continuous challenge mandates continuous improvement of quality service delivery. AI provides an opportunity to search for "goodness" in the system and appreciate "what is" and use that as inspiration for what "could be" in transforming the health sector. It therefore recommended for organisations to consider using appreciative inquiry in order to get employees' valuable when trying to steer transformation, as this may minimise possible resistance.

Appreciative Inquiry as organisational development (OD) intervention strategy, managed to gather valuable information pertaining to what health workers perceive as valuable achievements that the hospital should preserve. This information may contribute in designing change management programmes that could reduce perceived change resistance to healthcare reform programmes in

Table 2: Future Visions for the Hospital

Category and Percentage	Extracts
Improved Infrastructure and Equipment 100% (n=17)	<ul style="list-style-type: none"> • All wards and offices renovated with air conditioner; • Electric scanner in the main gate and wards; • Big poly clinics with resources; • All wards with air conditioner and televisions; • Have lifts to accommodate everyone; • Safe, clean and beautiful premises; • Hospital with more floors; • Have separate wards for homosexuals; • More computers available for workers; • Have a chapel; • Blood and laboratory centrally located.
Improved human resource practices 76% (n=13)	<ul style="list-style-type: none"> • Reduce resignation of nurses; • Fully staffed with all specialists; • Motivated staff who get promotions in time; • Qualified and computer literate employees; • Each section supervised by its own person instead of one supervising different sections; • Have a black hospital manager; • Management appreciate efforts of workers.
Improved quality service delivery 65% (n=11)	<ul style="list-style-type: none"> • Day care ward for those coming for operations and minor procedures; • For the hospital to become a specialising hospital; • Maintain high standards of infection control; • Have no complaints from the community; • Enough antiretroviral drugs for everyone in need; • Dedicated workers with positive attitude; • Best service delivery by best people.

Source: Authors

South Africa. AI as an innovative organisational intervention strategy provides a constructive new way of shifting from problem solving to positive form of inquiry, and therefore it is worth considering it in contemporary health sector transformation.

References

- African National Congress. 1994. Reconstruction and Development Programme: A policy framework. Johannesburg: African National Congress.
- Armstrong, S. 2006. Improving relationships between health care users and workers in Gauteng Department of Health hospitals. *Service Delivery Journal*, 5(1):106-111.
- Beauchamp, J.M. & Gessner, T.M. 2006. Appreciative inquiry promotes nursing culture change. In NACNS National Conference Abstracts: *Clinical Nursing Specialist*, 20(1):81-94.
- Brauns, M. 2016. Public healthcare in a post-apartheid South Africa: A critical analysis in governance practices. Unpublished Masters thesis. University of KwaZulu-Natal: Durban.
- Bryman, A. 2012. Social research methods. United Kingdom: Oxford University Press.
- Cooperrider, D. & Srivastva, S. 1987. Appreciative inquiry in organisational life. In Pasmore, W.A., & Woodman, R.W. (Eds.) *Research in organisational change and development*, 1:129-125. San Francisco, CA: Jossey-Bass.
- Cooperrider, D.L. 1986. Appreciative Inquiry: Toward a methodology for understanding and enhancing organisational intervention. Cleveland, OH: Western Reserve University.
- Cooperrider, D.L. & Whitney, D. 1999. Appreciative Inquiry: A positive revolution in change. In Holman & T. Devane (Eds), *The change handbook: Group methods for shaping the future*. San Francisco, CA: Berrett-Koehler.
- Couper, I., Villiers, M. & Sondzana, N. 2002. Human Resources: District Hospitals. In Ijumda, P. (Eds) *South African Health Review*. Durban: Health Systems Trust.
- Department of Health. 1996. Restructuring the national health system for universal primary healthcare. Pretoria: Government Printers.
- Department of Health. 1997. White Paper on the Transformation of the Health Systems in South Africa. Pretoria: Government Printers.

- Department of Health. 2001. The comprehensive primary health-care package for South Africa. Pretoria: Government Printers.
- Department of Public Service and Administration. 1997. White Paper on Transforming the Public Service. Pretoria: Government Printers.
- Dewar, B. & Nolan, M. 2013. Caring about caring: Developing a model to implement compassionate relationship centred care in an older people care setting. *International Journal of Nursing Studies*, 50(9):1247-1258.
- Enz, C.A. & Siguaw, J.A. 2000. Best practices in human resources. *Cornell Hotel and Restaurant Administration Quarterly*, 41(1):48-61.
- Flick, U. 2009. An Introduction to qualitative research. London: SAGE Publications Ltd.
- Gray, A. & Vawda, Y. 2017. Health Policy and Legislation. In: Padarath, A. & Barron, P. (Eds) South African Health Review. Durban: Health Systems Trust. Available at: <http://www.hst.org.za/publications/south-african-health-review-2017>. Accessed on 18 August 2018.
- Havens, D., Wood, S. & Leeman, J. 2006. Improving nursing practice and patient care: Building capacity with appreciative inquiry. *Journal of Nursing Administration*, 36(10):463-470.
- Ijumba, P. 2001. Voices of primary health facility workers. In Ntuli, A., Suleman, F., Barron, P. & McCoy, D. (Eds) South African Health Review. Durban: Health Systems Trust.
- Jónczyk, J.A. 2015. The impact of human resource management on the innovativeness of public hospitals in Poland. *Procedia. Social and Behavioural Sciences*, 213:1000-1007.
- Kaplan, D. & Höppli, T. 2017. The South African brain drain: An empirical assessment. *Journal of Development Southern Africa*, 34(5):497-514.
- Mhlambi, S. 2002. Challenges in health service delivery. *Service Delivery Review*, 1(2):62-64.
- Nel, P.S. & Werner, A. (eds.). 2014. Human Resources Management. Cape Town: Oxford University Press – Southern Africa.
- Nyaupane, G.P. & Poudel, S. 2012. Application of appreciative inquiry in tourism research in rural communities. *Tourism Management*, 33:978-987.
- Reed, J. 2010. Appreciative inquiry and older people – finding the literature. *International Journal of Older People in Nursing*, 5(4):292-298.
- Republic of South Africa. 1997. White Paper for the Transformation of the Health system in South Africa. Pretoria: Government Printers.
- Republic of South Africa. 2003. The National Health Act No. 61 of 2003, Vol 469 No. 26595. Pretoria: Government Printers.
- Sooruth, U.R., Sibiyi, M.N. & Sokhela, D.G. 2015. The use of standard treatment guidelines and essential medicines list by professional nurses at primary healthcare clinics in the uMgungundlovu District in South Africa. *International Journal of Africa Nursing Sciences*, 3:50-55.
- Statistics South Africa. 2017. Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2015. Pretoria: STATS SA. Available at: www.statssa.gov.za/publications/Report-03-10-06/Report-03-10-062015.pdf. Accessed on 18 March 2018.
- Watkins J.M. & Mohr, B.J. 2001. Appreciative Inquiry: Change at the speed of imagination, San Francisco: Jossey-Bass/Pfeiffer.
- Watkins, S., Dewar, B. & Kennedy, C. 2016. Appreciative Inquiry as an intervention to change nursing practice in in-patient settings: An integrative review. *International Journal of Nursing Studies*, 60:179-190.
- World Health Organisation. 2008. Integrating mental health into primary care: A global perspective. Available at: http://www.who.int/mental_health/resources/mentalhealth_PHC_2008.pdf. Accessed on 18 March 2018.

Rethinking Student Leadership in Higher Education Through Civic Perspective Rather than Transactional Leadership

BK Sebake

Nelson Mandela University, South Africa

Abstract: Student governance in Africa and elsewhere in the world provides space for construction of leadership in various countries in the continent. This notion provides basis to make an introspection of the kind of leaders that are produced through this space in the context of civic engagement or transactional leadership. The assessment is made out of the existing literature on civic engagements, transactional leadership ethos and related aspects. The literature review in rethinking student leadership is assessed against the observations of the author to contextualise and project the kind of leaders which the student leadership space produces. The paper provides the basis upon which to project the kind of governance Africa is likely to have against what Ibrahim Index of Africa Governance will likely from the assumptions and analysis of the author, based on the kind of student leadership that is developed for the world. This paper is qualitative in nature, where empirical evidence is presented through observations of the author to attest the existing literature's validity without any specific sample used, but applies experience that was observed through the author's career in student governance in order to ensure consistent ethical considerations. The paper intends to provide a model within which sound leadership in the space of student governance should contain and how has it translated to experience in the context of sustainable development post- student leadership period. The model constitutes a recommendation to follow in the student governance by higher education and student affairs systems in particular.

Keywords: Civic engagements, Democracy, Governance, Student leadership, Transactional leadership

1. Introduction

The architect of the modern Higher Education system in South Africa requires that there be Student Representative Council (SRC) that is elected periodically as per Higher Education Act 101 of 1997. This paper examines the kind of leadership that is observed in this field through an in-depth analysis of transactional leadership, and seeks an alternative option of leadership, which is centered on civic engagements. While there is an inspiration around "Great Man Theory", this inspires many young leaders to achieve the objectives of leadership through empirical evidence in student governance. However, and interestingly, the conceptual analysis of leadership is argued by McCleskey (2014), who says that in order to advance our knowledge of leadership, it is necessary to understand where the study of leadership has been. The fundamental aspect of the paper at this stage is to clarify the concepts and their impact to the advancement of institutional goals and objectives. While an understanding is always that "Great Man Theory" is the best, it is necessary to keep focus through taking a closer look at transactional leadership, which in the context of the paper argues that the SRC in Higher Education system may have towed the line of its narrative.

McCleskey (2014) further argues that transactional leadership evolved for the marketplace of fast, simple transactions among multiple leaders and followers, each moving from transaction to transaction in search of gratification. The author argues that McCleskey provides basis that transactional leadership give interpretation of whether SRC's are transactional in nature due to their short term of office and, as a result of time, quick gains remain the order of the day? The scholarly enquiry and the narrative of SRC's represent imperial aspect that the paper wishes to highlight later. In the quest to balance the argument, Ibrahim index on African Governance provides an important framework that measure the impact of leadership towards prosperity and improvement of human life. This questions the space of reducing the Mo Ibrahim Index into a framework model that suit the SRC in the Higher Education System. However, in the context of critics, It is clear, therefore, that Nelson Mandela's attribution of Zimbabwe's woes to a crisis of leadership (*Independent*, 2008 as cited in Tettey, 2012) can be justifiably extended to the rest of the continent. His assertion is corroborated by the inability of the Mo Ibrahim Foundation to find, in the last two years, a retired African political leader who is deserving of its prestigious African Leadership Prize. The essence

of SRC framework index would provide space for transformation of the space through innovative strategies. The paper confines the SRC into transactional leaders, where behavioural ethos are those of a sealing deals, consolidation and celebrate quick gains, however the paper argues that the model is not sustainable for a future society and therefore, inculcating civic ethos constitutes, what is termed rethinking of the role and value of SRC in the current and future space. Youniss, McLellan & Yates (1997) argue that civic engagement emanates from individuals whose developmental backgrounds make them more or less able and committed to partake in the renewal and continual reform of civil society. In the quest to support the individual developmental background to it, which Berkowitz, Althof & Jones (2008:399) argue that the concept (civic), has considerable overlap with concepts such as character, personality, traits, and virtue. The above expression pursued an argument of questioning the character of SRC as transactional leaders, in the context of renewal and transformation setting. The paper argues that these desk top literature, with observations made in SRC's to pursue civic perspective as a reform strategy for student governance in Higher Education.

2. Mo Ibrahim Framework Effect

The Mo Ibrahim Foundation took interest to develop a framework that conceptualises leadership and governance in Africa, which characterises what constitutes good governance and leadership in the context of Africa. These variables of the frameworks are intended to be presented and argued in the context of both transactional leadership and reformist ideology of civic perspective in SRC's. The Ibrahim index contextualises the deficiencies that are posing challenges of human development and from the contract, in an attempt to remedy these deficiencies, Rotberg and other political scientists at Harvard University have recently developed the Ibrahim Index of African Governance (Rotberg and Gisselquist, 2008b, as cited in Farrington, 2009). The Ibrahim Index evaluates governance on the basis of five Basic Categories (BCs) of these core political goods (Farrington, 2009) such as, safety and security, rule of Law, transparency and corruption, participation and human rights, sustainable economic opportunity and human development.

From the basis of the Ibrahim Index, the paper assumes a line of argument that all these categories

are relevant to the operation of the SRC at most through is constitutional obligations in various institutional set-up. The secured environment for students in the context of the paper is paramount to the SRC. Marginson, Nyland, Sawir, and Forbes-Mewett (2010) argue that security is an elemental human need, which is noted that it is paramount that the need for security is satisfied because without security social life would be both meaningless and relatively dangerous. The SRC's in majority of universities have vowed to ensure the environment safe for teaching, learning and enhancement of an environment that enhance social needs of the students. This view is supported by observation that security in universities, particularly in Africa is always a concern of SRC's and is always part of the top agenda. However, the limitation of security challenges in universities is not a direct function of the SRC and they are limited to advocacy project to influence the functioning of security to safeguard students.

On the second category is the rule of law, transparency and corruption, which has plugged Higher Education as a microcosm of the society. Hallak and Poisson (2002, as cited in Hallak and Poisson, 2007) argue that corruption in the education sector can be defined as "the systematic use of public office for private benefit", whose impact is significant on the availability and quality of education goods and services, and, as a consequence on access, quality or equality in education. The paper argues that the SRC operates both at the political and administrative level, and these confine some emerging temptations due to human kind that political and administrative corruption always compete with transparency and accountability. It is scientifically arguable that Student Affairs or universities does not teach these tendencies, which are against their philosophies and practices. Hallak and Poisson (2007) further argue that corruption covers a wide range of activities, such as: favoritism; nepotism; clientelism; soliciting or extortion of bribes; and embezzlement of public goods. While the paper note that Ibrahim Index is emphatic on transparency, which Hallak and Poisson (2007) argue that it is the extent to which stakeholders (school principals, school council, parents, pupil and local community) can understand the basis on which educational resources (financial, material and human resources) are allocated to their individual establishment and how they are used. The essence of good governance posits compliance and accountability to uphold to

the rule of law, which continues to be an observed struggle in inculcating it to the SRC on regular basis.

The fundamental aspect is whether the SRC's are transparent. Firstly, to their constituencies, and secondly, account on how public resources are allocated. It is the observed that most SRC's are accountable to their deploying organisations, and not to students generally, and this is against the constitutional commitment to serve all the students. The narrative according to the author is that "transparency hit the snag". It is also arguable that once "transparency hit the snag, accountability collapses" and your leadership become a transactional to the deploying organisation and sense of "civic think, hit the snag". It is in this sense that Ibrahim Index become relevant to SRC's operations and requires strategic interventions to always at macro level guide all efforts to rethink SRC models and strategies. This question of corruption in SRC's revoke the issues of ethics as part of application of the rule of law on the basis that SRC's operate in a space of learning the principles of governance and leadership, and if aspects of ethics are not inculcated at that stage, this question a future civic society within which they are going to function. The question of ethics in politics has been inspired by many as Amoureux (2015) argues through a scholarly question that "what kind of ethics in the world politics is possible if there is no foundation for moral knowledge, or, at the very list, if this global reality is complex? The argument enriches the paper under the epistemological understanding that the SRC is a microcosm of political, moral and ethical foundation for grooming future leaders of a civil society, and therefore, the author argues that the essence of politics at the SRC level should be ethicalised as a foundation for global politics.

In the pursuit of the role of SRC into issues of student rights in campuses of the universities, Ibrahim Index emphasizes on the issues of participation to any space that promote human rights, and therefore, students as part of human beings, Higher Education System acknowledges that students must have rights which the SRC's stands to defend and protect those rights. The author argues that the Constitution of the Republic of South Africa reaffirm through the Bill of Rights that a set of recognition that is underpinned by Ubuntu should be within the cornerstone that dictate the social order in the society. In an attempt to define it, Makgoro (1998) argues that the concept has generally been described as a

world-view of African societies and a determining factor in the formation of perceptions which influence social conduct. Makgoro (1998) further posits that It has also been described as a philosophy of life, which in its most fundamental sense represents personhood, humanity, humaneness and morality; a metaphor that describes group solidarity where such group solidarity is central to the survival of communities with a scarcity of resources, where the fundamental belief is that *motho ke motho ka batho ba bangwe/umuntu ngumuntu ngabantu* which, literally translated, means a person can only be a person through others. In measuring the response on the SRC systems in higher education, the author asserts that student rights are a fundamental instrument of the formation of the SRC in the context of Higher Education in a transformed and society that values democracy. Assembly (1948) argues in confirmation that all human beings are born free and equal in dignity and rights they are endowed with reason and conscience and should act towards one another in a spirit of brotherhood. It is therefore arguable that Ibrahim Index is equally relevant to the operation and space of SRC's in Higher Education, which the model that the paper is intending to suggest should reflect to how Ibrahim Index interface with the SRC civic perspective.

3. Transactional Nature of the SRC in Higher Education

In order to advance our knowledge of leadership, it is necessary to understand where the study of leadership has been. McCleskey (2014) argued that the study of leadership spans more than 100 years. Goethals and Hoyt (2017) argue that transactional leadership refers to the more mundane give and take between leaders and followers. Each party does something for the other. There is an exchange. Specifically, transactional leaders use "contingent reward", meaning that they reward followers when they perform as expected, and "management by exception", meaning that such leaders only address followers when the followers fail to do as expected, and then the leader points out errors and shortcomings. In the view of the author, firstly, the nature of the term of office of the majority of SRC's in institutions of higher learning through its institutional statutes remains a 12 months' academic calendar. Having observed this, Burns (1978, as cited in McCleskey, 2014) argued that transactional leadership practices lead followers to short-term relationships of exchange with the

leader. It is in the context of the short term nature of the transactional leadership that SRC's systems from legislative point of view provides no space for continuity and each group of SRC's projects legacy within a short space of time, and also uses tactical approaches that are not sustainable. One of the unintended consequences is the fact that the struggles of students have been observed, the same, for many centuries back.

There have been the academic and political life of universities (Altbach, 1997:5, as cited in Sebake, 2016), therefore it reflects that very rarely have student organisations or SRC's taken an interest in the University reform, curriculum, or governance. This has been due to observed transactional nature of short term goals, and lack of connectivity in the context of positive institutional memories. The author notes that perhaps the diversity of the behaviour of individual members perpetuate the transactional mode, which further influence individual goals than that of the collective in the quest to learn what leadership is all about. The above is attested by Hogan & Kaiser (2005) who argue that firstly, leadership solves the problem of how to organise collective effort; consequently, it is the key to organisational effectiveness. With good leadership, organisations (governments, corporations, universities, hospitals, armies) thrive and prosper. When organisations succeed, the financial and psychological wellbeing of the incumbents is enhanced. Second, and more importantly from a moral perspective, bad leaders perpetrate terrible misery on those subject to their domain. In the analysis of what leadership entails from the reflection of Hogan and Kaiser above, the emphasis of collective goal driven constitutes a foundation for renewal in the case the goals of SRC's clutches with its aim and objectives from a legislative point of view. However, in the quest to rethink student leadership model, Hogan and Kaiser (2005) further believe that, in essence, leadership primarily concerns building and maintaining effective teams: persuading people to give up, for a while, their selfish pursuits and pursue a common goal. Our final point is that the personality of a leader affects the performance of a team: Who we are determines how we lead. In the measure of empirical evidence as observed by the author, the individualisation and entrenchment of personal agenda at the infantile stage defies the motive of existence and perpetuate hoarding of power, which consistently allows friends of the individual leaders to determine an agenda on behalf of the student's

population. The model confined itself to focus on individual quick gains, which transform into transaction of self-benefit, and therefore transforming the current observations constitutes a reform in student governance, in which Theoharis (2007) argues that leaders for social justice should guide their schools to transform the culture, curriculum, pedagogical practices, atmosphere, and school wide priorities to benefit marginalised students. Therefore, in the analysis of this important literature, the author notes that the governance ills in the society requires a radical shift for the Student Affairs in Higher Education system to prioritise the reform in capping the current observed pedagogy of practice in Student Governance as key for addressing social imbalances of the past and the present.

4. Understanding Civic Ethos as Part of Social Justice

The civic ethos in the arguments of the author gives effect to social justice discourse in which the formation of the SRC is empirically expected to be at the cutting edge of championing it as part of reform. From the contract of the assertion of the author, Fleck (1935, as cited in Krieger, 2001), in affirmative posits that both thinking and facts are changeable, if only because change in thinking manifest themselves in changed facts. Conversely, fundamentally new facts can be discovered only through new thinking. The efforts to advance social justice from the author point of view, requires a balancing act in a diverse and competing demands of students and therefore, SRC's has expectations of thinking in the interest of the poor students. Theoharis (2007) argues that the literature on leadership for social justice identifies schools that have demonstrated tremendous success not only with White, middle-class, and affluent students but also with students from varied racial, socioeconomic, linguistic, and cultural backgrounds (Capper & Young, in press; Maynes & Sarbit, 2000; Oakes, Quartz, Ryan & Lipton, 2000, as cited in Theoharis, 2007), and therefore social justice supports a process built on respect, care, recognition, and empathy. There has been an effort of redress and ensuring equal access to all inclusive of the disadvantaged group, which Haveman and Smeeding (2006) argue that traditionally, the nation's higher education system, especially its public component, has had two primary goals: economic efficiency and social equity. The notion of economic efficiency and social equity is at the centre of what civic ethos as the foundation

of the transformation role that the SRC's in Higher Education should take into consideration. It is therefore that SRC's should also in their civic perspective note as argued by Haveman and Smeeding (2006) that the traditional role of colleges and universities in promoting social mobility has attracted the attention of both policymakers and social science researchers. In his discussion of what he calls "education-based meritocracy," John Goldthorpe explains that a merit-based higher education system can offset the role of social class in determining economic outcomes. In affirmative, the author argues that the SRC's should be confined to the agenda of social justice at all times which its orientation is geared to advance social responsibilities towards students, particularly the current and deserving disadvantage groups through institutional sustainability. The author introduces the question of morality and judgement of what constitutes social justice as fundamental to eradicate contradictions in the expense of those students that are vulnerable. Turiel (2002:1) argues that one perspective on the development of morality was that it entailed the construction of judgments about justice, equality, and cooperation. However, the observation of the author that contradictions of what constitutes justice in student governance gets clouded by abuse of intellectual competitions that is politically driven which, in some instances, becomes part of popularity syndrome than factual, for instance, taking time to defend the external political positions that look into the narrow interest of a specific population. This will assist in ensuring focus and relevance towards social justice and development of the vulnerable students, which therefore, SRC's in their civic understanding requires that they should think globally and act locally. The notion of thinking globally and act locally meaning within their respective universities is fundamental to contextualise the national agenda on social justice to influence and mobilise in the context of its impact on their universities environment.

5. Understanding Civic Enterprise as Servant Leadership Theory

The formation of the SRC in Higher Education should be understood as a calling for services than that of self service for narrow interest. It is in the argument of the author that civic enterprise is about the service to the people as a basic principle. Leadership is one of the most comprehensively researched social influence processes in the behavioral sciences.

This is because the success of all economic, political, and organizational systems depends on the effective and efficient guidance of the leaders of these systems (Barrow 1977, as cited in Parris and Peachey, 2013). The author argues that civic enterprise reaffirm the purpose of why individuals and collectives are in the position of leadership from principle point of view. Servant leaders are distinguished by both their primary motivation to serve (what they do) and their self-construction (who they are), and from this conscious choice of 'doing' and 'being' they aspire to lead (Sendjaya & Sarros, 2002, as cited in Parris & Peachey, 2013). In its thematic essence, the development of self-conscious to SRC's remain the foundation of civic enterprise, which Higher Education is required to build its ethos in both curriculum and extra-curriculum to inculcate its existence in humankind in the interest of understanding that SRC in leadership is about service. A service-oriented philosophy of and approach to leadership is a manifestation of and an antecedent to enabling a wise organisation. Servant leaders have been described as capable of managing the various paradoxes of decisions, which may foster the development of organisational wisdom (Srivastva & Cooperrider, 1998, as cited in Barbuto and Wheeler, 2006). The dynamics of student governance and the civic methodology characteristics are intertwined with servant leadership on the basis that "service to the constituencies" and championing their interests is the order of the day. Servant-leaders are those who serve with a focus on the followers, whereby the followers are the primary concern and the organisational concerns are peripheral. The servant-leader constructs are virtues, which are defined as the good moral quality in a person, or the general quality of goodness, or moral excellence. (Personal communication, 30 January 2003, as cited in Dennis, Kinzler-Norheim & Bocarnea, 2010). In the spirit of indepth analysis of the literature on servant leadership, Patterson's (2003, as cited in Dennis *et al.*, 2010), extrapolate that the theory extends existing literature and includes the following constructs, in that the servant-leader leads and serves with love, acts with humility, is altruistic, is visionary for the followers is trusting is serving and empowers followers.

The observation of the author is that some situations in student governance through SRC are contrary to the pillars of servant leadership on the basis that sound judgement lack on student leaders and trust in relationship with the university and in particular

Student Affairs is in the "intensive care unit". The sustainability of these relationships always closes any space for theoretical inculcation of the theory into the scientific practices in student governance. It is therefore, the servant leadership is presenting itself as a corner stone of civic engagements character, which requires a rethinking and reform towards the SRC narrative. Russell, and Gregory Stone (2002) state that servant leadership take place when leaders assume the position of servant in their relationships with fellow workers, and the author in agreement confirm that the relationship between SRC's and students signifies relationship of "service". Larry Spear (1998 as cited in Russell and Gregory Stone, 2002), CEO of Greenleaf centre, concluded that Robert Greenleaf's writings incorporated ten major attributes of servant leadership, which includes listening, empathy, healing, awareness, persuasion, conceptualisation, foresight, stewardship, commitment to the growth of people and building community. In the similarities of characteristics of servant leadership, it is conclusive that civic engagement shares same elements through simply implying that humbleness and humility is the emphasis in the scientific journey of SRC reform, which required constant observation.

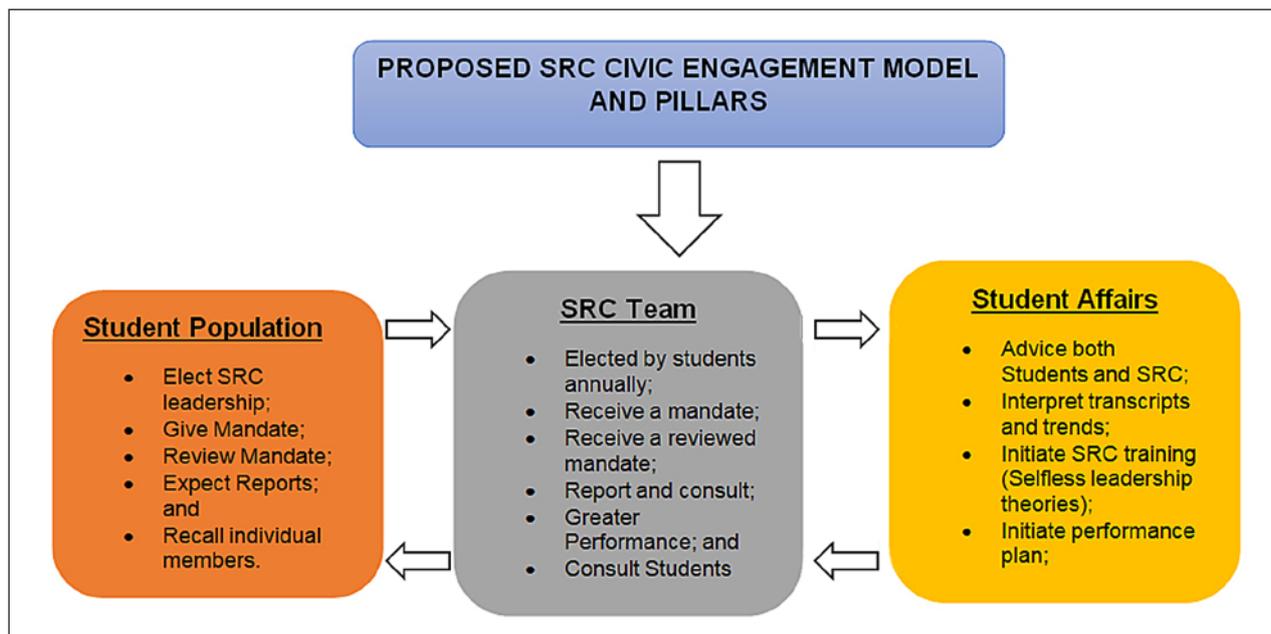
6. Proposed SRC Civic Model

The below model is encouraged by the intention to go back to basics in questioning the intention of the

formation of the SRC. As proposed, it should scientifically provide radical and positive demarcation of responsibilities to each of the parties that have a role in the service model of the student governance.

In the interpretation of the model, it requires that the recognition of the role of each party inter alia: Student population; SRC's and Student Affairs understand their role in the civic engagement relationship. Ring and Van de Ven (1994) argue that the propositions have academic implications for enriching interorganisational relationships. In the analysis of the author, the model assists in the space of professionalising the relationships with students and demarcates the political space and, therefore, the relationship is based on development and mentoring, which scientifically prepare both general students and SRC's on how to approach competitive governance space beyond university life. The author further argues that the model, while emphasising on SRC's devoting their interest to students, but further devote their energy to service to the students, while Student Affairs provides and mould and support the initiatives that aims at advancing the interest of student's populations. Woolthuis, Hillebrand and Nooteboom (2005) posit that to the debate on the relation between trust and control in the management of inter-organisational relations. More specifically, we focus on the question how trust and formal contract are related. The model constitutes a contractual way of engagements

Figure 1: Scientific Civic Engagement Model for SRC and Role and Responsibilities



Source: Author

that monitors whether the civic strategy is carried well and lives of ordinary students are improved and reduce the distance between the SRC and its followers, monitored by Student Affairs and key stakeholder of the contractual engagement.

7. Conclusion

The conceptual overview of student leadership in a form of the SRC's in the Higher Education remains relevant. However, the literature reviews presented that lack of focus through continuous sealing of quick deals that are not sustainable. SRC's have been proven through the model of democratic set-up that it should operate closely with the general students for openness and accountability purposes. The empirical essence of democracy in this instance has been affirmed as Adejumbi (2017:1) argues that democratic institutions promote developmental governance by counteracting temptations for opportunistic behaviour that is economically damaging. The individualisation of SRC operations, which are translated into temptations of corruption, defiance of the existing space of democracy, and its unintended consequences shows in a distance between the SRC leadership and the general student population. Political participation, which defines the people's sovereignty and in a sense, confers legitimacy on the political system, is a product of the nature of democratic politics especially in its interphase between the political class and citizens, the mediating dynamics of that relationship, and the perceived influence of the latter on the system (Adejumbi, 2017:1). The later was presented through SRC's preferring to account to student political parties deployed them than the general student population. Out of these challenges that are individualistic in nature and defies the principle foundation of the existence of the leadership in this space, the competitiveness in a form of SRC methodological review and reform into civic perspective constitutes a necessary reflection and therefore, the proposed model remain ideal to explore.

References

- Adejumbi, S. 2017. Promoting accountable governance in Africa: issues, challenges and policy reforms. In Adejumbi, S. (ed). *Voice and Power in Africa's Democracy* (pp. 135-154). London: Routledge.
- Amoureux, J.L. 2015. *A Practice of Ethics for Global Politics: Ethical Reflexivity*. Routledge.
- Assembly, U.G. 1948. Universal declaration of human rights. *UN General Assembly*.
- Barbuto Jr, J.E. & Wheeler, D.W. 2006. Scale development and construct clarification of servant leadership. *Group & Organization Management*, 31(3):300-326.
- Berkowitz, M.W., Althof, W. & Jones, S. 2008. Educating for civic character. The Sage handbook of education for citizenship and democracy. London: Sage Publications.
- Dennis, R.S., Kinzler-Norheim, L. & Bocarnea, M. 2010. Servant leadership theory. In van Dierendonck, D. & Patterson, K. (eds). *Servant Leadership*. London: Palgrave Macmillan
- Farrington, C. 2009. Putting good governance into practice I: The Ibrahim Index of African Governance. *Progress in Development Studies*, 9(3):249-255.
- Goethals, G.R. & Hoyt, C.L. 2017. Women and Leadership: History, Theories, and Case Studies. Berkshire Publishing Group: Great Barrington.
- Hallak, J. & Poisson, M. 2007. *Corrupt schools, corrupt universities: What can be done?* International Institute for Education Planning: Paris
- Haveman, R. & Smeeding, T. 2006. The role of higher education in social mobility. *The Future of children*, 16(2):125-150.
- Hogan, R. & Kaiser, R.B. 2005. What we know about leadership. *Review of general psychology*, 9(2):169.
- Krieger, N. 2001. Theories for social epidemiology in the 21st century: An ecosocial perspective. *International Journal of Epidemiology*, 30(4):668-677.
- Makgoro, Y. 1998. Ubuntu and the law in South Africa. *Potchefstroom Electronic Law Journal/Potchefstroomse Elektroniese Regsblad*, 1(1):1-11
- Marginson, S., Nyland, C., Sawir, E. & Forbes-Mewett, H. 2010. *International student security*. Cambridge: Cambridge University Press.
- McCleskey, J.A. 2014. Situational, transformational, and transactional leadership and leadership development. *Journal of Business Studies Quarterly*, 5(4):117.
- Parris, D.L. & Peachey, J.W. 2013. A systematic literature review of servant leadership theory in organizational contexts. *Journal of Business Ethics*, 113(3):377-393.
- Ring, P.S. & Van de Ven, A.H. 1994. Developmental processes of cooperative interorganisational relationships. *Academy of Management Review*, 19(1):90-118.
- Russell, R.F. & Gregory Stone, A. 2002. A review of servant leadership attributes: Developing a practical model. *Leadership & Organization Development Journal*, 23(3):145-157.
- Sebake, B.K. 2016. Instability and corruption in student governance caused by tender system in universities in South Africa: selected cases from universities of technology. *Journal of Public Administration and Development Alternatives*, 1(1):14-27.
- Tetty, W.J. 2012. Africa's leadership deficit: Exploring pathways to good governance and transformative politics. In Hanson, K.T., Kararach, G. and Shaw, T.M. (eds). *Rethinking Development Challenges for Public Policy*. London: Palgrave Macmillan.

- Theoharis, G. 2007. Social justice educational leaders and resistance: Toward a theory of social justice leadership. *Educational Administration Quarterly*, 43(2):221-258.
- Turiel, E. 2002. *The culture of morality: Social development, context, and conflict*. Cambridge: Cambridge University Press.
- Woolthuis, R.K., Hillebrand, B. & Nooteboom, B. 2005. Trust, contract and relationship development. *Organization Studies*, 26(6):813-840.
- Youniss, J., McLellan, J.A. & Yates, M. 1997. What we know about engendering civic identity. *American Behavioral Scientist*, 40(5):620-631.

How Extra-Ordinary Public Servants Shield Schools From Perpetual Underachievement

NS Modiba

University of Limpopo, South Africa

Abstract: The paper critically reflects on how the most devoted and conscientious public servants in schools, overturn underperformance into higher academic achievement. The paper is empirical in approach. Interviews and document study were used to collect data from three selected secondary schools in one of the Districts of Limpopo Province. Research findings reveal that, institutional underachievement is a product of inappropriate and inadequate service delivery. Findings showed that, allowing the culture of underperformance to take root, by public schools, becomes an educational albatross enough to dismantle, oppose and to defeat. In addition, findings indicated that, the absence of decolonisation attitude in schools, which revolutionises amounts to emancipation without freedom to institutional incumbents. Lastly, not all educational institutions deserve to first, offer mediocre performance before they revive and enhance their educational service. On the basis of the above, the researcher recommends that public secondary schools need to experiment with the 21st century manner of managing and leading learning institutions where decolonisation of every practice at the school, permeates every corner of a school's governance and administration. Such a change of focus is likely to assist schools to deinstitutionalise the entrenched colonialism which is irrelevant in the 21st century schooling since it meddles with the delivery of a quality public service by public servants in schools.

Keywords: Conscientious, Deinstitutionalisation, Enhance, Revolutionise

1. Introduction

Despite many hours spend at schools, teachers remain members of their society. They are actually sourced from a society. The circle is completed when upon retirement, such teachers get back to their societies to go and rest after rendering a teaching service. Thus, the connectivity between schools and a society is indisputable. No talk of a school to the total exclusion of a society and vice versa (Arden, 2013:16). When teachers conduct themselves in an exemplary fashion when still serving, they would largely be mirroring their own society. On the basis of the preceding argument, it makes absolute sense to expect the society to play an irreplaceable role in the affairs of a school. In case a school underachieves in its mandate of dispensing knowledge, a society has every right of knowing why and how best to intervene. The relationship between a school and a society dates back to time immemorial. A society has a capability of perennially and perpetually keeping a school functional and as a high performing institution. That occurs when classroom teachers are revolutionaries par excellence, in the form of turning themselves around to be extra-ordinary teachers (Allen, 2014:33). This will be conspicuous through lessons delivered to learners inside the classroom, through the teachers' instructional proficiency being coupled with unique managerial acumen to assist

in creating a memorable and a theatrical classroom interaction with learners. Where an educational institution is populated by extra-ordinary teachers, there could be a little space for that school to underachieve. Teachers who have migrated themselves from ordinary to extra-ordinary are likely to ascertain that not a single learner inside a classroom experiences a lethargic teaching in an uninspiring learning environment (Olivier, 2012:56). Furthermore, a set-up where there are learners who do not value schooling or who have been conditioned to failure other than to success is likely also to disappear. This explicitly suggests that the perpetual underperformance characterising some schools is, in part, owing its origin to the kind and type of ordinary teachers found in those schools. Such teachers are not likely to decolonise and revolutionise their teaching so that it tastes differently to pupils in the form of being inviting, absorbing and captivating to all learners at all times. The reason for such a state of affairs with the category ordinary teachers is because of them not being averse or allergic to institutional underperformance (Horowitz, 2014:10). A trait and a virtue of being an extra-ordinary teacher, helps to keep teachers awake to the point of never ignoring learner heterogeneity in class. Extra-ordinary teachers are ever aware that every learner ultimately mirrors her own teacher, when that learner performs or struggles.

For instance, where teachers have made a transition from being ordinary or mediocre to extra-ordinary or excellent, learners will reciprocate them (Mentz & van Zyl, 2016:79). This is because devoted and conscientious people would not love to be associated with failure or sub-standard performance. To enable the occurrence of brilliant learner results, the quality teacher-learner relations as one of the bedrocks of institutional performance are indispensable. Extra-ordinary teachers sow a culture and tradition of refusing to settle for less than the best, for the sake of learners entrusted to them in their schools. It is not likely to be a mountain to climb for schools with extra-ordinary teachers, to turn a new leaf from institutional under-delivery to a high academic achieving school, with the population of extra-ordinary teachers around.

The critical role played by extra-ordinary teachers in the affairs of a school, becomes even more explicit, where an institution develops a capability of a bounce-back philosophy where it has been experiencing a string of poor learner results (Mckaiser, 2016: 9). This is a philosophy that enables a school to set its own operational structures, systems and processes that are sustainable enough to facilitate self-recovery in an event where in one year a school under-performed. No doubt, the existence of extra-ordinary teaching personnel in an educational institution, could be summed up through confirming that they are likely to make the commodity called schooling to sell as best as in the past. With extra-ordinary teachers populating learning institutions, schools could resurrect their stuttering performance (Templar, 2015:94). That is possible within the harmonious atmosphere capable of turning any school into a great institution. The existence and prevalence of extra-ordinary teachers in schools, enlightens educational institutions to the reality that no school, is created for underachievement and failing of learners. With devoted and conscientious extra-ordinary teachers around, schooling challenges faced by learners, however herculean they could be, would be surmounted. That would enable both teachers and learners to represent progress and no longer educational decadence (Nyangia & Orodho, 2014:77).

2. Theoretical Considerations

Since this paper is empirical and qualitative in nature, the Complexity Leadership Theory was partnered with the qualitative research approach

to ground the argument of the paper. A research question such as "in what way could learner underachievement be opposed and defeated irrespective of the absence of extra-ordinary teachers inside a classroom", could at best be researched through the guidance of the Complexity Leadership Theory (de Vos, Strydom, Fouche & Deiport, 2011:313). The theory reminds that Education Departments across the globe are faced with rapidly changing interactions, policies, regulations, technologies and effects of globalisations in the realm of educational practices. As such, Departments of Education find themselves having to lead in the development of strategies and other interventions that are complexity-driven within the complexity-generative scenarios. The fact that Departments of Education throughout the world were not established solely to curb and combat institutional ineffectiveness in the form of underachievement by learners, makes the application of the Complexity Leadership Theory the most appropriate theory for the current schooling dynamics and ecologies. This theory is not grounded on bureaucratic structures like other theories. Of peculiar nature about this theory, is that it is grounded on sophistication and complexity (Mouton, 1996; Coveney, 2003).

The practice of some learners underachieving is not as simple as it appears. Given the type and nature of teachers and learners operating inside classrooms, it requires a complex theory that resonates with the current schooling sophistication. The theory enables schools to contend with constant complexities due to the rapidly changing realm of educational practices. Issues of teaching and learning are complex in the sense that they involve who teaches? Who is being taught? What is being taught? What is the manner of delivering the subject matter and how is the teacher received by learners inside and outside a classroom? As things stand, today's schooling, requires a certain level of complexity to oppose and defeat challenges experienced in schools in their mandate of dispensing knowledge. Current school ecologies are knowledge-based (Uhl-Bien, Marion & Mckelvey, 2007). Such knowledge has to be dispensed to learners by teachers having being generated within and outside schools. Through innovative means, knowledge has to be adapted to each school's classroom ecology and its own learners. As such, knowledge is fast becoming the main commodity and the swift-paced generation of that knowledge and novelty, becomes fundamental to the survival of schools. Complexity Leadership

Theory enables schools in their process of delivering knowledge, to adapt their level of complexity so that it is commensurate to the ecologies in which those schools operate. Despite myriad challenges which schools face in their process of rolling out curriculum, they demand proportionate changes to ensure they stay afloat (Isaac, 2016:9; Modiba, 2018:1).

It takes complexity to defeat complexity. Complexity Leadership Theory ascertains that schools possess complexity equivalent to that of its environment in order to function effectively (McKelvey & Boisot, 2003). The Complexity Leadership Theory enabled the researcher to frame the paper as well as to make meaning from the whole assertion of learner under-achievement of secondary schools being ascribed to non-extra-ordinary teachers who, in view of their mediocre teaching, are not able to stave schools off from their perpetual learner under-delivery. The theory emphasises the importance of understanding and validating interpretations in their own contextual terms instead of stressing the need to verify interpretations against an "objective" world. The Complexity Leadership Theory allowed the researcher to learn the purpose of individual actors and social meanings that they share with each other in the process of teaching and learning. Much of the scholastic under-delivery by public secondary schools is in more instances than one, wrongfully attributable to either teachers or learners, disregarding the context of their occurrence. The Complexity Leadership Theory stresses that the traditional pattern that teachers teach, learners learn and administrators manage, is completely altered, to reflect the 21st century, where all stakeholders in a school, become lifelong learners in a dynamic and evolutionary environment.

Khanare (2008:37) cautions that these days teaching is about touching the souls of learners. This signifies that whoever teaches without reaching out at the souls of learners under her tutelage, could face antagonisms apart from being regarded to be a non-extra-ordinary teacher. Every teacher has to value the individuality of every learner as a precondition for quality teaching and learning that touches a learner's soul. Khumalo (2011:8) disputes the fallacious notion that it is learners in secondary schools who create institutional under-delivery and then earn teachers a label of non-extra-ordinary teaching personnel. This is visible with his remarks to the effect that they "do not try to fix learners

alone, fix teachers too". He however concedes that a good teacher makes a poor learner good and a good learner superior.

Davidoff & Lazarus (1997:16) articulate that in the 21st century, with the type of the evolved teaching and learning environment in schools, it cannot be business as usual for teachers. This suggests that being guided by the Complexity Leadership Theory, the present day teachers have to lead with their hearts and excel with their souls when with current learners. No doubt, extra-ordinary teachers may not struggle to do that. Apart from advising schools to always consider the complexity of their ecologies of operation, this theory warns schools to be involved in a renewal process. A school that operates along the Complexity Leadership Theory is likely to take the concept of renewal very seriously such that learners there could be inspired and stimulated to remain teachable and thus portray their teachers as extra-ordinary. The manner in which a school is structured, with systems and processes followed there, could emit an impression that learners there are nuisance to the proper functioning of an institution and the production of brilliant learner results. That is no different from when a school succeeds and survives in projecting all its learners and teachers to be star-performers of note. This suggests that some notions either correct or fallacious, which members of the public have of schools, it is on the basis of how those schools project themselves to the wider public. Hofstee (2010:107) advises that a research topic is not synonymous to a research problem. Noting that, the problem of this paper centres on the critical reflection of the contribution of highly devoted and conscientious teachers to the dismantling of persistent under-performance of a school. A plethora of literature reviewed, confirms that a school that persistently underachieves, is likely to be having a huge predicament of less devoted and less conscientious teaching personnel. This therefore, implies that underperformance by a school constitutes a disservice to its stakeholders (Isaacs, 2016:9; Shamase, 2016:33).

3. Research Questions

The research questions addressed in this paper are anchored on the Complexity Leadership Theory (de Vos, Strydom, Fouche & Delpont, 2011:313). Those research questions are as follow: What prevents teachers from always being highly devoted and conscientious to their quality teaching to learners

despite the brilliant teacher-education programme they went through and the impressive teacher qualifications they possess? What are the ideas, concerns and aspirations of school governors and school management team members, regarding the perpetual under-performance of learners? Broad as they are, the above questions can be broken down into the following sub-questions:

- How is learner underachievement understood and dealt with?
- Who are the ultimate victims and losers, out of the process of learner underachievement?
- How best to counter and contain learner underachievement?
- How can the appointment of extra-ordinary teachers mitigate against learner underachievement?

4. Research Methodology

Out of the population of fifteen public secondary schools in a Circuit, three were conveniently sampled. In each institution, a School Principal, an SGB Chairperson and a Teacher were interviewed. The total number of research participants amounted to nine because every school contributed three. The three schools that critically reflected on how extra-ordinary teachers shield schools from perpetual underachievement, are being referred to as Schools A, B and C. to protect their actual identities. That the three public secondary schools were still experiencing the challenge of learner underachievement, was a cause for concern that triggered this in-depth study. This paper is qualitative in nature because the problem addressed is critically reflecting on why some public secondary schools are not offering quality teaching which could be a solution to scholastic learner under-performance. The nature of the problem was found to be researchable along the qualitative school of thought as against the quantitative line of thinking (Dawson, 2006 & Levin, 2005). The choice of the qualitative methodology was triggered by the utilisation of the Complexity Leadership Theory. The researcher found a need to create a synergy between that theoretical framework and the qualitative approach as the overarching research methodology (Hofstee, 2010:115). Msina (2015:24) notes that with the Complexity Leadership Theory, issues of learner

underachievement as experienced in some public secondary schools and being ascribed to lack of highly devoted and conscientious quality teaching in schools, could be better critically be reflected upon. The theory was applied to help establish why some schools were allowing learner underachievement to occur, despite being aware of its dire consequences. Amalgamating the Complexity Leadership Theory and the qualitative research approach was based on the complexity of the problem under study. The combination enabled the researcher to make an in-depth understanding of how despite knowing the unpleasant consequences of under-performance, some teachers were somewhat adopting a non-chalant approach towards curbing and combatting learner underachievement through turning themselves into extra-ordinary teachers. That could have been done through constant quality teaching which is known to be shielding a school from educational under-delivery. In this paper, interviews and document study were utilised to construct relevant data. All the primary and secondary documents which contained information about poor quality teaching and learner underachievement were studied. To corroborate and triangulate the gleaned data, interviewing was conducted with three participants in each school. Responses were audio-taped for transcription later-on. The mentioned data collection tools, were helpful in terms of accessing information pertaining to how the absence of quality teaching in some public secondary schools, is behind learner underachievement (Glattham & Joyner, 2005). Content analysis and the constant comparative methods were utilised to analyse the collected data. Analysis commenced when data collection started and was concluded immediately there were indications that all the collected data was making sense and talking to the aim of the paper. Again, data analysis was done in relation to the problem which the paper is attempting to address (Maykut & Morehouse, 1999; Hlogwane, 2016:36; Lamprecht, 2018:7).

5. Findings and Discussion

The basis of these findings is the literature studied pertaining to the quality of teaching in schools as delivered by extra-ordinary teaching personnel and how that inhibits incessant and perpetual learner underachievement (Knott-Craig & Rivett, 2015:53). In addition, the basis of these findings are the analysed data which were generated through the interviews and the document study (Mouton, 1996).

Focusing only on the sampled schools ought not to create an impression that they are the worse-off as regards lack of quality teaching which leads to learner underachievement. Suffice to disclose that the choice of those schools was on the basis of the researcher having familiarised himself with issues of learner underachievement and lack of quality teaching there. Some of the documents containing valuable data that emerged helpful as regards quality teaching in those schools included their School Improvement Plan (SIP) and Annual Performance Plan (APP). Reports and minutes of the meetings held that related to the status of teaching and ways to improve it, were also perused. Such documents divulged the vision of the school as regards containing and countering perpetual learner underperformance in those schools. The Complexity Leadership Theory was instrumental in the analysis of the data to ultimately emerge with the findings which are the following: Inappropriate and inadequate education delivery, dismantling the culture of underachievement, the absence of decolonisation and revival and enhancement of an educational service. The discussion of the findings would confirm that constant quality teaching is one of the solutions for the perpetual learner underachievement (Olivier, 2012:89). A detailed discussion of each finding follows.

5.1 Inappropriate and Inadequate Education Delivery

Magnificent and exquisite learner performance helps to market a school. This is being confirmed by the fact that in schools, there are difficult-to-describe factors which normally remain uncontrollable. From time immemorial, schooling has always been a complex process. As such, it is problematic to attempt to explain and interpret performance experienced in a school to a single cause. That way of doing things demonstrates a myopic and skewed view of schooling. Notwithstanding that, extra-ordinary teachers who are highly devoted and conscientious are known to be capable of arresting perpetual scholastic underperformance of learners. On the above point, Principal 1 of School A reasons that *"my more than 30 years experience as a teacher confirms that not a single learner would fail to perform with a theatrical and memorable teacher inside the classroom"*. SGB Chairperson 1 of School C proclaims that *"despite the countless problems which current teachers experience with learners, delivering impressive lessons in class, influences pupils to prefer*

a particular subject and perform better in their subject of preference". Teacher 1 of School B intimates that *"as secondary school lesson facilitators, we definitely contribute more than any other internal stakeholder to the performance or underperformance of pupils entrusted to us. The little challenge is that the majority of us teach these pupils inappropriately, hence they underachieve"*. What stands out from the responses of the various research participants is that learner underperformance at public secondary schools, is ascribed to poor quality teaching. This but ought not to serve to underrate the intricacy and sophistication of schooling especially in the 21st century. The practical reality is that any institutional under-delivery as created by the underachievement of learners has to be comprehended in terms of all the variables and ecologies within which the entire school operates and functions (Badroodien, 2015:53). Public secondary schools that display a commitment of being averse to learner underachievement and institutional under-delivery through improving their educational delivery to pupils, earn a reputation of being "performing" and "functioning" educational institutions.

5.2 Dismantling the Culture of Underachievement

Current teachers and learners, require a different form of engagement and interaction given their evolution (Horwitz, 2014:35). Current learners need to be conditioned to involve themselves in independent studies in order to augment what they have learnt from their lesson facilitators (Tolsi, 2016:32). Permitting the culture of non-independent study by learners is tantamount to making the sharing of the subject matter one-sided. Principal 1 of School B contends that *"being an instructional leader in the 21st century, requires one to place sufficient attention to learner participation to quality lessons delivered inside the classroom, to avoid disasters"*. SGB Chairperson 1 of School C notes that *"by failing to service learners well in terms of preparing and presenting inspiring lessons that are learner-centred and that trigger pupil involvement, teachers would be consolidating the culture of underperformance in a school"*. Teacher 1 of School C advises that *"classroom lessons that are wishy-washy, uninspiring and not acknowledging learners as vital actors in the process of knowledge acquisition are likely to aggravate the culture of underachievement as witnessed in the bulk of the educational institutions"*. Christie, Butler & Potter (2007) remind that learner involvement in

the lessons delivered, stands to trigger learner interest and curiosity and help to address the existing learner and institutional underperformance culture.

5.3 The Absence of Decolonisation

The survival and flourishing of schools, especially as public institutions, depend on them continuing to excel with their enterprise of teaching and learning, to service their society as awaited (Adam, 2005:68; Sebola, 2015). Schools in the 21st century have to strive to be a real societal centre of excellence (Badroodien, 2015:41). That is possible when schools do not shy away from experimenting with new African philosophy, namely, decolonisation as regards rolling out the business of teaching and learning in institutional ecologies that are not always predictable. With decolonisation in place, learners remain the reliable ambassadors of their own schools in the wider community. Principal 1 of School C advises that *"incorporating decolonisation to our current schooling could go a long way in consolidating and reviving genuine teacher interest in schooling and its activities"*. SGB Chairperson 1 of School A declares that *"although at times we receive an implicit resistance when involving ourselves in the business of schooling, this could be traceable to the colonial mentality and a panacea is decolonisation"*. Teacher 1 of School A consents that *"decolonisation of educational institutions, stands to increase the active participation of the societal members in the business of teaching and learning, and thereby stop learners from being burdensome to teachers through their perpetual underachievement"*. These findings emphasise how much complex schools have become and the need to try something new like decolonisation to refresh the old ways of viewing and interacting in schools (Union of South Africa, 1945:156).

5.4 Revival and Enhancement of an Educational Service

Success and failure of every school resides in that school's teaching and learning classrooms (Xaba, 2004:314; Tsheola, 2002). On the expressed point, Principal 1 of School A asserts that *"upon ensuring that every minute of schooling is put to good use by school members, results produced will be a source of marvel and jubilation"*. SGB Chairperson 1 of School A concedes that *"every school could overturn underachievement with achievement, by learning to revive through the enhancement of its educational service which is in line with dynamic conditions in its own*

school". Teacher 2 of School C emphasises that *"each school that sticks to its plan of altering its teaching personnel, to become extra-ordinary teachers yielding magnificent learner results, will achieve wonders to the amazement of critics"*. All the responses remind that every educational institution possesses a capability to perform beyond its measure (Hean & Tin, 2008:75; Samier, 2008:7)

6. Conclusion

Public secondary schools need to deal with the challenge of lacking extra-ordinary teachers who are known to be shielding schools from perpetual underachievement. This will enable them to keep their educational institutions ever efficacious and functional. That some Circuits in Capricorn District of Limpopo Province have secondary schools suffering from perpetual learner underachievement, owing to lack of extra-ordinary teaching, has to be a cause for a serious concern. This is untenable and could make it difficult for the affected secondary schools to overturn their experienced perennial underperformance. This is a threat to overcome in order to salvage the future of myriad innocent learners. As the findings have shown, placing enough attention to lessons delivered to learners, dismantling the culture of underachievement, introducing decolonisation and emphasising the general revival of education service in a school, is helpful and rejuvenating to institutional incumbents.

7. Recommendations

The basis of these recommendations are the discussed findings which are as follow: There is a need for public secondary schools to fathom or establish for themselves why is it that some of their teacher's despite being professionals, continue to offer inadequate educational service delivery to learners, and then invite perpetual underachievement of learners and the institution to set in. There is a need by public secondary schools never to permit a culture of underperformance to take root because it would become a real educational albatross to dismantle, oppose and defeat. As a battle against underachievement would be raging, scholastic performance of both learners and the educational institution would be grounding, something unfortunate which could have been avoided.

There is a need for educational institutions to embrace revival and enhancement with regard to

the managing and leading of teaching and learning in schools in view of its capability to revolutionise educational institutions and turnaround teaching and learning to become theatrical and memorable for all learners at all times. This happens as revival enhances the school's educational service delivery to learners and then triggers sustainable and impressive learner results that shield a school from perpetual underachievement. Finally, the researcher recommends that educational institutions need to experiment with decolonisation as the 21st century manner of managing and leading schools and see as to whether all the teaching personnel there would not become extra-ordinary teachers who collectively shield their school from the dreaded and avoidable perpetual underachievement.

References

- Abraham, W. 2011. Leadership styles of secondary school's principals in West Wolega. Unpublished M.A. dissertation, Addis Ababa: Addis Ababa University.
- Adams, F. 2005. *Critical theory and school governance; Advancing an argument for democratic citizenship*. Unpublished Doctoral thesis. Cape Town: Stellenbosch University.
- Allen, J. 2014. *As a Man Thinketh*. New York: Dover Publications.
- Arden, P. 2013. *It is not how Good you are; it's how Good You Want to be*. New York: Phaidon.
- Badroodien, A. 2015. Education, Science and Mental Difference in South Africa. *Southern African Review of Education*, 21(1):39-60.
- Christie, P., Butler, D. & Potter, M. 2007. *Report to the Minister of Education-Ministerial Committee on Schools that Work*. Pretoria: Department of Education, Republic of South Africa.
- Coveney, P. 2003. Self-Organisation and Complexity: A new Age for Theory, Computation and Experiment. *Paper Presented at the Nobel Symposium on Self-Organisation*. Stockholm: Karolinska Institute.
- Davidoff, S. & Lazarus, S. 2002. *The Learning School: An Organisation Development Approach*. 2nd edition. Cape Town: Juta Publishers.
- De Vos, A.S., Strydom, H., Fouche, C.B. & Delport, C.S.L. 2011. *Research at Grassroots: For the Social Sciences and Human Service Professions*. (4th ed.) Pretoria: Van Schaik.
- Dryer, L.M. 2015. Experiences of Parents with Children Diagnosed with Reading Difficulties. *Southern African Review of Education*, 21(1):94-111.
- Fleisch, B. & Christie, P. 2004. Structural Change, Leadership and School Effectiveness Improvement Perspectives *from South Africa, Discourse: Study in the Cultural Politics of Education*, 25(1):95-112.
- Hean, L.L. & Tean, L.G. 2008. Envisioning in School Leadership Preparation and Practice: The Case of Singapore. *International Studies in Educational Administration*, 36(1):72-80.
- Herwitz, D. 2016. Reassess the Culture of Knowledge. *Mail and Guardian*, 21 January 2016.
- Hlongwane, S. 2016. We're Liberated but we're not Free. *Mail and Guardian*, 7 January 2016.
- Horowitz, D. 2014. *Courage to Lead: Leadership Lessons from Kilimanjaro*. Cape Town: Stonebridge Publishers.
- Isaacs, B. 2016. Standing up for what's right. *Cape Times*, 5 September 2016.
- Khanare, F.P. 2008. School Management Teams' Responses to Learners who are orphaned and vulnerable in the Context of HIV and AIDS; A Study of Two Rural Secondary Schools in KwaZulu-Natal. Unpublished Masters Dissertation. Durban: University of KwaZulu-Natal.
- Khumalo, T. 2011. Our Kids Are Pawns in this Power Game. *Daily Sun*, 21 February 2011.
- Knott-Craig, A. & Rivett, C. 2015. *Be a Hero: Lessons for Living a Heroic Life*. South Africa: Fevertree.
- Lamprecht, I. 2018. The quiet education tax. *The Citizen*, 14 February 2018.
- Lovat, T. & Clement, N. 2008. Quality Teaching and Values Education: Coalescing for Effective Learning. *Journal of Moral Education*, 37(1):1-16.
- Maykut, P. & Morehouse, R. 1999. *Beginning Qualitative Research: A Philosophical and Practical Guide*. London: The Falmer Press.
- McKaiser, E. 2016. Why black pupils continue to be strangers at former whites-only schools. *Cape Times*, 5 September 2016.
- Mckelvey, B. & Boisot, M.H. 2003. Transcendental Organisational Foresight in Nonlinear Contexts. *Paper Presented at the Insead Conference on Expanding Perspectives on Strategy Processes*. France: Fountain Bleau.
- Mentz, E. & van Zyl, S. 2016. Introducing cooperative learning students' attitudes towards learning and the implications for self-directed learning. *Journal of Education*, 64:79-110.
- Modiba, N.S. 2016. Current Secondary School Learners are at the Crossroads, a Reality or a Myth? *Paper Presented in Persuasion of Freshly Progressed Grade 11 Learners to Distinguish Themselves in Grade 12*, Mankweng, Capricorn District, Limpopo Province, 5 February, p. 20.
- Modiba, N.S. 2018. The implication of students' underperformance. *A speech delivered to the University of Limpopo Mentors*, 1 March 2018.
- Mouton, J. 1996. *Understanding Social Research*. Pretoria: Van Schaik.
- Nyangia, E.O. & Orodho, J.A. 2014. Cost Saving Measures in Public Secondary Schools: Are These Strategies Making Education Affordable in Kisumu West District, Kisumu County, Kenya? *Journal of Education and Practice*, 5(18):76-87.
- Olivier, C. 2012. *The DNA of Great Teachers*. South Africa: Learning Designs.
- Omar, Y. 2015. Formative Elements in the Making of a Young Radical Teacher in an Ethos of Resistance to Educational and Broader Social Marginalisation in Early Twentieth-Century Cape Town. *Southern African Review of Education*, 21(1):61-79.

- Samier, E. 2008. The Problem of Passive Evil in Educational Administration: The Moral Implications of Doing Nothing. *International Studies in Educational Administration*, 36(1):2-21.
- Sebola, M.P. (ed.) 2015. *Local Government Administration in Post-Apartheid South Africa: Some Critical Perspectives*. Polokwane: Batalea Publishers.
- Shamase, N. 2016. Helping Others is a No-Brainer, *Mail and Guardian*, 14 January 2016.
- Templar, R. 2015. *The Rules of Management: The International Bestseller*. Edinburgh: Pearson Education Limited.
- Tolsi, N. 2016. When Life's a Pitch, Just Turn to Cricket. *Mail and Guardian*, 14 January, p. 32.
- Tsheola, J.P. 2002. South Africa in Gear: A better life for all or a zero-sum game of globalizations? *GeoJournal*, (57):15-28.
- Uhl-Bien, M., Marion, R. & Mckelvey, B. 2007. Complexity Leadership Theory: Shifting Leadership from the Industrial Age to the Knowledge Era. *The Leadership Quarterly*, (18):298-318.
- Union of South Africa, 1945. *Report of the Inter-Departmental Committee on Deviate Children*. Pretoria: Government Printer.
- Xaba, M.I. 2004. Governors or Watchdogs? The role of Educators in Governing Bodies. *South African Journal of Education*, 24(4):313-316.

Accountability as One of the Basic Values and Principles Governing Public Administration in South Africa

SV Ubisi
University of Limpopo

Abstract: The purpose of this paper is to analyse the importance of accountability in execution of government functions. Accountability refers to the willingness of a person or organisation to clarify the use of all resources received from stakeholders and is one of the aspects of good governance. Section 195 (1) of the Constitution of the Republic of South Africa, 1996 provides for the basic values and principles that govern public administration in South Africa. Accountability is one of these basic values and principles provided by section 195 (1) (f) of the Constitution. The administrators in government departments are accountable for allocated budgets, programmes, projects and other public functions to legislatures and they should avoid silo approaches in the execution of their public responsibilities. This is a conceptual paper and it argues that the involvement of various stakeholders in execution of government functions hampers service delivery and catalyses lack of accountability. This paper concludes that an accountability tool is required to assist the citizens to hold public servants and government service providers accountable for their own actions.

Keywords: Accountability, Citizen report card model, Citizens, Democracy, Good governance, Public participation

1. Introduction

Accountability is to openly take responsibility for own actions, accept consequences, learn from them (consequences) and improve (Office of the Auditor General of British Columbia 2017:12). It is one of the mechanisms that promote democracy (Olum, 2014:37). Generally, democracy also implies that citizens have the right to voice their opinions regarding issues that are of concern to them. However, voicing of issues cannot happen in a vacuum, Fernandez & Scheneirov (2014:1) are of the opinion that citizens should be involved in the development of policies that will meet their needs. This assertion justifies public participation as one of the requirements of democracy in order to promote democracy (Olum, 2014:24). Public participation will enable communities to hold government officials accountable for their own actions. Due to the fact that the involvement of various stakeholders in execution of government functions hampers service delivery and catalyses lack of accountability, an accountable tool is needed to hold government officials and government services providers accountable. One of the accountable tools that can be used is the Citizen Report Card (hereafter referred to as CRC). This model can also alleviate the high rate of service delivery protests which is a major problem in South Africa (Thorn, 2017:10).

2. Accountability and Good Governance

Public servants play an important role in government affairs and, thus, their quality and also their capacity to meet the demands of their jobs directly determine the efficiency and effectiveness of the government's performance. Governance development activities are executed through the public administration. As a field of practice, public administration is concerned with the implementation of government policies so as to enable the government of the day to function effectively and efficiently (Hanyane, 2011:26). Public functioning in the South African context implies that activities are performed by the national, provincial and local government spheres in order to meet the community needs which have been identified (Robson, 2006:1).

Accountability is one of the aspects of relation-building in government. In democratic countries, accountability requires: (a) transparency, (b) clear lines of accountability, (c) allocation of functions to ensure areas of appropriate responsibilities and (d) intergovernmental arrangements that emphasise the values of openness, accountability, responsiveness, collaboration and legality (Alber & Palermo, 2015:37-38). Randa & Tangke (2015:665) define accountability as the ability and willingness of a person or an organisation to clarify what the person

or organisation receives from all the stakeholders or the principals. They regard accountability as one of the aspects of good governance (GG). These aspects include the transparency and fairness which must always be maintained, especially by local governments, in order to gain the trust and support of all stakeholders. Citizens play a critical role in democratic countries (Barcson, 2015:152). Thus, it is incumbent on government to ensure that: (a) the needs of people are understood and met and (b) to strive constantly to become more developmental in their service delivery approaches in order to reduce inequalities and uplift poor citizens from their poverty (Slack, 2015:5 & 9).

One of the fundamental aspects of a democratic state is the right of citizens to participate in the decision-making processes (United Nations Development Programme UNDP) (2012:4). Bevir (2011:8) is of the view that democracy implies participation and accountability. Democracy should go hand in hand with good government, transparency and accountability (Ibrahim in Haugen & Musser, 2012:27). As stated by Ramonyai, Segage & Tsheola (2014:396), communities are often surprised during the implementation of activities that bear little or no relation to the decisions they sought through their public participation in the service delivery planning processes. However, it is worth noting that in addition to performance monitoring and evaluation, one of the functions of the Portfolio Committee on Public Service and Administration is to promote public participation and engage citizens regularly with the aim of: (a) strengthening service delivery and (b) overseeing and reviewing all matters of public interest relating to the public sector (Parliament of the Republic of South Africa 2013:1). By promoting public participation, it will be easy for citizens to be in par with the functions of government that are executed by public servants and government service providers. By so doing, the citizens will be able to hold public servants and government service providers accountable for their own actions.

Constitutionally, good governance is vested with the Public Service Commission (hereafter referred to as PSC) as provided by section 196 of the Constitution of the Republic of South Africa, 1996. This is because the PSC is mandated to promote the basic values and principles of public administration, as stipulated in section 195(1) (a-i) of the Constitution of South Africa, 1996 within the three

government spheres. Access to service delivery information on the part of citizens may contribute to improved quality of services by helping to ensure that policy makers and service providers are held accountable for their actions (Hollar, Koziol, Ringold & Srinivason, 2012:1-2). Grizzle & Sloan (2016:399) advice that questions regarding accountability to whom and for what should be addressed when accountability issues are dealt with. Due to the high rate of corruption in South Africa that overrun government, Mkhabela (2018:3), questions the constitutional role of the PSC since it has constitutional powers to investigate, monitor and evaluate organisation, administration and practices of the public service personnel. Should the PSC has an accurate information for this question, government officials can be hold accountable for their actions by their government leaders and the citizens.

3. The Importance of Accountability in Execution of Government Functions by Public Servants

The fundamental purpose of government departments is to provide public services to the citizens. The provided services should satisfy the public service needs of the citizens. This is because the public service is the primary public service delivery arm of the government of the day more special in democratic countries and it should provide public services effectively and efficiently (Dorasamy, 2010:056). Access to service delivery information on the part of citizens may contribute to improved quality of services by helping to ensure that policy makers and service providers are held accountable for their actions (Hollar, Koziol, Ringold & Srinivason, 2012:1-2). Numerous authors arguably mentioned that South Africa adopted a democratic system that lacks accountability and are not responsiveness to community needs. Government institutions are assigned with responsibilities of executing different government functions (Ejere, 2012:955). Accountability: (a) is necessary due to abuse of public power by government officials which results in betrayal of public trust; (b) ensures responsible and transparent exercise of public power; (c) is a basis for enforcing responsibility; (d) promotes good governance by making the government and its officials more responsive to the needs of the people; (e) helps to focus public officials on common good and commit them towards caring for the citizens; (f) if underpinned by openness and transparency,

helps to reduce if not completely, eliminates the opportunities for corruption; (g) ensures that the society gets value for its money and that the public resources are not diverted to private use (Ejere, 2012:959)

Government reporting to citizens is an important way of keeping government accountable and transparent. Much on government performance is known through annual reports but little is known on the perspective of the citizens on government performance (Grosso & Van Ryzin, 2011:235,247). The CRC is deemed as an advocacy tool to improve the quality of public services and rate the perception of citizens on government performance. This is because it involves the citizens (Herguner, 2015:875). This is asserted by Bauhoff, Rabinovich & Mayer (2017:2) who state that citizen report card had been identified as a potential means to increase citizens' engagement, provide accountability and performance reporting. This potential means increases the accountability and performance of service providers. The adoption of the New Public Management (hereafter referred to as NPM) theory by the South African democratic government with the aim of improving service delivery through public private partnership (hereafter referred to as PPP) produced outsourcing of different government functions.

The adoption of the growth, employment and redistribution (hereafter referred to as GEAR) strategy as a macroeconomic policy in 1996 by the South African democratic government and which was aimed at reducing government spending resulted in the outsourcing of public services. However, PPPs should be able to provide cost effective and efficient public services to citizens and, thus, improve service delivery. Van Wyk (2011:1340) is of the view that the outsourcing public services through PPPs create significant opportunities for corruption, fraud and lack of accountability. The NPM approach is based on the idea that outsourcers of government functions act on behalf of the citizens as customers to ensure that the outsourced service providers meet citizens' needs well (Dwyer, Boulton, Lavoie, Tenbenschel & Cumming, 2014:1107). NPM is adopted by democratic countries in most instances to democratise public administration and promote good governance (Dipholo & Gumede, 2014:49). However, outsourcing of government functions involves various government service providers which blur accountability.

4. The Origin of the Citizen Report Card (CRC)

Rendered services must satisfy the clients in order for them to be regarded as a quality service. If clients are satisfied about a rendered service, it implies that it (rendered service) was successful (Batool, Hussain & Khan, 2015:1038-1040). The CRC model is originated in Bangalore, India, in 1993. It was emerged after a group of residents, who were displeased about the poor services in the city, conducted a CRC survey to determine the level of satisfaction with the quality of the public services provided. Various names are used by different countries for this model. These names include CRC survey, consultative citizen report card and report card systems. Other countries had adopted this model since its origins and use it for different reasons. The citizen report card model is a tool that can be used for several purposes, for example, it may be used for: (a) diagnostic purposes to obtain information about performance standards and gaps in service delivery; (b) accountability purposes to reveal areas where the institutions or service providers, responsible for providing a particular service, did not achieve the mandated, expected service standards. The findings should then be used to identify and demand specific improvements in the service rendered; (c) benchmarking purposes to track changes in service quality over time and; (d) revealing hidden costs in order to expose extra costs beyond the mandated fees for using public funds and bribes for poor services (Asian Development Bank and Asian Development Bank Institution, 2007:4-5). For example, Rwanda conducted the citizen report card survey as a tool to measure the level of satisfaction with the services rendered to citizens. The aim was to obtain feedback from beneficiaries on the quality and accuracy of the services rendered to them in order to improve the efficiency and effectiveness of public service delivery as one of the pillars of Rwanda's Vision 2020 (Kayigire, Nshutiraguma, & Usengumukiza, 2015:xvii). A CRC study conducted in Karachi in 2010 assisted the Karachi government with five (5) strategic inputs. These five (5) strategic inputs are discussed below.

4.1 Benchmarking with Regard to Access to Adequacy and Quality of Public Services as Experienced by Citizens

The CRC provided the ability to compare other services across different domains of the same

service in order to initiate strategic actions (Zehra, 2010:17-18). For example, for a house to be declared adequate, basic housing services such as purified water and electricity must be provided. Another example, purified water cannot be provided without water pipes.

4.2 Feedback from Citizens Revealed their Satisfaction or Dissatisfaction About a Provided Service

The feedback obtained from the citizens assisted the government officials to measure the satisfaction or dissatisfaction level about the provided service. The measurement results were compared. The outcome of the comparison assisted the government to prioritize corrective actions (Zehra, 2010:18).

4.3 Identification of Specific Interaction Aspects Between Service Providers and Citizens

The results assisted in identification of specific interaction aspects between service providers and citizens. The identified aspects revealed the causes of dissatisfaction which were related to the quality of the rendered services. For example, water users complained about the difficulties which were encountered due to unreliability of water suppliers (Zehra, 2010:18).

4.4 Suggesting Reliable Estimates of Hidden Costs and Forced Investments

The CRC results provided reliable estimates on extra legal costs, spent amounts and forced investments. For forced investment, the government bought water purifiers and installed water storage tanks in order to alleviate or cope with the unreliable and poor quality of the provided water services (Zehra 2010:18).

4.5 Indicating Mechanisms that May be Used to Explore Alternatives for Public Service Improvements

The feedback which was provided by citizens revealed the existed real situations of services experienced by citizens. However, different options of tackling various encountered service deliver problems were also revealed. The revealed options were to tackle the encountered problems individual and jointly depending on the quality of the provided service. For

example, some citizens indicated that they were able to pay for the provided water services while other citizens opted to be part of the water service providers and be involved in their water service delivery actions (Zehra, 2010:18). Accountability mechanisms are crucial, especially in decentralised countries such as South Africa where most government services are provided by contracted government service providers (Olum, 2014:37). The citizen report card model may also be used to communicate citizens' needs to the three government spheres. Furthermore, Zama (2012) argued that CRC may be used to provide feedback from citizens regarding the: (a) availability, reliability and quality of rendered services; (b) responsiveness of service providers; (c) accessibility to services and the degree of satisfaction with the services provided; (d) willingness and affordability to pay for services; (e) quality of the citizens' life and; (f) hidden costs, if any, to avoid corrupt activities (Zama, 2012:5). The CRC is also regarded as an effective evaluation tool that empowers citizens to interact with government. It also assists citizens to use surveys to evaluate the quality and efficiency of services rendered to them. In order to prevent future service delivery protests and demonstrations, government should, (a) strengthen communication with providing services and the reasons for these delays (Zama, 2013:187,193).

5. Stages in Development of the CRC

The development of the CRC survey involves various stages depending on the main purpose of its development. According to Balakrishnan (2011:3,10), the development of the CRC involves seven (7) stages. During the first stage the situation is assessed and score of the assessment results is defined while the second stage involves preparations and collecting feedback from the citizens. During the third stage, the services must be rated. The fourth stage involves responses from the government service providers (implementers) while, during the fifth stage, citizens are engaged in reform. Periodic benchmarking and public reviews are conducted during stage six and report writing during the seventh stage. The World Bank (2004:1) regards the CRC as part of science and art. This is because, scientifically, the CRC may be seen as an aspect of running an efficient and credible survey while, as art, it may be used as a strategy that fosters debate and generate results. The Asian Development Bank and Asian Development Bank Institution (2007:1) developed six (6) key stages in the CRC process discussed below.

5.1 Assessment of Local Conditions

Evaluate local conditions to determine suitability as regards the CRC implementation. Assess the skills of the proposed members of the community structure in respect of conducting the survey. It should be noted that the effectiveness of the CRC survey depends on the conditions in the locations and staff capacity. Knowledge of the village is required.

5.2 Pre-Survey Groundwork

Identify the scope of the CRC, formulate preliminary implementation plans and design the survey questionnaire, including the sampling process. They should have knowledge in budgeting, fund raising, service provision and research methodology.

5.3 Conducting the Survey

Conduct the survey. Coordination and interview skills are required. Language proficiency of the villagers who will be surveyed is also required.

5.4 Post Survey Analysis

Determine the key findings regarding satisfaction and the quality of the service provided. Analysis skills are needed to accurately analyse the conducted survey.

5.5 Dissemination of Findings

Disseminate the findings to key stakeholders including the surveyed villagers. Communication skill is required to communicate the findings and how they (findings) will be used to improve service delivery.

5.6 Improving Services

Use CRC findings to bring about improvements in service delivery. This requires coordination skill in order to initiate cooperation of all various stakeholders involved in rendering of the concerned service. The above mentioned stages of CRC involve various stakeholders. One of the programmes that was introduced by the former President of South Africa Mr Jacob Zuma in 2014 which involves various stakeholders is the Back-to-Basics (hereafter referred to as B2B). Various stakeholders are involved in executing service delivery functions and the issue of accountability is a challenge as stated in section 1 of this paper. The author is of the view that this

programme requires citizens to hold service providers accountable in order to alleviate the high service delivery protests and demonstrations and deems it fit to discuss it (B2B programme).

6. The Back-to-Basics (B2B) Programme as a Service Delivery Tool that Justifies the Usage of an Accountability Model

In 2014, the former President of South Africa, Mr Jacob Zuma, launched the Back-to-Basics (hereafter referred to as B2B) programme with the aim of improving service delivery in the local government sphere. It is largely known that the local government sphere is the closest to the community and it is largely used by the government to provide services to its people. The former President launched the B2B programme with the aim of improving service delivery in the local government sphere. Local government is required by the B2B programme to respond directly to service delivery problems which are reported by citizens (Gauteng Department of Cooperative Government and Traditional Affairs, 2015:7). The launched B2B programme places the emphasis on integrated sustainable development. One of the elements of sustainable development is social sustainability which encompasses: (a) user participation in the development of programmes in order to promote accountability among other things and (b) improved quality of life for future generation (Ciravoğlu & Taştan, 2016:206).

The five (5) pillars of the B2B programme are: (a) putting people first and engaging communities; (b) delivery of basic services; (c) good governance; (d) sound financial management and; (e) building institutional capability (Department of Cooperative Governance and Traditional Affairs, 2016:1,11). The delegates at the B2B launched summit included National Ministers, Deputy Ministers, Premiers of the provinces, the Chairperson of the National Council of Provinces, the Deputy Speaker of the National Assembly, Members of the Executive Councils (MECs) for Local Government, the Deputy Chairperson of the National Council of Provinces (NCOP), Chairpersons of Parliamentary Committees, Chairpersons of the National House of Traditional Leaders and of the South African Local Government Association (SALGA), respectively, mayors, members of Traditional Councils, municipal managers, chief financial officers and technical directors. The majority of these delegates served in various cooperative government and intergovernmental relations

structures within the three government spheres. The stakeholders in attendance included the business sector, organised labour, several professional and research bodies, the donor community and the media (Department of Cooperative Governance and Traditional Affairs, 2015:30). For this programme to be successful, government officials within the three government spheres and all contracted government service providers must be held accountable for their actions. The CRC accountable model can be used in this regard. In view of the fact that various stakeholders attended the launched programme, the application of this accountable model (CRC) might improve service delivery not only at the local government but within the three government spheres.

Other stakeholders from other sectors in attendance during the launching of the B2B programme might also assist citizens to hold government service providers accountable. In addition, public servants must always have borne in mind that section 195 (1)(g) of the constitution of the Republic of South Africa, 1996 requires them (public servants) to foster transparency by providing the public with timely, accessible and accurate information. Should this value be adhered to by public servants; accountability can be promoted as constitutional requirement. Furthermore, as stated in the abstract section of this paper that legislatures must not operate in silos, legislative authorities are obliged to explain fully and fairly to the public the way in which funded responsibilities are carried out by departmental administrators (Madue, 2014:863). The Portfolio Committee on Public Service and Administration is one of the legislative authorities as mentioned in section 2 of this paper and its other function is to promote public participation and engage citizens regularly with the aim of: (a) strengthening service delivery; (b) overseeing and reviewing all matters of public interest relating to the public sector and; (c) ensuring accountability (Parliament of the Republic of South Africa, 2013:1).

7. Conclusion

Accountability is one of the basic values and principles governing public administration in South Africa. The PSC is constitutional mandated to promote the basic values and principles governing public administration in South Africa. Due to lack of service delivery, service delivery protests are reported almost daily more special in the media. Government functions involve various stakeholders, therefore

accountability tools or measures are needed to hold public servants and government service providers accountable. Public participation should always be encouraged so that the citizens can be able to hold public servants accountable. One of the accountable models that can be used as a tool to hold public servants accountable is the citizen report card. Various countries are using this accountable model for different reasons. In order to prevent future service delivery protests and demonstrations, the government of the day should: (a) strengthen communication with citizens; (b) inform citizens of its achievements and; (c) inform citizens of delays in providing services if any and the reasons for these delays (Zama, 2013:187,193).

8. Recommendations

Legislative authorities should be able to explain fully how funded government responsibilities are executed to ensure that public administrators are answerable to the citizens for accountability purposes. Accountable mechanisms are urgently needed in South Africa so that the high rate of service delivery protests and demonstrations which are reported almost daily can be alleviated. Government managers should ensure that public servants are answerable to their own actions. Citizens should be encouraged to participate in the execution of government functions so that they can hold public servants and contracted government service providers accountable. The CRC model can be used by the citizens to hold government employees accountable. Should the citizens be able to hold government employees and government service providers accountable for their own actions, service delivery can improve. Public servants should ensure that citizens are provided with timely, accessible and accurate information in order to promote transparency as required by the constitution of the Republic of South Africa, 1996. In most instances, citizens develop surveys when using the CRC model as tools to hold government service providers accountable for their own government actions. In view of this, citizens who intend using this model need to have research knowledge in order to conduct the surveys effectively.

References

- Alber, E. & Palermo, F. 2015. *Federalism as decision-making: Changes in structures, procedures and policies*. Netherlands: Brill Nijhoff, Brill Rodopi and Hoteli.

- Asian Development Bank (ADB) and Asian Development Bank Institution (ADBI). 2007. *Improving local governance and service delivery: Citizen report card learning tool kit*. Asia: Asian Development Bank and Asian Development Bank Institution.
- Balakrishnan, S. 2011. *Citizen report cards: Community evaluations, presentation and civil engagements*. New York: UNDP lunch presentation Lao PDB IPDET.
- Barcson, B.S. 2015. Challenges to implementing of development plans at local-level government in Papua New Guinea. *Commonwealth Journal of Local Governance*, 16(17):150-167.
- Batool, I., Hussain, S. & Khan, M. 2015. Customer satisfaction at public sector: A case study of Pakistan housing authority, *Pakistan Journal of Social Sciences (PJSS)*, 35(2):1037-1050.
- Bevir, M. 2011. *The Sage handbook of governance*. California: Sage Publication.
- Ciravoğlu, A. & Taştan, H. 2016. The role of user participation on social sustainability: A case study on four residential areas, *Journal of Social, Behavioural, Educational, Economic, Business and Industrial Engineering*, 10(1):206-214.
- Department of Cooperative Governance and Traditional Affairs. 2015. The Back to Basics concept and outcomes of the Back to Basics Local Government summit. Pretoria:
- Department of Cooperative Governance and Traditional Affairs. 2016. *Annual performance plan 2016/2017*. Pretoria: Government printers
- Dipholo, K.B. & Gumede, N. 2014. Governance, restructuring and the new public management reform: South African perspectives. *Journal of Educational and Social Research*, 4(6):43-50.
- Dorasamy, N. 2010. Enhancing an ethical culture through purpose-directed leadership for improved public service delivery: A case for South Africa. *African Journal of Business Management*, 4(1):056-064.
- Dwyer, J., Boulton, A., Lavoie, J.G., Tenbenschel, T. & Cumming, J. 2014. Indigenous people's health care: New approaches to contracting and accountability at the public administration frontier. *Public Management Review*, 16(8):1091-1113.
- Ejere, E.S.I. 2012. Promoting accountability in public sector management in today's democratic Nigeria. *Tourism and Management Studies International Conference Algarve*, (3):953-965.
- Fernandez, A.G. & Scheneirov, R. 2014. *Democracy as a way of life in America: A history*. New York: Routledge.
- Gauteng Provincial Department of Cooperative Government and Traditional Affairs. 2015. *State of local government: Back-to-basics perspective*. Johannesburg: Gauteng Department of Cooperative Government and Traditional Affairs.
- Grizzle, C. & Sloan, M.F. 2016. Assessing changing accountability structures created by emerging equality markets in the non-profit sector. *Public Administration quarterly*, 40(2):387-408.
- Grosso, A.L. & Van Ryzin, G.G. 2011. How citizens view government performance reporting: Results of national survey. *Public Performance and Management Review*, 35(2):235-250.
- Hanyane, B.R. 2011. Public transport and urban regeneration: The case of the Johannesburg Central Business. Unpublished Doctoral thesis. Pretoria: University of South Africa.
- Herguner, B. 2015. The citizen report card as a way of strengthening service delivery: A case study from Antalya, Turkey. *The Journal of Institutional Social Research*, 8(39):875-883.
- Hollar, A., Koziol, M., Ringold, D. & Srinivason, S. 2012. *Citizens and service delivery: Assessing the use of social accountability approaches in human development*. Washington DC: World Bank.
- Ibrahim, A. 2012. Countries around the world are struggling to establish working democracies. In: Haugen, D. & Musser, S. (eds). *Democracy: Opposing viewpoints series*. New York: Greenhaven Press, 22-30.
- Kayigire, P., Nshutiraguma, E. & Usengumukiza, F. 2015. *Rwanda citizen report card survey*. 2015. Rwanda: Rwanda Governance Board.
- Khosrow-Pour, M. 2005. *Practicing E. Government: A global perspective*. United States of America: Idea Group.
- Njuwa, M. 2007. Cooperative public service delivery in Tanzania: Is it contributing to social and human development? *JOAAG*, 2(1):32-39.
- Office of the Auditor General of British Columbia. 2017. An Audit of BC public service ethics management. Canada: Office of the Auditor General of British Columbia.
- Olum, Y. 2014. Decentralisation in developing countries: Preconditions for successful implementation, *Commonwealth Journal of Local Governance*, 15:23-38.
- Parliament of the Republic of South Africa. 2013. *Budgetary review and recommendations report (BRRR) for the Department of Public Service and Administration (DPSA), Public Service Commission and its entities*. Cape Town: Parliament of the Republic of South Africa.
- Ramonyai, N.P., Segage, M. & Tsheola, J.P. 2014. Twenty years of democracy: Service delivery planning and public participation in South Africa, *Journal of Public Administration*, 49(1):392-405.
- Randa, F. & Tangke, P. 2015. Developing accountability model of local government organization: From managerial accountability to public accountability (Naturalistic study on local government Tana Toraja), *Procedia, Social and Behavioral Sciences*, 211:665-672.
- Robson, H.I. 2006. The assignment of responsibilities for the performance of public functions to levels or spheres of government in South Africa. PhD in Public Administration. Pretoria: University of South Africa.
- Slack, L. 2015. The post-2015 global agenda: A role for local government. *Commonwealth Journal of Local Government*, 16(17):3-11.
- Thorn, N. 2017. Activating accountable and collaborative good governance. Cape Town: Good Governance Learning Network.
- Van Wyk, A.H. 2011. Are the financial procurement policies for outsourcing government functions adequate? *Journal of Public Administration*, 46(4):1338-1349.

- World Bank. 2004. *Citizen report card survey: A note on the concept and methodology*. Note no. 9 World Bank.
- Zama, S.B. 2012. *Citizen Report Card Surveys: A tool for effective social accountability*. Pretoria: Human Sciences Research Council.
- Zama, S.B. 2013. Service delivery: Focus on Dipaseleng Local Municipality: Mpumalanga, *Commonwealth Journal of Local Government*, 185-197.
- Zehra, S.M. 2010. *Citizen report card: Sustainable service delivery improvements: water and sewerage service in Karachi*. Karachi: World Bank.

An Analysis of Women's Control and Ownership of Land According to Marxist and Socialist Perspectives: A Case of Mpumalanga Province

TS Ngomane

Department of Rural Development and Land Reform, South Africa

Abstract: Studies indicate that even though women play a vital role in food production all over the world, ensuring food security for all, very few women however own and control the land they cultivate. Instead of owning land, women only have use rights to land which are insecure since use rights can be terminated at any given time. This desk top paper analyses women's access to land to land with specific reference to the Marxist and Socialist perspectives on feminism. The Marxist perspective is based on the capitalist class of employer – employee exploitation. According to Marxist perspective women then find themselves as servants for men especially because they do unpaid work both in the home and on cultivated land and as such they are seen as servants on men and servants cannot own and control the land belonging to their employers. The Socialist perspective puts more emphasis on women's position of subordination to men in society. According to this perspective, women's roles are defined along the lines of motherhood, domestic workers and child rearing which also has an impact on their ownership and control of land. The study focuses on women and land in Mpumalanga Province of South Africa. The study is anchored on feminism theory which argues that women are oppressed and exploited in society and as such do not enjoy the same rights and privileges enjoyed by men. The unequal relationship contributes to the skewed land ownership. Using data on the extensive literature written on women and land, and also using the available data from the Department of Rural Development and Land Reform, this paper explored women's access, ownership and control of land in Mpumalanga Province. The study concludes that even though there is a plethora of treaties and legislation advocating for women's ownership of land, still very few women own land. Of all the provinces in South Africa, Mpumalanga as a province seems to be doing better in women's land ownership.

Keywords: Discrimination, Feminism, Gender, Inequality, Socialisation

1. Introduction

This paper argues the inability of women to access land by presenting the Marxist and Socialist perspectives on feminism. Land is a key or tool to life for all people as it improves the standard of living, offers economic independence, and empowers people at a personal level. It is also a tool that has a possibility of assisting women to gain social status and for claiming a political voice (Duncan, 2004; Lambrou, 2005:3; Nyukiri, 2006:2; ICRW, 2008:3). Despite legislative framework all over the world including South Africa, that is aimed at eliminating discrimination against women in order to improve access to land (Agarwal, 1994:48; Federici, 2011:1459; Nyukuri, 2006:21), many women around the world do not have ownership of land. Of all the rights to land such as (i) use rights, which are the rights to use land; (ii) control rights, which are rights to make decisions about the land, deciding on the type of crops to plant and benefits from the sale of crops and; (iii) transfer rights which include to right to sell, lease, giving

the land to someone else through inheritance and making overall decisions about use and control rights most women only have use rights. Most women who access land do so through male kinship which is normally marriage or through other male family members like sons, brothers-in-law or uncles (Deere & Doss, 1977:138; Walker, 2002:15; Duncan, 2004:10; ECA, 2004:69). The problem with accessing land this way is that women acquire use rights only, which can be terminated upon the death of a spouse, when the husband marries other wives or due to divorce. Using data on the extensive literature written on women and land, and also using the available data from the Department of Rural Development and Land Reform, this paper explored women's access, ownership and control of land in South Africa with specific reference to Mpumalanga Province.

2. Feminism Theory Explained

Feminism refers to awareness that women are oppressed and exploited within society, in the

workplace and within families. It also refers to the conscious action taken by both men and women to change the situation (Offen, 1988:152; Mahmood, 2006; Pati, 2006:14; Stanford Encyclopaedia of Philosophy, 2011:1). Feminism is based on an argument that society organises humanity into male and female and thus assign responsibilities based on sex, and due to the assigned responsibilities, women are then viewed as weak when compared to men. The fact that women do not have access to land does not imply that they have no legal rights. The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) for instance, summarises the plethora of treaties that came into existence before its promulgation, hence it is regarded as the 'supreme law' or 'the international bill of rights for women'. It was adopted in 1979 and came into force in 1981. Around one hundred and eighty-seven (187) states including South Africa have ratified this convention. Countries are expected to submit periodic reports about progress made with regard to gender equality with specific reference to women (Cotula, 2002:22; UN, 2003:27,37; Mutangadura, 2004:4; UN-HABITAT, 2005:19-21; Nyukuri, 2006:24; IWRAP, 2008:2; Palama, 2008:38). Even though CEDAW has been ratified by more than one hundred and eighty-seven states (187), adherence cannot be accurately measured due to the fact that the submission of country reports as a requirement of CEDAW is still a challenge (Byrnes & Freeman, 2011:14). Progress can thus not be monitored on whether countries are developing and implementing legislation and programmes to protect and promote women's human rights. The submission of reports indicates countries' commitment to implement CEDAW whereas non-submission indicates that countries may only be paying 'lip-service' and not really changing legislation and having plans to promote gender equality. Designing implementable procedures from policies is a challenge because policies meant to advantage women on the ground in terms of accessing land remain un-implementable as there is lack of political accountability about women's access to land (Walker, 2002:55; Kahn, 2007:6, Paradza, 2011a:1). Women's legal rights in connection with access to land are however not recognised socially (Agarwal, 2002:3; Knox, Duvvury & Milici 2007:10; CSV, POWA & WCNOVAW, 2011:51-58; Paradza, 2011:2). This is because culturally, there are predetermined gender ideologies which describe rights and responsibilities for both men and women. Access to and control of resources such as land is mainly in the hands of men who, culturally, are seen as decision makers.

These ideologies reinforce the position of women as inferior or dependent on men (Reeves & Baden, 2000:4). As such a conscious decision has to be made by all concerned to reinforce the implementation of legal statute advocating for access to land by women.

3. Feminism Perspectives

This paper analyses women's access to land with specific reference to the Marxist and socialist perspectives on feminism.

3.1 Marxist Perspective

The Marxist perspective is based on the capitalist class of employer – employee exploitation. This perspective argues that the reason women find themselves in the position where they are exploited, oppressed and discriminated against is because of the way men in society have been socialised. Men have been socialised in a way that they regard the exploitation, oppression and discrimination of women in the workplace and in the home as normal. According to Marxist perspective women then find themselves as servants for men especially because they do unpaid work both in the home and on cultivated land. This behaviour is seen as a capitalist behaviour because it benefits men hence the notion of employer – employee exploitative relationship. Marxist feminists however indicate that for equality to prevail, and for discrimination, oppression and exploitation to cease, the capitalist system needs to be overthrown by the oppressed and exploited (Pati, 2006:14-15; Sarikakis, Rush & Grubb-Swetnam, 2009:505; Stanford Encyclopaedia of Philosophy, 2010:3; Zake, 2011; Holub, n.d:4; Tschurennev, 2013:266). It thus becomes imperative that legislation advocating for women's land ownership be implemented. Studies on poverty and development indicate that 80 million hectares of land has been leased for agricultural purposes but only one percent (1%) of the world's women own land (Lorber, 2010:6; UN, 2012:3). A study done by Moyo (2000:21) revealed that in Zimbabwe, eighty-seven percent (87%) of registered land owners are male and less than five percent (5%) are women. The notion that only a few percentages of women have access to land, unlike their male counterparts, means that wealth is in the hands of men than women since land is equated with wealth. Women, according to the Marxist perspective, only provide cheap labour for men since they are the ones responsible for

Table 1: Individual Land Ownership by Province in 2010

Province	Gender (hectares)			Total
	Male	Female	Not identified	
Eastern Cape	3,364,966	448,733	144,898	3,958,597
Free State	3,054,269	777,577	139,369	3,971,215
Gauteng	221,760	107,135	11,193	339,204
KwaZulu-Natal	896,201	177,720	111,663	1,185,584
Limpopo	942,831	304,717	49,711	1,297,259
Mpumalanga	878,623	777,577	28,970	1,162,810
North West	1,821,884	557,662	96,562	2,476,108
Northern Cape	9,080,590	2,083,258	146,520	11,310,369
Western Cape	2,465,129	479,140	92,210	3,036,478
Total	22,726,252	5,191,159	821,096	28,737,622

Source: Department of Rural Development and Land Reform land audit report (2010)

planting, harvesting and storing of food but have little influence on how profit from the land can be utilised. The proceeds are normally used by the men to increase their yields by buying equipment related to land or sometimes use it to entertain themselves or by marrying more wives. According to Morrison, Raju & Sinha (2007:4), Razavi (2009) and Kevane (2012:12351) women, unlike men, spend their money on the nutrition and education of their children. Table 1 depicts a disproportionate land ownership by gender in each province in South Africa.

From Table 1 it is clear that the gap between ownership of land between men and women is still very wide because a total of 22,726,252 hectares of land was allocated to men compared to the 5,191,159 allocated to women in 2010. In comparison to other provinces in South Africa, Mpumalanga Province has allocated an almost equal share of land 777,577 ha to women whilst 878,623 ha of land have been allocated to men.

3.2 Socialist Perspective

The Socialist perspective puts more emphasis on women's position of subordination to men in society. Patriarchy is blamed as a social order that puts women in the subordination position because it divides humans into two categories, i.e. female and male. Women's roles are defined along the lines of motherhood, domestic workers and child rearing. Agarwal (1994:1464) and Federici (2011:50) argue that women should establish formations to challenge the existing power relations and advocate

for equality in all spheres. In terms of political participation of women, they are poorly represented in political structures because customary practices prevent women from participating in decision-making structures (Prakash, 2003:3; Tasli, 2007:40; Arat, 2010; Domingo, 2013:20) such as attending community meetings where decisions are made about land, a notion more prevalent in rural than urban areas. It is important that women be represented at these structures because their aim is to mainstream gender issues into political and economic processes. Political structures should support the empowerment of women and the elimination of gender inequality (UN, 2005:6; UN, 2008:9; UN, 2009:23). The involvement of women at the political level gives them a greater opportunity to influence policy so that there are policies that are gender-sensitive (Reeves & Baden, 2000:8; UN, 2005:16; World Bank, 2012:217; UN Women, 2013:31). To buttress this assertion, when women have a political voice, they are able to make inputs regarding decision-making and thus influence a fair distribution of resources. When women influence things at a political level, it also spills over into their homes and will give them a voice to be at an equal footing with their male counterparts. This will improve their bargaining power and improve access, ownership and control of land. In Mpumalanga Province, women are underrepresented in important decision making structures such as the Communal Property Associations (CPAs) as per Table 2 on the following page.

Table 2 depicts the number of women elected to leadership positions within CPAs in three districts in Mpumalanga, i.e. Ehlanzeni, Nkangala and Gert

Table 2: Existing CPA Structures Within the Three Districts Under Study

DISTRICT	NO OF CPAs	NO OF CHAIR PERSONS				NO OF DEPUTY CHAIRPERSONS			
		MALE	%	FEMALE	%	MALE	%	FEMALE	%
Nkangala	110	104	95	6	5	104	95	0	0
Gert Sibande	38	36	95	2	5	36	95	2	5
Ehlanzeni	78	74	95	4	5	74	95	0	0
TOTAL	226	220	100	12	15	214	100	2	5

Source: Department of Rural Development and Land Reform (2015)

Sibande. From a total of two hundred and twenty-six (226) CPA's in the three districts, only twelve (12) women were elected to chairperson positions whilst two hundred and twenty (220) men have been elected to chairperson positions. Two (2) women have been elected to deputy chairperson positions against two hundred and fourteen (214) men. The Department of Rural Development and Land Reform advise that the composition of CPAs should include women, however women when women are elected, they are elected into positions which are not positions of power. The lack of representation of women in decision-making positions making it difficult for women to have their needs articulated and making sure that developmental initiatives take their needs into account.

4. Conclusion and Recommendations

Despite legislative framework all over the world including South Africa, which is aimed at eliminating discrimination against women in order to improve access to economic assets like land, women still do not have access to land on equal footing with men. This may be due to the fact that the custodians of these customary laws and practices are mainly men. According to studies on women's access to land, most women who access land do so through male kinship which is normally marriage or through other male family members like sons, brothers-in-law or uncles. The problem with accessing land this way is that women acquire use rights only, which can be terminated upon the death of a spouse, when the husband married other wives or due to divorce. Accessing land through male kinship means that the husband is viewed as the head of the family and the woman has to get permission to access land.

Feminist theories have identified men's presence and dominance of political institutions as a major obstacle to women's equality. Men thus have a crucial role to play in enhancing women's

representation and participation. As major participants with regard to policy-making, men can assist to leverage women into positions of power either through direct selection and appointment. In order to accelerate women's access to land, this paper then recommends that:

- There should be an increase in women's representation in decision-making positions by encouraging greater participation and representation of women at all levels of structures that deal with land issues. As such the Department of Rural Development and Land Reform should enforce the election of women in positions of power before the registration of CPAs.
- Women's structures advocating for gender equality within customary systems should be supported through creating awareness on women's rights to access land.
- Mainstreaming gender equality in the design, development and evaluation of policies and having in place gender sensitive budgets is crucial to guarantee women's access to land.
- It is important to continuously provide a systematic gender-impact assessments and sex desegregated data that can be utilised to gauge the impact of programmes and policies and also used as evidence to build a benchmark for future assessments.

References

- Agarwal, B. 1994. Gender and command over property: A critical Gap in Economic Analysis and Policy in South Asia. *World Development Journal*, 22(10):1455-1478.
- Arat, Y. 2010. Religion, Politics and Gender Equality in Turkey: Implications of a democratic paradox? *Third World Quarterly*, 31(6):869-884.

- Centre for the Study of Violence and Reconciliation, People Opposing Women Abuse, Western Cape Network on Violence Against Women. 2011. South African Shadow Report on the Implementation of the Convention on the Elimination of All Forms of Discrimination Against Women: Johannesburg.
- Coleman, J. 2009. An Introduction to Feminism in a postfeminist age. Women's Studies Association of New Zealand. *Women's Studies Journal*, 3(2):3-3.
- Cotula, L. 2002. Gender and Law: Women's Rights in Agriculture. FAO Legislative Study 76. Food and Agriculture Organisation: Rome.
- Deere, C.D. & Doss, C.R. 2006. The Gender Asset Gap: What do we know and why does it matter? *Feminist Economics*, 12(1-2):1-50.
- Domingo, P. 2013. *Property Rights and Development: Property Rights and Social, Political and Economic Empowerment*. Overseas Development Institute: London.
- Duncan, B.A. & Brants, C. 2004. *Access to and control of land from a gender perspective: A study conducted in the Volta Region of Ghana*. SNV Netherlands Development Organisation (Ghana Office), the FAO Regional Office for Africa and WILDAF Ghana.
- Economic Commission for Africa (ECA). 2004. *Land Tenure Systems and their impact on Food Security and Sustainable Development in Africa*: Addis Ababa.
- Federici, S. 2011. Women, land struggles and the reconstruction of the commons. *The Journal of Labour and Society*, 14(1):41-56.
- Holub, R. n.d. *Feminism Theory*. Office of Undergraduate Interdisciplinary Studies, Undergraduate Division – College of Letters & Science. University of California Berkely: California.
- International Centre for Research on Women, Human Sciences Research Council and Associates for Development. 2008. Women's property rights, HIV and AIDS, and domestic violence. Research findings from two rural districts in South Africa and Uganda. Human Sciences Research Council Press: Cape Town.
- International Women's Rights Action Watch. 2008. Our Rights are not Optional! Advocating for the implementation of the Convention on the Elimination of all Forms of Discrimination against Women through its Optional Protocol: Kuala Lumpur.
- Kahn, N. 2007. Land and Agrarian Reform in South Africa. Centre for Policy Studies. Policy: Issues and actors, 20(12):1-38.
- Kevane, M. 2012. Gendered production and consumption in Rural Africa. Department of Economics, Santa Clara University. Santa Clara, California. *PNAS*, 109(31):12350-12355.
- Knox, A., Duvvury, N. & Milici, N. 2007. Connecting Rights to Reality: A progressive framework of core legal protections for Women's Property Rights. International Centre for Research on Women: Washington D.C.
- Lambrou, Y. 2005. Monitoring the millennium development goals from a rural perspective. Gender and Development Service. FAO Gender and Population Division: Rome.
- Lorber, J. 2010. *Gender Inequality. Feminist Theories and Politics*. 4th Edition. Oxford University Press: New York.
- Leshem, S. & Trafford, V. 2007. Overlooking the Conceptual Framework: Innovations in Education and Teaching. *International Journal*, 44(1):93-105.
- Mahmood, S. 2006. Feminist Theory, Agency, and the Liberatory Subject: Some reflections on the Islamic Revival in Egypt. *Temenos*, 42(1):31-71.
- Moghadam, V.M. 2005. The Feminization of Poverty and Women's Human Rights. Gender Equality and Development Section. Division of Human Rights: France.
- Morrison, A., Raju, D. & Sinha, N. 2007. *Gender Equality, Poverty and Economic Growth*. Paper prepared for input into the World Bank's Global Monitoring Report of 2007. The World Bank: Washington DC.
- Moyo, S. 2000. The Political Economy of Land Acquisition and Redistribution in Zimbabwe. *Journal of Southern African Studies*, 26(1):5-28.
- Mutangadura, G. 2004. Women and Land Tenure Rights in Southern Africa: A Human rights-based approach. Paper prepared for session two on Gender, Land Rights and inheritance: Westminster.
- Nyukuri, E. 2006. *Women, Land and Resource Conflicts: Policy Implications and Interventions in Kenya*. African Centre for Technology Studies: Nairobi.
- Offen, K. 1988. Defining Feminism: A Comparative Historical Approach. *Chicago Journals*, 14(1):119-157.
- PALAMA. 2008. *Mainstreaming Gender in the Public Service*. Palama Publishers: Pretoria.
- Paradza, G.G. 2011a. Differentiation of women's land tenure security in Southern Africa. International Land Coalition: Rome.
- Paradza, G.G. 2011. Innovations for securing women's access to land in Eastern Africa. International Land Coalition: Rome.
- Pati, A. 2006. Development Paradigms, Feminist Perspectives and Commons. A Theoretical Intersection. Paper presented at the 11th Biennial Conference of the International Association for the Study of Common Property: Indonesia.
- Prakash, D. 2003. *Rural Women, Food Security and Agricultural Cooperatives*. Rural Development and Management Centre. New Delhi, India. Paper produced for presentation and to serve as a theme paper at the 4th Asian-African International Conference on Women in Agricultural Cooperatives in Asia and Africa: Tokyo.
- Razavi, S. 2009. Engendering the political economy of agrarian change. *Journal of Peasant Studies*, 36(1):197-226.
- Reeves, H. & Baden, S. 2000. *Gender and Development: concepts and definitions*. BRIDGE – Development Gender. Institute of Development Studies. University of Sussex: Brighton.
- Sarakakis, K., Rush, R.R., Grubb-Swetnam, A. & Lane, C. 2009. In Stocks, D.W. & Salwen, M.B. (Eds). *An intergrated approach to communication theory and research*. 2nd Edition. Routledge Publishers: New York.
- Stanford Encyclopaedia of Philosophy. 2011. *Feminist Perspectives on Power*. The Metaphysics Research Lab. Stanford University: California.

- Tasli, K. 2007. *A Conceptual Framework for Gender and Development Studies: From Welfare to Empowerment*. Österreichische Forschungsstiftung für Entwicklungshilfe. Vienna University of Economics and Business: Vienna.
- Tavallaei, M. & Abu Talib, M. 2010. A general Perspective on Role of Theory in Qualitative Research. *The Journal of International Social Research*, 3(11):570-577.
- Tshurenjev, J. 2013. *Intersectionality, Feminist Theory and Global History*. In: Kallenberg, Meyer & Muller: Intersectionality und Kritik. Neue Perspektiven Für Alte Fragen. Springer Fachmedien: Wiesbaden.
- United Nations. 2003. Land Tenure Systems and Sustainable Development in Southern Africa. Economic Commission for Africa: Southern African Office.
- United Nations. 2005. Equal participation of women and men in decision-making processes with particular emphasis on political participation and leadership. Division for the Advancement of Women, Department of Economic and Social Affairs. Report of the Expert Group Meeting: Addis Ababa.
- United Nations. 2008. *Mainstreaming Gender into Trade and Development Strategies in Africa*. United Nations conference on trade and development and United Nations Development Programme: New York and Geneva.
- United Nations. 2009. *Women's Control over Economic Resources and Access to Financial Resources, including Microfinance*. World Survey on the Role of Women in Development. Division for the Advancement of Women, Department of Economic and Social Affairs: New York.
- United Nations: Women. 2012. Challenges and Barriers to Women's Entitlement to Land in India. LANDESA. Rural Development Institute: India.
- United Nations: Women. 2013. *Realizing Women's Rights to Land and Other Productive Resources*. United Nations: New York and Geneva.
- Walker, C. 2002. *Land Reform in Southern and Eastern Africa: Key issues for strengthening women's access to and rights in land*. Report on a desktop study commissioned by the Food and Agriculture Organization. FAO Sub-regional office for Southern and Eastern Africa: Harare.
- World Bank. 2012. *World Development Report*: Washington DC.
- Zake, A. 2011. Gender Issues in Public Administration in Latvia. *Journal of Management Theory and Studies for rural Business and Infrastructure Development*. 2(360):271-278.

Stewardship of Resources in the South African Public Sector Institutions

P Hlongwane

University of South Africa, South Africa

Abstract: The purpose of this paper is to assess the extent to which public officials adhere to the basic principles of stewardship in the use and management of public resources in the South African public sector institutions. In this regard, it is imperative to note that public officials have a significant role to fulfil as stewards or managers of financial and non-financial resources entrusted upon them. Moreover, public officials (stewards) are responsible for protecting or safeguarding public resources in an efficient and responsible manner. Despite this pivotal role, public officials misuse resources entrusted to them for personal gain at the expense of general populace. In order to comprehend and appreciate the importance of stewardship in the context of public sector institutions, this paper presents the scope and definition of stewardship. The paper argues that the resources under the custodianship of public officials belong to the citizens and therefore ought to be managed with utmost circumspection. To this end, public officials have to denounce greediness and corruption thereby exercising self-control in order to eschew misuse of scarce resources. Further, this paper maintains that if public officials aspire to abide by basic tenets of stewardship they must be accountable, trustworthy, honest and loyal to the citizens. Building a relationship of trust and maintaining loyalty to the citizens is important primarily because citizens are the real owners of resources under the control of public officials. Equally important, citizens deserve to be treated with positive attitude, humility and care. In other words, stewardship ought to be a manifestation of love for the citizens by public officials. It is also argued that to be good stewards requires total commitment or dedication from public officials in managing resources. This paper concludes that failure by public officials to give account for the utilisation of resources and ineptitude to render quality service to the citizens with humility in the South African public sector institutions constitutes an antithesis of the spirit of stewardship.

Keywords: Accountability, Discipline, Professionalism, Steward, Stewardship, Trust

1. Introduction

There is paucity of research on stewardship particularly in the context of public sector, and the extant research on this subject is predominantly theoretical, with less empirical research (Ee Wan, 2015:18). The concept of stewardship can be traced from the book of Genesis in the bible when God created human beings to be in charge of creation (Saltman & Ferroussier-Davis, 2000:732). Further, Worrell and Appleby (2000:272) point out that stewardship emerged as part of Judeo-Christian heritage although similar terms can be found in other religious traditions such as Hinduism, Islam and Confucianism. Clearly, religious institutions have played a significant role in promoting the concept ethical stewardship. According to Caldwell, Hayes, Karri and Bernal (2008:161), ethical stewardship seeks to achieve effective and efficient governance model that would bring about long-term institutional prosperity by maximising employee commitment. In the same vein, Section 195 (1)(b) of the *Constitution*, 1996, calls for the promotion of efficient, economic

and effective use of resources in the public sector institutions (Republic of South Africa, 1996:99). Despite this provision in the *Constitution*, abuse of monetary and non-monetary resources is prevalent in the South African public sector institutions. In this regard, Botha (2017) reports that approximately R16 billion was misappropriated during the 2015/16 financial year. The national departments of Basic Education, Transport and Water and Sanitation were severally responsible for misuse of about R9 billion. Additionally, Mngoma (2017) reports the irregular deployment of members of public order police to guard a private house of former Minister of Police, Nathi Nhleko, in the northern KwaZulu-Natal. This occurred irrespective of the fact that politicians are protected by the VIP protection services in the South African Police Service. Indeed, the use of public order police to guard the Minister's private house amounted to an abuse of human resources because public order police are trained to deal with chaotic riots and protests. Therefore, this paper focuses on the assessment of the extent to which public officials adhere to the basic tenets of stewardship

while utilising and managing public resources in the South African public sector institutions. In the first section of this paper, the meaning and essence of stewardship as well as steward is provided in context. Moreover, this paper discusses important principles linked with stewardship. This paper concludes that failure by public officials to account for usage of public resources and incompetence to render quality service to the citizens with humility, care and respect in the South African public sector institutions constitutes an antithesis of the spirit of stewardship.

2. Conceptual Clarity: Stewardship and Steward

Worrell and Appleby (2000:269) define stewardship as sagacious utilisation and management of resources with a view to sustain and improve life for present and future generation. Further, stewardship can be defined as "careful and responsible management of something entrusted to one's care" (Barret, 1996:11). Salman and Ferroussier (2000:733) assert that stewardship connotes a desire to be held accountable for the success of an institution through total commitment in service, instead of imposing control measures upon others. In agreement with this view, Worrell and Appleby (2000:266) emphasise that the importance of stewardship is predicated on taking a good care of something which is in one's trust on behalf of another person. In other words, stewardship indicates that public officials have an obligation to conduct themselves as reliable stewards of resources they control on behalf of ordinary citizens (Cossin, Ong & Coughlan, 2015:4). Moreover, Cossin *et al.* (2015:4) contend that stewardship requires appropriate management and usage of resources "with integrity and high moral standing with a view to serving the wider community." In support of this notion, Hernandez (2000:122) states that stewardship concentrates on subjugation of personal interests in pursuit of broader communal goals, with positive attitude and conduct.

Nassauer (2011:321) suggests that stewardship could mean the following: the provision of what is necessary for the health, welfare, maintenance and protection of someone or something; serious consideration applied to doing something correctly or to avoid loss and risk. According to Caldwell, Truong, Linh and Tuan (2011:173) ethical stewardship emphasises a need for proper institutional

governance whereby public officials pursue broader interests of the stakeholders, particularly the citizenry, through cultivating a culture of trust between institutions and citizens. Fundamentally, stewardship is the principle of "service over self-interest" and requires that citizens ought to be treated as "owners and partners".

In Saltman and Ferroussier-Davis' (2000:735) view, stewardship presents public officials a good opportunity to advance public trust and legitimacy in state governance. However, stewardship may encounter some major challenges when public officials are pressurised by political office-bearers who seek to achieve self-interests. In this sense, the political, religious, social and economic patterns (e.g. corporatism, authoritarianism, theocracy) can influence the extent to which public officials could be good stewards (Saltman & Ferroussier-Davis, 2000:736). Additionally, Sindane and Uys (2014:401) note that since public officials are entrusted with public money, it is possible for them to utilise their authority to hinder the freedoms of the citizenry. Contrary to the aforementioned challenges in relation to stewardship, Barret (1996:16) maintains that stewardship requires that the rightful owners of the resources should be able to exercise control over the allocation of user privileges as well as the "enforcement of stewardship responsibilities." In the context of this paper, stewardship is a responsible utilisation of financial and non-financial resources by public officials in such a manner that the interest or aspirations of the citizens are taken into consideration and ensuring that public servants remain accountable to the people they serve.

Having defined the meaning of stewardship in the context of public sector, it is essential to explain the meaning of the concept "steward". Equally important, it is necessary to state who the stewards are, and what their concomitant characteristics are. Steward refers to a person entrusted with a responsibility of protecting and taking care of another's property or resources (Ee Wan, 2015:5). In keeping with the foregoing definition of steward, it is clear that public officials are the stewards since they are responsible for administering finances and other important resources on behalf of the citizens in a state. For instance, Pauw, van der Linde, Fourie and Visser (2015:15) state categorically that "public money belongs to the community of citizens in a state." Further, Pauw *et al.* (2015:15) accentuate that public money does not belong to public sector

managers, taxpayers, president, treasury, or a specific racial group. However, the public officials play a pivotal role in safeguarding public money as well as other resources that generally belongs to the people.

In order for the stewards to discharge their duties with greater circumspection, it will be important to understand and adhere to some basic principles of stewardship. According to Mathews (2018:43), stewards are "defined by their willingness to accept and execute the moral principles of personal responsibility." Acceptance of personal responsibility as personal choice is an essential characteristic of stewards whose interest is maximising the interest of owners of resources. As a matter of fact, such responsibility should be discharged in such a manner that the current and future generations are not disadvantaged through depletion of resources (Worrell & Appleby, 2000:268). In other words, stewards must not be ignorant and reckless in the performance of their duties and responsibilities.

Stewards are expected to conduct themselves in such a manner that they can be able to maximise results rather than making unprecedented concessions that culminate in lost opportunities (Caldwell *et al.*, 2011:173). In support of this assertion, Cossin *et al.* (2015:4) and Caldwell *et al.* (2008:154) mention that stewards should not pursue self-interest, instead, they should strive to increase institutional performance for the benefit of the citizens. At the same time, Ee Wan (2015:5) argues that stewards must not be tempted to use resources in their trust for personal benefit. It is undesirable to have public officials who disregard basic principles of stewardship when performing official duties. Clearly, if stewards or public officials use their skills and knowledge to pursue the interest of the owners of resources (citizens), they are likely to earn respect and trust from them. To this end, stewards have to be proactive and preserve the truth, thus, stand for what is right (Mathews, 2018:41). By so doing, stewards will be able to defy all that is unethical, unconventional and shameful.

3. Accountability and Stewardship

The auditor general (AG), Kimi Makwetu, says that the South African municipalities are failing to enforce accountability in relation to usage of financial resources. This is evidenced by irregular expenditures, poor financial statements and

performance reports (Auditor General South Africa, 2018:2-4). Section 195 (1) (f) of the *Constitution*, 1996, states that public administration ought to be accountable (Republic of South Africa, 1996:99). In other words, public officials as stewards must be able to provide account for their actions to the citizenry. Ee Wan (2015:5) states that an accountable steward should be able to take responsible and justifiable decisions and risks with a primary goal of satisfying the needs of the citizenry. Moreover, an accountable steward must be in a position to make decisions for the long-term benefit of the collective in the midst of competing options that are all ethical and defensible. Ssonko (2010:4) defines accountability as a "commitment required from public officials individually and collectively to accept public responsibility for their own action and inaction." This view indicates that public officials are not required to account only when things go wrong, but, they need to provide justification for the right things achieved as well. In fact, public accountability signifies and emphasises that citizens should be able to make inputs concerning the funding of government programmes (Sindane & Uys, 2014:401).

Ideally, "the notion of accountability requires that the governing body provide reasons to the electorate for their actions (or inactions) and allows a community to express an opinion on their governing ability. It is crucial that public officials and political office-bearers understand the need for accountability in public management and governance because the behaviour of various public role players directly affects the delivery of public services, and distinction between right and wrong is not always clearcut" (Thornhill, 2015:77-78). This view suggests that if the principle of accountability is not upheld and endorsed by public officials and political office-bearers, stewardship is bound to fail dismally. Realistically, stewardship cannot be divorced from accountability. Sindane and Uys (2014:401) maintain that in the context of public sector it is imperative for the public officials to account to the communities they serve as well as any other stakeholder. Consistent with these views, Dicke (2002:486) highlights that when accountability fails public money tends to be utilised recklessly and ultimately, ordinary citizens find themselves in a precarious situation.

There are multiple categories of accountability that are central to stewardship. In this regard,

Thornhill (2015:79) classifies accountability into five different categories as follows: legal accountability (requires adherence to legislative prescripts), financial accountability (emphasises a need to provide an explanation on how public funds have been utilised), procedural accountability (requires compliance with formal procedures), programme accountability (focuses on the implementation of programmes), and outcome accountability (place emphasis on the importance of achieving effective results). Public officials need to adhere to the aforementioned categories of accountability as they relate to the usage and management of resources in the public sector institutions. Ee Wan (2015:6) argues that there must be negative or positive consequences for stewards depending on how worse or better they have managed or used resources entrusted with. Nevertheless, Sindane and Uys (2014:401) postulate that the fact that accountability is associated with control and punishment tends to lead to distorted understanding of this basic tenet in public administration.

4. Stewardship and Trust

"The South African government is least trusted by its people, with only 15% of the citizens affirming their trust in the government, according to the 2017 Edelman Trust Barometer" (Rittenberry, 2017). In other words, the South African citizenry have less confidence and trust in public officials as well as political leadership. Trust is an emotional trait that stewards need to achieve consistent and reliable performance and integrity (Cossin *et al.* 2015:16). In essence, stewardship is founded on the principle of trustworthiness. The issue of trust is important for improved relations between public officials and citizens. Caldwell *et al.* (2008:157) argue that "trust is an affirmation of one's own identity and an investment in one's future. When we trust we not only acknowledge our desire to enter into social contract with another party, but we willingly accept the risks involved within that relationship." This indicates that citizens have trust in public officials that they will preserve and manage resources in a responsible manner despite possible risks that could emerge. Mathews (2018:47) asserts that stewards ought to remain trustworthy or faithful, which implies that they must be champions of ethical deeds. Moreover, this denotes that stewards need to be extra cautious when making decisions in order to avoid unethical choices that could translate into erosion of a relationship of trust.

In this regard, Caldwell *et al.* (2008:157) postulate that when people decide to trust one another it is essential to surrender their personal control and choice to another person in the belief that the other person will act honourably with due consideration of the parameters that define such relationship.

A trustworthy steward should demonstrate wisdom and courage to pursue all that is noble without fear or favour (Mathews, 2018:51). According to Mathews (2018:51), trustworthiness as it relates to ethical stewardship denotes a "crown jewel of ethics" which places the "moral principles on display in their purest form." Ethical public officials work towards building trust through real investment and affirmations of the identities of the communities they serve (Caldwell *et al.* 2008:157).

Hernandez (2007:123) points out that trust develops gradually and to a certain extent, it is determined by the observer's reliability and dependability judgements of those in positions of authority. Further, trust can be nurtured or nourished through dynamic interactions between public officials as stewards and citizens who are real owners of public resources; such interactions ought to be grounded on mutual interpersonal care and concern (Hernandez, 2007:123). Fundamentally, ethical stewards ought to focus on assisting individuals to attain their best possible potential (Caldwell *et al.*, 2008:175).

As far as trust is concerned, Hernandez (2007:123) recommends that the creation of institutional trust which "facilitates calculative and relational aspects of trust through institutional factors (i.e. legal forms, social networks, and societal norms regarding conflict management and cooperation) whose interactions create a context for interpersonal and inter-organisational trust". This type of trust is crucial for creating a lasting bond based on trust between public officials as representative of public institutions and the citizenry. It is through the institution-based trust that public officials can be able to take the citizens into confidence particularly in relation to usage of resources in the public sector. Conversely, Mathews (2018:27) notes that unfaithful stewards strive to limit the owner's access to their own possessions. In other words, untrustworthy and corrupt officials can make it impossible for or difficult for citizens to gain access and enjoy benefits of their own resources.

5. Honest and Loyal Stewards

More than 3000 public officials unduly benefitted from government tenders worth more than R600 million. However, since the former President, Jacob Zuma, signed the Public Administration Act in 2014, which requires the public officials to declare financial interests, about 90% (9 689) senior managers in the public sector indicated that they have financial interest in private companies (Whittles, 2017). The above statistics shows that the levels of honesty among public servants could be alarmingly low. Honesty and loyalty of the public officials is important to the citizens since ordinary people are the real owners of the resources controlled by government institutions. If public officials steal and misuse public resources, this would constitute a betrayal of the citizens. Having said this, Mathews (2018:56) asserts that honesty is an important personality trait that can assist stewards to remain loyal, particularly under circumstances where they would have to choose between ethical and unethical options. Therefore, public officials must avoid dishonest practices thereby refraining from rationalising unethical actions or behaviour. In order to guard against betrayal, public officials must ensure that they do not commit public resources to illicit contracts or dealings.

An honest and loyal steward must not be controlled by selfish desires and emotions nor succumb to transient pressure that seek to dispose logical reasoning (Mathews, 2018:90). Additionally, Mathews (2018:90) argues that "the desire for instant gratification is symptomatic of uncontrolled mind; it is an enemy of patience that undermines long-term goals, mocking and injuring accountability." The issue of honesty and loyalty embraces the concept of integrity as one of the most important elements of ethical stewardship. In fact, integrity is concerned with an individual's personal character in terms of perceived consistency pertaining to expectations, outcomes, values, actions, methods and measures (Ssonko, 2010:6). In other words, a person of integrity will not change his or her principled stance on the basis of who he or she is dealing with.

6. Stewardship and Transparency

There is a growing concern about perceived levels of transparency in the South African public sector institutions. This concern is reinforced by reports that "government officials were ordered by

ministers, directors generals and a state security officer to destroy all traces of documents related to the controversial R246 million upgrades" to former President, Jacob Zuma (Tlhabane, 2014). The concept of transparency suggests that the decision and actions taken by public officials and political-office bearers should be subject to public scrutiny (Ssonko, 2010:5). This means that public servants ought to be ready and willing to be criticised harshly or constructively by the people they serve. At the same time, it means that the citizens will be informed constantly about the intentions or planned programmes that public sector institutions seek to pursue. More importantly, this suggests that members of the public will be able to know how their money was used in pursuit of government policies and programmes. By so doing, public officials embrace the notion of fiscal accountability. Hlongwane (2015:295) accentuates that transparency can be enhanced tremendously if the citizens are provided with timely, accurate, relevant and useful information regarding public officials' actions or inactions.

7. Stewardship and Commitment

Saltman and Ferrousier-Davis (2000:736) note that introducing stewardship into governance is an arduous process that requires total commitment by all interested stakeholders. Public officials need to approach their duties and responsibilities with positive attitude in order to raise levels of motivation in managing public resources while offering quality and good service to the citizens (Ee Wan, 2015:17). As far as commitment is concerned, public officials must be committed to the values, mission and vision of the institution. In the same vein, it is imperative for public officials to demonstrate commitment towards institutional goals. This means that public officials will work hard to achieve a predetermined performance targets (Staniok, 2016:19). In order to remain positive and focused, public officials will require high levels of motivation. Furthermore, Paille, Morin and Grima (2011:301) highlight that commitment by public officials is central to service quality in the public sector. In fact, commitment to the citizens indicates the extent to which public officials exercise their willingness to engage in continuous improvement and put more efforts to serve the citizens (Paille *et al.*, 2011:301). Nevertheless, Mastekaasa (2004:ii) points out that public officials tend to be depicted as partly lazy and opportunistic. According to this view, public

officials are seen as being less committed to their duties and responsibilities.

8. Disciplined Stewards

Beangstrom (2018) reports that the national and provincial departments reported approximately 758 incidents of financial misconducts for 2016/2017 financial year whereby an amount of R524 million was involved. In other words, financial malfeasance in the public sector could be attributed to ill-discipline among public officials who are supposed to safeguard public resources or money. Stewards must adopt an attitude of self-discipline in order to nurture the ability to distinguish between good and bad. In Mathews' (2018:101) view, the word discipline has its roots in the Greek word, "*sophronismos*", which is concerned with the capacity to do what is expected with a certain degree of balance, superior logic and understanding without diverting from ethical principles. Discipline connotes that public officials will comply with fundamental rules and regulations in the public sector (Sule-Dan & Ilesanmi, 2015:95). Mathews (2018:19) emphasise that stewards must learn to discipline themselves in important issues thereby showing more self-restraint and sound judgement. In an institution where there is a lack of self-discipline it is most likely that chaos, corruption and disobedience will reign, leading to institutional dysfunction (Sule-Dan & Ilesanmi, 2015:95).

Moreover, Mathews (2018:19) notes that self-discipline can be difficult to pursue or maintain due to a human's insatiable desire to own things, greediness and covetousness. In this sense, public officials have an obligation to protect and preserve public resources entrusted upon them by the citizens. Therefore, it is incumbent upon public officials to be more circumspect and ethical in order to prevent theft and plundering of scarce resources in their custody. However, Mathews (2018:18) note that a major challenge is the fact that greediness "can be like a virus that that will latch onto its host and consume every virtue until all that remains is more and more greed." In other words, although it is an important exercise to root out corrupt and self-serving practices in the public sector institutions, solutions to the spectre of greediness are still elusive.

9. Stewardship and Professionalism

The South African Nursing Council's (SANC) statistical report indicates that unprofessional conduct

among healthcare workers in the public service is rife (South African Government News Agency, 2013). Section 195 (1) (a) of the *Constitution*, 1996, demands that a high standard of professional ethics must be advanced and sustained in the public sector (Republic of South Africa, 1996:99). In this regard, Ssonko (2010:7) argues that professionalism becomes more evident when public officials are determined to improve their knowledge and skills in order to enhance the quality of service delivery to the citizens. In that sense, if public sector employees strive to improve their knowledge and skills, they will have better chances of managing public resources in a proper and accountable manner. Moreover, Ssonko (2010:7) adds that public officials should be suitably skilled, knowledgeable, neutral, unbiased and seek to pursue public interests in discharging their responsibilities. Essentially, public officials must be willing to apply their skills and knowledge to safeguard public resources against waste or possible irregularities. More importantly, there will be little prospects of success in provision of quality service if public officials remain unprofessional in their conduct (Mle, 2012:27).

10. Conclusion

The foregoing discussion indicates that the concept of stewardship remains crucial and relevant to the public sector institutions as it as it relates to responsible management of resources. Practically, public officials have to surrender themselves as stewards in the service of the citizens. This reverential call requires awareness on the part of the public officials about the important roles that they ought to fulfil as stewards. Public officials should put the interests of the people ahead of their personal preferences or desires. This assertion is in consonant with the South African principle of "*batho pele*" which means "putting people first". Ideally, public resources must never be diverted for any purpose other than the one that seeks to advance or maximise public good.

Furthermore, accountability is a significant and infallible virtue of ethical stewards in the public sector. As such, public servants need to be answerable not only to the higher authority in the bureaucratic chain of command but also need to be accountable to the citizens who are the actual owners of public resources. Accountability in the public sector institutions can help to create a lasting bond or trust between public officials and the citizens. In this way, it could be beneficial for the public sector to

maintain trust and promote citizen's confidence in public sector institutions regarding the usage and management of public resources. If public officials are reckless, dishonest and disloyal to the citizenry it will be difficult to create or mend that relationship of trust with the citizens once it is broken. Honest and loyal stewards manifest through pursuit of noble ideals and abstinence from unethical practices. Indeed, a discussion on stewardship would have been incomplete without reflecting on total commitment and positive attitude on the part of public servants. In this sense, positive attitude is not only critical to human interactions but it is required in order to ensure economic, efficient and efficient usage of resources. However, achieving this ideal requires public officials who are highly disciplined. In other words, public servants must be able to restrain themselves; prevent theft and looting of scarce public resources. Equally important, this calls for public officials to demonstrate highest standards of professionalism in carrying out their duties. The citizens must be treated with greater degree of respect, care and humility. Finally, failure by public servants to account for usage of public resources and inability to render quality service to the citizens with care, humility and respect in the South African public sector institutions constitutes an antithesis of the spirit of stewardship.

References

- Auditor General South Africa. 2018. Auditor-general laments lack of accountability as he releases declining local government audit results. Available at: <http://www.agsa.co.za/Portals/0/Reports/MFMA/201617/Media%20Release/2016%20-17%20MFMA%20Media%20Release.pdf?ver=2018-05-23-082131-353>. Accessed on 10 August 2018.
- Barret, C.B. 1996. Fairness, stewardship and sustainable development. *Ecological Economics*, (19):11-17.
- Beangstrom, P. 2018. 21 cases of financial misconduct finalised in the Northern Cape. DFA. 13 March. Available at: <https://www.dfa.co.za/news/21-cases-of-financial-misconduct-finalised-in-the-northern-cape/>. Accessed on 10 August 2018.
- Botha, J. 2017. 16 billion misappropriated by government-report. SA Promo Magazine. Available at: <https://www.sapromo.com/r16-billion-misappropriated-government-report/13298>. Accessed on 8 August 2018.
- Caldwell, C., Hayes, L.A., Karri, R. & Bernal, P. 2008. Ethical stewardship: Implications for leadership and trust. *Journal of Business Ethics*, 78:153-164.
- Caldwell, C., Truong, D.X., Linh, P.T. & Tuan, A. 2011. Strategic human resource management as ethical stewardship. *Journal of Business Ethics*, (98):171-182.
- Cossin, D., Ong, B.H. & Coughlan, S. 2015. A practical perspective: Stewardship fostering responsible long-term wealth creation. Available at: https://www.researchgate.net/publication/316973832_Stewardship_Fostering_Responsible_Long-Term_Wealth_Creation. Accessed on 20 February 2018.
- Dicke, L.A. 2002. Ensuring accountability in Human Services contracting: Can Stewardship theory fill the bill? *American Review of Public Administration*, 32(4):455-470.
- Ee Wan, K. 2015. Stewardship in the context of public sector leadership. Singapore: Civil Service College.
- Hernandez, M. 2007. Promoting stewardship behaviour in organisations: A leadership model. *Journal of Business Ethics*, (80):121-128.
- Hlongwane, P. 2015. Towards attaining good governance and respect of human rights in South African local government. *Administratio Publica*, 23(4):290-307.
- Mastekaasa, A. 2004. Organisational commitment among public and private sector professionals. Oslo: University of Oslo. Available at: <https://www.hioa.no/content/download/21805/274946/file/5-2004,%20Mastekaasa,%20Organisational%20commitment.pdf>. Accessed on 12 March 2018.
- Mathews, J.H.H. 2018. Stewardship: Motives of the heart. Silver Spring: General Conference of the Seventh-Day Adventists.
- Mle, T.R. 2012. Professional and ethical conduct in the public sector. *Africa's Public Service Delivery and Performance Review*, 1(1):26-37.
- Mngoma, N. 2017. 'Abuse' of police resources slammed. The Mercury. 24 July. Available at: <https://www.iol.co.za/mercury/news/abuse-of-police-resources-slammed-10437584>. Accessed on 10 August 2018.
- Nassauer, J.I. 2011. Care and stewardship: From home to planet. *Landscape and Urban Planning*, 100:321-323.
- Paille, P., Morin, D. & Grima, F. 2011. Managing commitment to customer in the public sector: Highlights the role of the supervisor. *International Journal of Service Technology and Management*, 16(3/4):298-317.
- Pauw, J.C., Van der Linde, G.J.A., Fourie, D. & Visser, C.B. 2015. Managing Public Money. Cape Town: Pearson.
- Republic of South Africa. 1996. *The Constitution of the Republic of South Africa*. Pretoria: Government Printer.
- Rittenberry, J. 2017. Erosion of trust in main pillars of SA society reaches critical levels. Business Day. 1 March. Available at: <https://www.businesslive.co.za/bd/opinion/2017-03-01-erosion-of-trust-in-main-pillars-of-sa-society-reaches-critical-levels/>. Accessed on 10 August 2018.
- Saltman, R.S. & Ferroussier-Davis, O. 2000. The concept of stewardship in health policy. *Bulletin of the World Health Organisation*, 78(6):732-739.
- Sindane, A.M. & Uys, F. 2014. Maintaining ethical conduct in public administration. In Thornhill, C. and van Dyk, G. (eds), *Public Administration and Management in South Africa: A central development perspective*. Cape Town: Oxford University Press.

- South African Government News Agency. 2013. Nurses dismissed for unprofessional conduct. Available at: <https://www.sanews.gov.za/south-africa/nurses-dismissed-unprofessional-conduct>. Accessed on 10 August 2018.
- Ssonko, D.K.W. 2010. Ethics, accountability, transparency, integrity and professionalism in the public service: The case of Uganda. Capacity building Workshop of Public Sector Human Resource Managers in Africa on Strengthening Human Resource capacities for the Achievement of the Millennium Development Goals and Africa's Development. Cotonou, Republic of Benin, 12-16 April 2010.
- Staniok, C.D. 2016. Work commitment in public organisations. Unpublished Doctoral thesis. Aarhus: Forlaget Politica: Aarhus University.
- Sule-Dan, I. & Ilesanmi, A.G. 2015. Discipline and organisational effectiveness: A study of Nigeria customs service. *Review of Public Administration and Management*, 4(8):88-106.
- Thornhill, C. 2015. Accountability: A constitutional imperative. *Administration Publica*, 25(1):77-101.
- Tlhabane, T. 2014. How transparent is our government? Live Magazine SA. 11 October. Available: <http://livemag.co.za/live-regulars/transparent-government-2/>. Accessed on 10 August 2018.
- Whittles, G. 2017. State to discipline employees doing business with government. Mail & Guardian. 01 February. Available at: <https://mg.co.za/article/2017-01-31-state-to-discipline-employees-doing-business-with-government>. Accessed on 10 August 2018.
- Worrel, R & Appleby, M.C. 2000. Stewardship of natural resources: Definition, ethical and practical aspects. *Journal of Agricultural and Environmental Ethics*, 12:263-277.

The Unabated Power of South African Traditional Leaders on Service Delivery Enhancement

FKL Kgohe and KI Makalela
University of Limpopo, South Africa

Abstract: This paper evaluates the powers, functions, responsibilities and the potency of traditional leaders in relation to service delivery enhancement in the South African ambit. The concerted roles and responsibilities of traditional leaders has remained a controversial issue in the democratic dispensation. This paper posits and postulates that there is still a continuing dialectical and unequivocally clash between forces of modernity for development and governance in relation to the persistent strength of traditional leaders. Over and above, service delivery is still an alarming issue affecting almost all South African municipalities. Therefore, this paper habitually argues that the integration and unsurpassed concerted amid of traditional leaders can palpably ameliorate service delivery in their areas of jurisdiction. The latter is diametrically attributed to the fact that the Constitution of the Republic of South Africa, 1996 recognizes traditional leaders and made provision for them to deliberate on matters affecting the local government although that is not clearly defined. However, section 151 of the *Constitution* defines the powers and functions of elected councilors which largely overlaps with those exercised by traditional leaders. This paper is purely conceptual which relied heavily on documents and literature review to fortify the argument and accentuate the amid power of traditional leaders and service delivery enhancement. The conclusion that can be drawn from this paper is that there is a need for an amicable and collaborative exertion between the traditional leaders, communities and the local government for effective service delivery. As a remedy, the paper recommends that there is a need for central government to clarify the terms of reference for traditional leadership at local level.

Keywords: *Constitution*, Democracy, Developmental Local Government, Service Delivery

1. Introduction

The advent of the democracy and the first democratic non-racial local government election in 1994 brought about the new era of leadership at the local government places the traditional leaders as a form of local government in terms of indigenous law (Shabangu & Khalo, 2008). Traditional leaders seek recognition and their roles are more permissive in local government. However, the continued dialectical clash between the forces of modernity for development and persistent strength of traditional leaders is still an alarming issue in the country. The *Constitution of the Republic of South Africa* (1996) states the following objectives: the provision of services to communities in a sustainable manner, the promotion of social and economic development, as well as the involvement of communities and community organisations in the matters of local government. The quest for a better municipal service delivery cannot be achieved in isolation from the integration of traditional leaders into the South African Public Service (Selepe, 2009). The integration of traditional leaders into the South African Public Service is to ensure that municipal services are rendered equitably, efficiently and effectively.

The institution of traditional leadership has been in existence on the whole continent of Africa from the time of immemorial (Selepe, 2009). However, in the South African context, the institution of traditional leadership was undermined and eroded by forces of imperialism and colonialism

Political changes started in South Africa in 1992, with the Convention for a Democratic South Africa (CODESA) negotiations, which led to our new interim Constitution in 1993, and the completion of the final *Constitution of the Republic of South Africa* in 1996. The *Constitution* gives the background to what the institutions of traditional leadership and the municipalities in the rural areas are, and what they are supposed to do. However, since the establishment of local government in 1995/1996, it has still not become clear what part the traditional leadership should play in governance and development for the benefit of their communities.

2. Historical Antecedent of Traditional Leaders in South Africa

Early African nationalists correctly perceived traditional leaders and their institution as a tool at the

service of colonialists (Ntsebeza, 2005). In South Africa, with the advent of colonization and racial segregation period, the most important powers of traditional leaders were taken over by the colonial state and later by the racial separation state, thereby abating the role of traditional leaders in governing the African people Shabangu & Khalo cited (Rugege, 1998:13) in 2008. According to Mathenjwa and Makama (2016) African leaders were subordinate to the settler governments, and the central government of the settlers became the primary source of their powers. The authors further argued that the original powers of traditional leaders were eroded, although they continued to rule their subjects (Mathenjwa & Makama, 2016). Continually, after the arrival of colonization, conquest the powers of traditional leaders were taken away by the colonial state and it distorted the nature of traditional authority (Rugege, 2009).

Selepe (2009) argues that the conflicts and inconsistencies that beset traditional rulers under colonialism and apartheid were not solved in the *Constitution*. Selepe (2009) explicitly indicated that the existing leaders traded their political support for confirmation of them present position by the interim Constitution. Section 18 (1) of the *Constitution* provides that: A traditional authority which observes a system of indigenous law and is recognized by law immediately before the commencement of this *Constitution*, shall continue to exercise and perform the powers and functions vested in it in accordance with the applicable laws and customs, subject to any amendment or repeal of such laws and customs by a competent authority. Furthermore, traditional leaders occupied a position almost similar to that of a governor, whose authority stretched from judicial functions to social welfare. In South Africa, as in other African countries, the system of traditional leadership is firmly entrenched. Historically, traditional leaders served as governors of their communities with authority over all aspects of life, ranging from social welfare to judicial functions. Many Africa countries retain a system of traditional leadership and several have gone a long way in incorporating traditional leaders into democratic forms of government.

3. Conceptual Clarification of Traditional Leaders in the South African Ambit

The concept of traditional leadership is depended of different scholarship perspectives and understood

to refer to rural leadership activities undertaken by tribal leaders in rural areas with hereditary lineages to previous chiefs and kings. A Traditional leader is conceptualised as a tribal ruler who grasps authority in the native systems of African governance (Nekhahambe, 2014). Traditional leadership has been the center of local government in most of Africa; these traditional leaders served as political, military, spiritual and cultural leaders and were regarded as custodians of the values of society (Rugege, 2009). The Congress of Traditional Leaders of South Africa (hereafter referred to as CONTRALESA) believes that provision should be made for effective participation of traditional leaders at all spheres of government (Tutu, 2008). The institution of Traditional leadership is the sole and authentic voice of the overwhelming majority of the people of South Africa leaving in traditional communities (CONTRALESA, 2006). The above statement shows that traditional leaders are representative of thousands of people residing in rural areas. As the ruler of the tribe traditional leaders had the power to apportion land; the land was notionally his property which he detained as the executor for the people (Tutu, 2008). South Africa has proficient and active traditional leadership structure that enthusiastically participates and involves itself in municipal IDP processes that might be of great value for the communities they represent, predominantly in terms of service delivery and community development (Brynard & Musitha, 2011). The effective participation of traditional leaders in service delivery places them at a central location.

4. The Roles of Traditional Leaders in Service Delivery Enhancement: A South African Context

The development literature edifies that the role of traditional leaders in service delivery are found to be permissive in the auspices of Back to Basics approach launched by the government in 2014. The approach explicitly operationalizes the role and functions of traditional leader in relation to service delivery. The Department of Traditional Affairs has developed a comprehensive Framework for the Participation of Traditional Leaders in Municipal Councils to harmonize relations between traditional structures and municipalities. The roles of traditional leaders in municipal affairs include their role to facilitate the participation of traditional communities in any municipal activities that allow for public participation (CoGTA, 2014). In keeping

with the Back to Basics approach, municipal and traditional structures should establish strong collaborative working relationships to create decent living conditions and improve delivery of services to rural traditional communities. This collaboration must result in the following actions:

- Traditional structures must participate in municipal council sittings;
- Traditional leaders must participate in Integrated Development Plans of municipalities and related community consultation processes;
- Traditional Leaders must facilitate access and release of land for development purposes;
- Traditional leaders must align release of land with spatial development plans of municipalities (e.g. demarcation of plots); and
- Municipalities must involve traditional structures in programmes impacting on traditional communities.

Furthermore, the *Constitution of the Republic of South Africa of 1996* section 152, assigned the primary delivery of services to local municipalities precisely because of being the delivery arm of state and in close contact with the service delivery beneficiaries. The roles of traditional leaders to certain magnitude they are not being exercised properly because of lack of policy guidelines and pronouncement in the legislation. The provision of the role of traditional leaders in the *Constitution of the Republic of South Africa, 1996* especially section 212 is nebulous, due to the fact that it does not outline the role of traditional leaders as is the case of elected local government councilors as they are executing the objectives of the municipalities in the jurisdiction of traditional leaders (Shabangu & Khalo, 2008).

Thus section 212 of the *Constitution*, 1996 gives traditional leaders a role of observing a system of customary law of which it prevails a lack of agreement or contradiction on section 152 and 212 as customary law adjusts to shifting social and economic status quo and the customary role of guaranteeing the well-being undertaken by elected municipal councilors. Albeit the *Constitution* recognizes the traditional leaders yet, it anticipates national legislation that will regulate the issue of the roles of the traditional leaders as pertained in

section 212 (Mathenjwa & Makama, 2016). *Municipal Structures Act 117 of 1998* gives traditional leaders a role of participating in deliberations of municipal councils and it does not allow them to vote on raised matters as such it limits the powers of traditional leaders. The South African *Constitution* and other legislation recognize the relevance of traditional leaders in many spheres of governance. Traditional leaders are at the centre of development in rural areas (George & Binza, 2011).

5. Legal Frameworks Pertaining to the Governance of Traditional Leaders in South Africa

5.1 Municipal Structures Act 32 of 2000

The Municipal Structure Act 32 of 2000 is biased towards the councilors due to the fact that it allows traditional leaders, who should not constitute more than 10 per cent of the members of the municipal council and who are also identified by the Member of Executive Council (MEC) for local government to attend and participate in the deliberations of a municipal council and does not give traditional leaders the power to vote or influence the decisions of the municipal council as it state that traditional leaders are not full members of the municipal council. It places municipalities at the central location of development and governance in the fraternity of traditional leaders. Traditional leaders, that traditionally observe a system of customary law in the area of a municipality, may participate through their leaders, identified in terms of subsection (2), in the proceedings of the council of that municipality, and those traditional leaders must be allowed to attend and participate in any meeting of the council. The MEC for local government in a province, in accordance with by notice in the *Provincial Gazette*, must identify the traditional leaders who may participate in the proceedings of a municipal council.

[Para. (b) amended by s. 5 of Municipal Systems Act 32 of 2000.]

(c) If the number of traditional leaders identified in a municipality's area of jurisdiction, exceeds 20 per cent of the total number of councilors the MEC for local government in the province may determine a system for the rotation of those traditional leaders. [Para. (c) amended by s. 5 of MSA 32 of 2000.] Before a municipal council takes a decision on any matter directly affecting the area of a traditional authority,

the council must give the leader of that authority the opportunity to express a view on that matter.

5.2 The Constitution of the Republic of South Africa 1996

The *Constitution of the Republic of South Africa, 1996* assigned the traditional leaders a role to deal with matters relating to provision customary law and customs of communities observing a system of customary law:

- a. national or provincial legislation may provide for the establishment of houses of traditional leaders; and
- b. national legislation may establish a council of traditional leaders

The abovementioned clearly confuse the traditional leaders as the role are not defined and stated as in the case of elected local government councilors in terms of service delivery. Although the constitution does not spell out a specific role for traditional leaders it gives power to the national legislature to pass legislation to provide for a role for traditional leadership as an institution at local level on matters affecting local communities (Rugege, 2003). In this 1996 *Constitution*, the recognition of the presence of traditional leadership is also made in Section 211(1). However, this recognition poses a challenge since there is no fundamental provision concerning what and how traditional leaders should function in South Africa, post-1994 (Phago & Netswara, 2011).

5.3 Traditional Leadership and Governance Framework Amendment Act 41 of 2003

Traditional Leadership and Governance Framework Amendment Act 41 of 2003 was undertaken. In this regard, the main provision underpinning the functioning of traditional leadership is in Section 1(1)(b) which provides a definition of who should be regarded as a traditional leader. The Traditional Leadership and Governance Framework Amendment Act 23 of 2009 defines traditional leadership as customary institutions or structures, or customary systems or procedures of governance, recognized, utilized or practiced by traditional communities. The Traditional Leadership and Governance Framework Act 41 of 2003 underscores this approach by providing the context within which local municipalities and traditional leaders

can operate. The Act, in sum, recognizes the role of both institutions. Moreover, it goes further than any of the Acts that preceded it by obliging the state to protect the institution of traditional leadership. In the quest to deal with the issue of traditional leadership, parliament passed the Traditional Leadership and Governance Framework Act 41 of 2003. Unfortunately, the Act was passed nine years after the first democratic elections in 1994, with the unintended consequence of increasing the uncertainty regarding traditional leaders and their roles. The Act is arguably the most significant document that deals with traditional leadership after 1994.

5.4 White Paper on Traditional Leadership in Governance and Development (2003)

According to the *White Paper on Traditional Leadership in Governance and Development* (2003) the institution of traditional leadership is vested with the following duties or roles to uphold in order to machinate service delivery efficiently and effectively, thus the following are some of the roles that the institution can play:

- Promote socio-economic development;
- Promote service delivery;
- Contribute to nation building;
- Promote peace and stability amongst the community members;
- Promote social cohesiveness of communities;
- Promote the preservation of the moral fibre and regeneration of society;
- Promote and preserve the culture and tradition of communities; and
- Promote the social well-being and welfare of communities.

The latter mentioned legal framework shows that traditional leaders are assigned with duties of enhancing service delivery effectively as they are located in rural areas with their subjects. Here traditional leaders are placed at the center of development and governance of communities. White Paper on Traditional Leadership in Governance and Development is the only framework that outlines clearly and precisely the roles of traditional leaders.

5.5 The National House of Traditional Leaders Bill (1997)

The purpose of the *National House of Traditional Leaders Bill*, 2008 is to repeal the NHTL Act, 1997 (Act 10 of 1997) and replace it with a new Act. The Bill fully overhauls the current Act and amendments to it, and replaces it with a new law which is fully in line with the Constitution and the White Paper on Traditional leadership and Governance of 2003. The Bill mainly focuses on the establishment and the functions of the NHTL. It is laid down that the House should be composed of three representatives from each province, and the representatives must be senior traditional leaders. A provision has been made for a special representation of provinces which have traditional leaders without provincial Houses. This situation is applicable to Gauteng and Northern Cape Provinces in particular. Furthermore, the Bill provides a criterion for the qualification of members to serve in the House, and the exclusion of certain persons from participating in the House. It is stipulated that no person is eligible to become a member of the House if that person is a full-time member of a Municipal Council, a Member of a Provincial Legislature (MPL), or a Member of Parliament (MP). It is further stipulated that the administrative seat of the House is to be 51 located at the same place where the head office of the Department of Co-operative Governance and Traditional Affairs is located, and ordinary sittings of the House may take place either in the administrative seat or at the seat of Parliament.

5.6 The National House of Traditional Leaders Act of 1997

The National House of Traditional Leaders Act, 1997 (Act 10 of 1997) repealed the Council of Traditional Leaders Act of 1994. *The National House of Traditional Leaders Act*, 1997 (Act 10 of 1997) provides for the establishment of a National House of Traditional Leaders as well as stating the objectives and functions of this body. Section 2 of this Act provides for the establishment of the National House of Traditional Leaders, and it is stipulated that the National House shall consist of members nominated as provided for in Section 4 of the Act. Section 3 deals with the duration and dissolution of the National House of Traditional Leaders, and it is specified that the National House shall continue for five years after it has been constituted. The President shall have the power to summon the

National House to an extra-ordinary meeting for the dispatch of urgent business during the period following its dissolution.

6. The Conflictual Dichotomy Between Traditional Leaders and Municipal Council in Service Delivery

According to Mathonsi and Sithole (2017) there is an overlap between their role and that of Section 56 managers (Local Government: *Municipal Systems Act*, 32 of 2000) as well as sectional heads, and this generates a conflict between traditional leadership institutions and local government. The traditional leaders believe they have little influence over the decisions of the municipal council, as they have no voting rights (Dubazane & Nel, 2016). The traditional leaders do not assume themselves as rivals of the municipal council, but their anxieties and frustrations trunk from the antagonistic power scuffles amid them and the ward councilors (Phago & Netswera, 2011). According to Mathonsi and Sithole (2017), the disagreement that policies do not logically specify the roles of traditional leaders which generates conflicts in municipalities, it is intensely detained that the other basis of conflict is of a legislative in nature since the Local Government: *Municipal Structures Act*, 117 of 1998 gives powers to municipal officials to take decisions on matters pertaining to land use planning and development projects in municipalities without uttering how traditional leaders should be involved. Traditional leaders dreaded that the authority they applied over their subjects would be taken away from them by municipal authorities (Nekhavambe, 2014).

Municipalities perform all the roles and functions with less or no participation of traditional leaders at all. This is the case because traditional leaders might not allow municipalities to service areas under their (traditional leaders') authority before it is clear what role they will play in this new system (Nekhavambe, 2014). The rancor is attributed to councilors not consulting with the traditional leaders when most decisions affecting community are undertaken. A part of the problem is the technical jargon used by planners and officials that obscures the municipality's intentions, and leaves traditional leaders perplexed (Dubazane & Nel, 2016). Traditional leaders themselves feel left out and abandoned by the democratic government in South Africa (Sithole & Mathonsi, 2017) cited in Meer and Campbell (2007). Philosophies of multi-party democracy and

decentralization are in straight denial to the operations of traditional leaders (Ntsebeza, 2005).

The variances between the local government in exact, and traditional leaders are depriving community members of the services that they ought to acquire from their relevant municipalities (Nekhahambe, 2014). The conflict between traditional leaders and councilors breaks the vital line of communication and at the end services delivery will not be provided effectively. Absence of consultation by the municipality with the traditional leaders when development activities are undertaken is a recipe for conflict. Some of the conflict between traditional leaders and councilors are created by legislation and policy not concurring to one another. As such, traditional leaders do not accept municipalities, as they understand this system as a way of excluding them from participating in local governance (Nekhahambe, 2014).

7. Conclusion

It can be deduced from the paper that the continued conflict between traditional leaders and the municipal council breaks the vital line of communication and as such services delivery will not be provided effectively to communities. It can further be said that the conflicting claims to legitimacy and uneasy co-existence between traditional and elected leadership can be tied to the perpetual and long-standing patterns of service delivery backlogs. Traditional leadership and local government officials occasionally trade accusations of abuse of power, non-compliance with laws; customs and traditions, especially regarding planning and implementation of various municipal programmes, management and allocation of local resources such as land. Continually, the legislation does provide a framework for cooperation between the two local spheres of governance. The challenge is for traditional leaders and municipalities to make sure that the spirit of the Act prevails. This could be done through joint initiatives that identify priority areas in local service delivery. It is also clear that both traditional leaders and elected councilors should acknowledge their mutual dependence in the rural areas, and that tensions between the two institutions do their followers and constituencies no favor. The other challenge facing the incorporation of traditional leaders include the relationship between municipalities and traditional leaders, perceptions about who is responsible for service delivery in a jurisdictional area.

8. Recommendations

It can be recommended from the development literature that there is a need for the clarification of terms of reference for traditional leadership at local level by the central government. It is further recommended that the traditional leaders be treated as part of the local government regime and as such their roles within the local government structures must be explicitly articulated and specified in the relevant legislation. Partnerships amongst local municipalities and institutions of traditional leaderships should be strengthened over legislative and further measures to advance good governance, and development in rural areas. There is a need for the promotion of cooperation and coordination of the government and the traditional leadership, and that the institution of traditional leaders should be involved in decision-making; it should not be that they only participate by sharing their views on matters discussed. The institution of traditional leaders and councilors should work together on service delivery matters because the two institutions serve the same communities.

References

- Brynard, P.A. & Musitha, M.E. 2011. The role of traditional authorities in the implementation of Integrated Development Planning Policy (IDP) in Vhembe District Municipality, Limpopo Province. *African Journal of Public Affairs*, 4(3):113-121.
- Dubazane, M. & Nel, V. 2016. The relationship of traditional leaders and the municipal council concerning land use management in Nkandla Local Municipality. *Indilinga African Journal of Indigenous Knowledge Systems*, 15(3):222-238.
- George, K. & Binza, M.S. 2011. The role of traditional leadership in promoting governance and development in rural South Africa: A case study of the Mgwala Traditional Authority. *Journal of Public Administration*, 46(2):947-962.
- Mathenjwa, M. & Makama, P. 2016. Revisiting the participation of traditional leaders in municipal councils in South Africa. *Law, Democracy & Development*, 20(1):200-214.
- Mathonsi, N. & Sithole, S. 2017. The incompatibility of traditional leadership and democratic experimentation in South Africa. *African Journal of Public Affairs*, 9(5):35-46.
- Nekhahambe, M.M. 2014. The role of municipal councilors and traditional leaders in service delivery: The case of Thulamela Local Municipality. *Journal of Public Administration*, 49(4):1139-1152.
- Ntsebeza, L. 2003. *Democracy in South Africa's countryside: Is there a role for traditional authorities?* Johannesburg: Interfund.
- Ntsebeza, L. 2005. *Democracy compromised: Chiefs and the politics of the land in South Africa*. Brill: Leiden.

- Phago, K.G. & Netswera, F.G. 2011. The role of traditional leadership in a developmental state: the case of greater Sekhukhune district municipality of South Africa. *Journal of Public Administration*, 46(3):1023-1038.
- Republic of South Africa (RSA). 1996. *Constitution of the Republic of South Africa*, Government. Government Gazette No. 17678. Pretoria: Government Printers.
- Republic of South Africa (RSA). 1997. The National House of Traditional Leaders Act, 1997 (Act 10 of 1997). Pretoria: Government Printers.
- Republic of South Africa (RSA). 2000. *Local Government: Municipal Systems Act*, 2000 (Act 32 of 2000). Pretoria: Government Printers.
- Republic of South Africa (RSA). 2003. *The White Paper on Traditional Leadership and Governance*. Pretoria: Government Printers.
- Republic of South Africa (RSA). 2014. *Local Government Back to Basics Strategy*. Pretoria: Government Printers.
- Rugege, S. 2003. Traditional leadership and its future role in local governance. *Law, Democracy & Development*, 7(2):171-200.
- Selepe, M.M. 2009. *The role of traditional leaders in the promotion of municipal service delivery in South Africa*. Unpublished Doctoral thesis. Pretoria: University of Pretoria.
- Shabangu, M.H. & Khalo, T. 2008. The role of traditional leaders in the improvement of the lives of communities in South Africa. *Journal of Public Administration*, 43(1):324-338.
- Traditional Authorities Research Group. 1999. The role and future of traditional leaders in South Africa. *Koers-Bulletin for Christian Scholarship*, 64(2/3):295-324.
- Tutu, D. 2008. *Traditional leaders in South Africa: Yesterday, today and tomorrow* (Doctoral dissertation, University of the Western Cape).

Managing Urban Growth in South Africa: Challenges and Constraints

A Selemela and R Ngoepe
University of Limpopo, South Africa

Abstract: The purpose of this paper is to investigate the relationship between urban growth and urbanization to show how their incorporation adversely affects urban development. Urban development in South Africa was affected by the Apartheid era whereby much attention was given to urban areas and after 1994 many people started moving from rural to urban areas which led to massive urbanisation levels especially in Gauteng province. The more population increases in urban areas it requires the need for urban development planning to accommodate the increasing population. Subsequently urban growth poses many problems, some of which are caused by the expansion of the population and some due to the physical expansion of the towns. The major problem includes provision of services, employment, pollution, traffic congestion and urban sprawl. Although there are policies which have been implemented by the government to promote equitable urban development, still increasing urban growth and high levels of urbanisation levels remain a challenge to urban development. It is in this context that this paper argues that unplanned urbanisation interrupts effective urban development in South Africa. Furthermore, the paper emphasises on understanding urbanisation and urban growth which requires considerate variety of factors that can affect the city functionality and sustainability. Thus, the paper concludes that failure to curb urbanisation levels and urban growth in South Africa's cities is an indication of inadequate urban development planning. Therefore, the paper recommends that urban development planning measures such as strategies for growth management, assessing urban settlement sizes and evaluating urban sprawl should be enhanced to maintain a balanced urban morphology.

Keywords: Overcrowding, Urban Growth, Urban Sprawl, Urbanisation

1. Introduction

Urban growth is an increasing challenge in South Africa (Atkinson & Marais, 2006; Raniera, 2013). The movement of people from rural areas to urban areas leads to overcrowding in urban areas, lack of service provision, employment, pollution, traffic congestion and urban sprawl (Cross, Kok & Van Zyl *et al.*, 2005; Tacoli, 2015). The population increase in urban areas requires proper urban management. Urban growth has many problems; some are caused by the expansion of the population and some due to the physical expansion of the towns (Hemson, 2007; Barney, 2015; Gries, 2018). Furthermore urban development policies are put in place to encourage impartial urban growth; however the high levels of urbanization persist to be a challenge to urban development since some policies are not put into practice (Cross, 2001; Kok, Collingson, 2006; Simandan, 2018). The rapid population increase in South Africa requires good methods to manage the consequences associated with urban growth (Krige, 1996; World Bank, 2014). Additionally, the paper emphasises managing urban growth which requires understanding a variety of factors that can affect the city functionality

and sustainability. This paper investigates the relationship between urban growth and urbanization to show how their relation adversely affects urban development. This paper argues that urbanisation should be limited in order to reduce urban growth and the extension of informal settlements, coupled with housing backlogs facing South Africa, perhaps there's must be a call for a shift from master planning and urban development approach to a more proactive, proficient and strategic planning paradigm.

2. Urban Growth

Urban growth is very challenging to control (Cross, 2005; Cross, 2001; Van Aardt, 2004). Johannesburg's has increased by 1.2 million between 2001 and 2011 (Wentzel, 2005; World Economic Outlook, 2014) Johannesburg's population is around 3.6 million (Stats SA, 2001). The increasing number of people who live in towns and cities causes urban pressure, thus the government should ensure that public services accommodates everyone considering availability and accessibility of the services (Gelderblom, 2006; Crush, 2005; Kork, 2006). The pace of urban population growth depends on the natural increase and the

population gained by urban areas through both net rural-urban migration and the reclassification of rural settlements into cities and towns (Kork, Carenne, 2006; National Library Medicine, 2016). There is high population increase in urban areas on daily basis which requires proper urban planning (Hall, 2004; Raniera, 2013; Barney, 2015; Gries, 2018). Urban growth is a major challenge of which strategies and measures must be put in place to address urban growth.

3. Population Statistics

South Africa is experiencing rapid urban growth due to international migration. South Africa's population has increased, between 2010 and 2035, the urban population is expected to be more than double from approximately 298 million to 697 million (Viljoen & Wentzel, 2005; Van Aardt, 2004). By mid-century, it is estimated that over 1 billion people will reside in urban areas. Whereas urban growth has the potential to act as an engine of economic growth and human development if it is planned properly as it will bring massive challenges. Johannesburg's has increased by 1.2 million between 2001 and 2011 (Wentzel, 2005; Gries, 2018) Johannesburg's population is around 3.6 million (Stats SA, 2001). Thus, urban areas are facing huge development challenges along with major opportunities. About 63% of South Africans are currently residing in urban areas and 40% in metropolitan municipalities (Stats SA, 2003). Approximately by 2030 another 7.8 million people will be living in South African cities and by 2050 an additional 6 million, of which will add pressure to housing, services and infrastructure (Van Aardt, 2004; Tacoli, 2015). Moreover, the NDP foresees that the crude binary rural-urban distinction needs to be replaced by the perspective of a rural-urban continuum. The largest population growth in South African cities is Johannesburg; it has the highest population compared to other cities (Wentzel, 2005; Barney, 2015). Most of the urbanisation is taking place in informal settlements or slums; this implies that people who migrate to the cities find city life alienating in all forms. A smaller percentage of new arrivals could afford city life. The poor tend to live on marginal land, in unplanned areas that are consequently poorly serviced; distances are huge and transport costs expensive (Stats SA, 2017).

4. Problems Associated with Urban Growth

Migration and changing settlements have a drastic impact on urban areas which leads to urban poverty

as the population is high in urban areas thus some will have no access to employment due to lack of knowledge and illiteracy (Cross, 2005; Barney, 2015; Gries, 2018; Simandan, 2018). Urban growth causes economic injustices such as urban poverty as there's lack of employment and economic decline which makes it difficult for some of the people to survive in urban areas (Hunter, 2006; Kok & Collingson, 2006). Urban environments generate various types of waste, with serious implications for human health and environmental sustainability. The types of waste generated include municipal solid waste, wastewater from various sources including households and industries, and sludge from human excreta (Hall, 2004; Cross, 2001; Cross, 2005). Due to rapid urbanisation the urban area, especially the inner city, experiences great pressure to try and cope with this increase. This results in inner city problems such as the followings:

4.1 Traffic Congestion

An increase in urbanisation leads to a situation whereby there's an increase in vehicles, everyone driving their own cars which leads to traffic congestion. The transport networks cannot cope with such an increase, it normally happens during peak hours e.g. morning when going to work and afternoon when coming from work (Hunter, 2006).

4.2 Lack of Planning

Planners are unable to plan properly for the over increasing population of rural areas, and thus there's a need for proper planning to ensure that the services and infrastructural development cater for all (Tacoli, 2015; Raniera, 2013).

4.3 Overcrowding

People move to urban areas whilst they are poor, as a result they end up living in low rentals. Furthermore this leads to families living in small rooms, shacks or even a few families sharing a room due to overcrowding. This forms enormous pressure on basic services and facilities such as schools (Hall, 2004).

4.4 Housing Shortages

Growing urban populations create housing shortages. This has resulted in informal settlements, urban blight and urban sprawl (Cross, 2005). The

government's housing project has helped but because of the massive increase in urbanisation it was not effective. The government tries to also create housing through municipal flats that people will pay certain less rent (Cross, 2005).

4.5 Service Provision

High population rate in cities result in high demand of services in informal settlements and transition zone especially considering the existing gap of amenities in townships (Atkinson, 2006). People need infrastructure to access the services and function offered by the city, the services includes healthcare, educational facilities, sanitation, water and electricity. When people do not get the services, they end up in protesting (Aliber, 2003).

4.6 Environmental Injustice

Urban growth problems lead to environmental injustices such air pollution caused by carbon emissions / greenhouse gases from vehicle, industries, people etc. Noise pollution comes from vehicle, people, activities etc (Atkinson, 2006; Gries, 2018).

5. Managing Urban Growth

Urban growth in South Africa can be managed through increase in employment opportunities and promoting economic growth by having developmental projects (Tomlinson, 2006). Furthermore by encouraging decentralisation of functions by putting people at the centre of development whereby they are given opportunities to fully participate in development initiatives (Cross, Kok, Wentzel, Tlabela, Weir-Smith & Mafukidze, 2005; Tacoli, 2015). The development of green cities incorporates the green area and open spaces into the design from the start, also the need for spatial development planning and to have proper land allocation (Tomlinson, 2006). Have transport routes with pedestrian access in residential areas and wider streets which integrate with the environment e.g. planting trees on the side of the road (Mafukidze, 2005; Simandan, 2018). The emerging re-definition of urban areas to include old apartheid townships and bigger urbanizing agglomerations in former homelands adds another particularity to the South African context of urbanization (Todes, 1999; Royal Town Planning Institute, 2014). The fundamental factors reason for South Africa's increasing rates of urbanization which range between 3% and 5%, depending on the category

of city and urbanizing agglomeration, thus there's a need for proper planning in urban areas to deal with urbanization (Stats SA, 2017).

6. Relationship Between Urban and Urbanisation

Urban growth and urbanization have harmfully impact on urban development and it impact on urban development planning. Urbanisation transpires when there's population shift from rural to urban areas, the increase in the proportion of people living in urban area (Roberts, 1989; Raniera, 2013; World Economic Forum, 2015). Urbanisation trends in South Africa also approve the generally accepted understanding that rural-urban migration, circular migration and natural growth are the main underlying factors to urbanization (Wentzel, Tlabela & Mafukidze, 2005; Gries, 2018). Urban growth and urbanisation it's the process by which towns and cities are formed and they become greater as more people begin living and working in central areas (Hemson, 2007; Tacoli, 2015). The increasing urban growth is due to urbanisation this draws the nexus between urban growth and urbanization whereby when people move from urban areas they cause urban pressure, as urban areas needs to cater for everyone, also this includes issues of remittances whereby people who moved from rural areas to town also provides for those who are at rural areas (Kok, Collingson, 2006; Simandan, 2018). The rural-urban linkage is not about rural development versus urban development but rather about recognizing that they are "two sides of the same coin", with the coin being the development agenda. Hence, a policy that promotes either rural or urban development must contemplate the relationship and inter-linkages between rural and urban areas (Collingson, 2006; Gries, 2018). The framework for integrated urban development responds to South Africa's unique rural-urban situation.

7. Challenges and Constraints of Managing Urban Growth

In South Africa, many problems of human settlements come from an incorporation of insufficient and unsuitable planning as well as the failure to implement relevant plans which are already in existing (Aliber, 2003; Tshikotshi, 2014). The challenge still, is not only about how to direct urban growth but also on how to organise financial and technical resources and to adequately address social,

economic and environmental needs (Tsenoli, 2010; Reitsma, Femke, Seto & Karen, 2016). Although urban growth is a local or regional phenomenon, it has impacts far beyond city boundaries. They are challenges in terms of improving waste management services (Borowiecki & Karol, 2013; Auber, 2013). This is due to rapid cities growth, which affects the amount of waste generated (Hunter, 2006; Eckert & Kohler, 2014). Change in human consumption patterns and the change in structure of economic activity generate various types of waste which must be properly managed to confirm sustainable development and a decent standard of living for all people living in urban areas (Harris, 1990; Cox, Hemson & Tude, 2004). In low-income countries rapidly, urban growth put pressure on limited urban resources for the provision of crucial basic services, additional strain capacity in urban management. Moreover, unsuitable policies have contributed to the growth of life and health-threatening slums, where urban waste management services are often insufficient (Harris, 1990; Cox, Hemson & Tude, 2004). A key indicator of the challenge to manage some of these waste streams is reflected in the effort to meet the Millennium Development Goals, especially that on sanitation and slums (Tude, 2004; Borowiecki & Karol, 2013; Benedictus, 2017). Indeed, efforts to improve the circumstances have been outstripped by rapid population growth and urbanization (Hunter, 2006). The over increasing urbanisation rate adds pressure on municipalities to provide services to the increasing and demanding population which the municipalities end up not being able to provide services that will accommodate old and new entrants (Kok & Collingson, 2006). Building new residential and commercial areas demands more resources. Use of land for special concern can be considered as non-renewable resources, at least according to human time scales (Hall, 2004; Raniera, 2013). It's not impossible to identify the land cover lost because of new urban developments (Atkingson, 2006; Tude, 2004; World Bank, 2014). Encouraging urban economic development and creating institutions for service delivery requires significant transformation and capacity-building which is a challenge for the government to accomplish (Hunter, 2006, Barney, 2015; Tacoli 2015). It is in this context that this paper argues that unplanned urbanization interrupts effective urban development in South Africa which will lead to city problems in future as the more the population increase, there's also a need to have spatial development planning and increased infrastructural development.

8. Urban Development Policies

South African urbanization was shaped historically by policies to control the movement and settlement of black people (Tshikotshi, 2014; Tsenoli, 2010; Aliber, 2007). Policies try to limit access by Africans to cities, and to restrain many of them to 'homelands', most of which were mainly rural and with limited economic base (Meth, 1998). There's Polluter pays law or principle which it's a mere gesture as is there in paper but is not adhered to as people continues to pollute the environment, there's still waste management issues which threatens human health (Hunter, 2006; National Urban Development Framework). The Department of Land Affairs has established a new Directorate which indicates that Land Use Advisory Services is there with the purpose achieving optimum use of land for land reform (Kok, Hemingson & Tode, 2004). The roles of the directorate include, inter alia, the development of mechanisms to indorse operative land use management and planning (Hunter, 2004). This will guarantee that there's proper spatial planning in urban areas so that people can be allocated land looking at availability of space (Tshikotshi, 2014). The Development Facilitation Act is also there for accelerating the identification and release of land for development, particularly for housing (Tsenoli, 2010; Tshikotshi, 2014). South Africa's Urban Development Strategy has been released as a discussion document, some urban development policies are there in paper but not put into practice such as the National Urban Reconstruction and Housing Agency is tasked with expediting housing delivery within metropolitan areas, but the process is slow and sometimes they are complaints regarding not having enough funds (Tsenoli, 2010). Project Preparation Facilities are being established in the provinces to give them the capacity to plan projects with community involvement at the city and local level. The forum for Effective Planning and Development will reappraise and reform the urban and regional planning system in South Africa (Tshikotshi, 2014; Hunters 2006).

9. Recommendations

The paper recommends that they should be urban development planning measures such as strategies for growth management, assessing urban settlement sizes and evaluating urban sprawl to maintain a balanced urban morphology. Furthermore, to have spatial development planning in urban areas

to plan for the land and space available to accommodate the increasing population in urban areas looking at the space for infrastructural development and services and prioritization of the services needed (Wegerif, Russell & Grundling, 2005). There should be measures taken for improvements of waste management services and, more broadly, urban slums should be addressed. To discourse current urban problems, healthy cities projects have been introduced in two South African cities, namely Johannesburg and Pretoria. The projects pursue enhancement of the physical, mental, social and environmental well-being of people that live and work in cities, thus such project should be introduced to all the cities of South Africa to be able to manage urban growth in the entire South African cities (Van Aardt, 2004; Brandful, Odei & Amoaten, 2015; Cohen, 2003). The urban planners should also use the compact city model as a strategy to support sustainable development within urban areas.

10. Conclusion

Failure to curb urban growth will result in increased urbanization levels and urban growth in South Africa's cities which is an indication of inadequate urban development planning (Gelderblom, 2006; Crush, 2005; Robbins, Todes & Velia, 2004). Thus, this will cause overcrowding in the future since urban areas increases daily and the public services and infrastructural activities should available and accessed by all, although this will cause congestion in public facilities e.g. clinics and hospitals which will results in poor service as the clinics and hospitals will have to cater for many people (Collingson, Kok & Carenne, 2006). The city image will be impacted as well as people will be scattered everywhere, whereas there's limited space currently in urban areas thus in the coming year approximately by 2030 the urban areas will expand drastically (Crush, 2005; National Urban Development Framework, 2017).

References

- Aliber, M. 2007. Agricultural employment scenarios: pre-workshop discussion note, for Employment Growth and Development Initiative. Pretoria: Human Sciences Research Council press.
- Aliber, M. & Mokoena, R. 2003. The land question in contemporary South Africa, in Daniel, J., Habib, A. and Southall, R. State of the Nation 2003-4. Pretoria: Human Sciences Research Council press.
- Atkinson, D. & Marais, L. 2006. Urbanization and the future urban agenda in South Africa. In R. Tomlinson, U. Pillay & J. du Toit (eds). *Democracy and delivery. Urban policy in South Africa*. Pretoria: Human Sciences Research Council press
- Auber, T. 2013. Climate change and rapid urban expansion in Africa threaten children's lives. UNEARTH News. Accessed on 10 August 2013.
- Barney, C. 2015. Urbanization, City Growth, and the New United Nations Development Agenda. *Cornerstone, The Official Journal of the World Coal Industry*, 3(2):4-7.
- Benedictus, L. 2017. Blowing in the wind: why do so many cities have poor east ends? – via The Guardian.
- Borowiecki, K.J. 2013. Geographic Clustering and Productivity: An Instrumental Variable Approach for Classical Composers. *Journal of Urban Economics*, 73(1):94-110.
- Brandful, C.P., Odei, M.E & Amoateng, P. 2015. Africa's Urbanization: Implications for sustainable development, *Cities*, (47):62-72
- Brandful, C.P., Odei, M.E. & Amoateng, P. 2015. Rethinking sustainable within the framework of poverty and urbanization in developing countries. *Environmental Development*, (13):18-32.
- Centre for Development and Enterprise. 2005. Land reform: a place to stay not to farm. Johannesburg: Centre for Development and Enterprise
- Cohen, B. 2003. Urban growth in developing countries: a review of current trends and a caution regarding existing forecasts. *World Development*, 32(1):23-51.
- Collinson, M., Kok, P. & Carenne, M. 2006. Migration and changing settlement patterns: Multilevel data for policy. Pretoria: Statistics South Africa.
- Cox, K., Hemson, D. & Todes, A. 2004. Urbanization in South Africa and the Changing Character of Migrant Labour in South Africa. *South African Geographical Journal*, 86(1):7-16.
- Cross, C., Mngadi, T., Mbhele, T., Mlambo, N., Kleinbooi, K., Saayman, L., Pretorius, H. and Bekker, S. 1999. An unstable balance: migration, infrastructure, livelihoods and small farming on the Eastern Seaboard. Part Two: Eastern and Western Cape. Midrand: Development Bank of Southern Africa.
- Cross, C., Mngadi, T., Mbhele, T., Mlambo, N., Kleinbooi, K., Saayman, L., Pretorius, H. and Bekker, S. 1997. An unstable balance: migration, infrastructure, livelihoods and small farming on the Eastern Seaboard. Part One: KwaZulu-Natal. Midrand: Development Bank of Southern Africa
- Cross, C.P., Kok, J., van Zyl, M., O'Donovan, J., Mafukidze, M. & Wentzel, M. 2005. Understanding the city's demographic future: Towards modelling the evidence on population and household growth. Research report to City of Johannesburg Department of Planning. Pretoria: Human Sciences Research Council press.
- Cross, C. 2001. Why does South Africa need a spatial policy? Population, migration, infrastructure and development. *Journal of Contemporary Studies*, 19(1):111-27.

- Cross, C. 2005. Why are households shrinking in South Africa? Paper presented to Joint Population Conference, Bloemfontein. October.
- Cross, C., Kok, P., Wentzel, M., Tlabela, K., Weir-Smith, G. & Mafukidze. 2005. Poverty pockets in Gauteng. How poverty impacts migration, Report to the Gauteng Inter-Sectoral Development Unit.
- Crush, J., Williams, V. & Peberdy, S. 2005. Migration in Southern Africa. Paper prepared for the Policy Analysis and Research Programme of the Global Commission on International Migration.
- Eckert, S. & Kohler, S. 2014. Urbanization and health in developing countries: a systematic review. *World Health & Population*, 15(1):7-20.
- Gelderblom, D. 2006. Limits to the urbanization of poverty in South Africa. Pretoria: University of South Africa.
- Gries, T. & Grundmann, R. 2018. Fertility and modernization: the role of urbanization in developing countries. *Journal of International Development*, 30(3):493-506.
- Hall, R. 2004. Land and agrarian reform in South Africa: A status report. PLAAS Research Report 20.
- Harris, N. 1990. The challenge for developing countries. London: University College London Press
- Hemson, D., Karuri, G. & Carter, C. 2007. State capacity. Report for the Presidency Scenarios 2019.
- Hunter, M. 2006. Informal settlements as spaces of health inequality: the changing economic and spatial roots of the AIDS pandemic, from apartheid to neoliberalism. Centre for Civil Society Research Report no 44.
- Kok, P. & Collinson, M. 2006. Migration and urbanisation in South Africa. Report 0304-02, Pretoria: Statistics South Africa
- Krige, S. 1996. Botshabelo: Former Fastest-Growing Urban Area in South Africa Approaching Zero Population Growth, Urban and Regional Planning Occasional Paper, 20, University of the Orange Free State.
- Meth, P. 1998. Rethinking the dumping grounds: The case of Bilanyoni. Unpublished Doctoral thesis. Cambridge: University of Cambridge.
- National Urban Development Framework. 2017. Harnessing a common vision for growth and development of South Africa's towns and city regions.
- Ranieri, R. & Almeida Ramos, R. 2013. After All, What Is Inclusive Growth. One Pager 188. International Policy Centre for Inclusive Growth.
- Reba, M., Reitsma, F. & Seto, K.C. 2016. Spatializing 6,000 years of global urbanization from 3700 BC to AD 2000. *Scientific Data*. 3: 160034.
- Robbins, G., Todes, A. & Velia, M. 2004. Firms at the crossroads: The Newcastle Madadeni clothing sector and recommendations on policy responses. School of Development Studies Research Report 61, Report to the KwaZulu-Natal Department of Economic Development and Tourism.
- Roberts, B. 1989. Urbanization, migration, and development. *Sociological Forum*, 4(4):665-691.
- Royal Town Planning Institute. 2015. Strategic Planning: Effective Cooperation for Planning Across Boundaries. January 2015. Available at: www.rtpi.org.
- Simandan, D. 2018. Competition, contingency, and destabilization in urban assemblages and actor-networks. *Urban Geography*, 39(5):655-666.
- Statistics SA census. 2001. Investigating into appropriate definition of urban and rural areas for South Africa. Pretoria: StatsSA.
- Stats SA. 2003. Investigations into appropriate definitions of urban and rural in South Africa, Report No. 03-02-21 (2001). Pretoria: StatsSA.
- Tacoli, C. 2015. Urbanisation, rural-urban migration and urban poverty. London: International Institute for Environment and Development.
- Todes, A. 1999. Urbanization theme paper: urbanization in the 1990s. Paper for the Project on Spatial Guidelines for Infrastructure Investment and Development. Coordination and Information Unit. Office of the Deputy President.
- Tomlinson, R. 2006. Impacts of HIV/AIDS at the Local Level in South Africa Johannesburg. Report prepared on behalf of the Urban Management Programme.
- Tsenoli, L. 2010. Towards an Integrated Urban Dev Framework: A discussion document.
- Tshikotshi, V. 2014. Challenges of Eradicating Informal Settlement in South Africa. The case of Seraleng sustainable human settlement, Rustenburg local municipality.
- Van Aardt, C.J. 2004. A projection of the South African population, 2001 to 2021. Research Report 330. Pretoria: Bureau of Market Research. Pretoria: University of South Africa.
- Viljoen, J. & Wentzel, M. 2005. Desktop study in support of the Millennium Development Goals. A research report for the UNHCR. Pretoria: Human Sciences Research Council press.
- Wegerif, M., Russell, B. & Grundling, I. 2005. Still searching for security. The reality of farm worker evictions in South Africa, Nkuzi Development Association and Social Surveys.
- World Bank. 2014. World Development Indicators database. Available at: <http://data.worldbank.org/products/wdi>.
- World Economic Forum. 2015. The Global Competitiveness Report 2015: Full Data Edition 2014. Geneva: World Economic Forum.

Women Empowerment Through a Comprehensive Rural Development Programme in Muyexe Village, Limpopo Province

M Maluleke and AA Asha
University of Limpopo, South Africa

Abstract: The Comprehensive Rural Development Programme (CRDP) was implemented by the national government through the Department of Rural Development and Land Reform in various areas of the country including Muyexe village. The CRDP implemented broad based-agrarian transformation focusing on community organization and mobilization as well as strategic investment in economic and social infrastructure. The programme proposed an approach that empowers and addresses the needs of the people, household, community and space. It is built on the premise that rural areas in the country have the potential to be developed in a way that generates jobs and economic opportunities, thus providing an alternative to the urban centers, and contributing to the reduction of rural-urban migration. Muyexe village has been one of the pilot areas in the country where the CRDP was implemented in 2009. The purpose of this study is to investigate the contribution of CRDP on women empowerment. The study adopted a mixed research method and quantitative data was collected from 92 households using a structured questionnaire. Qualitative data was also collected using an interview schedule from 13 key informants. The finding reveals that women have been provided with job opportunities and skills training as well as access to basic services through infrastructures established by the CRDP. The CRDP has contributed for enhancement of services and infrastructure in the village. It was found that women are still facing several challenges and there is much to be done to empower women in the village. This study suggests various strategic interventions to further empower women in Muyexe village.

Keywords: Comprehensive Rural Development Programme, Muyexe village, Participation, Women empowerment

1. Introduction

There is an increasing awareness that woman empowerment plays an important and strategic role in the implementation of rural development programmes in South Africa. One of these programmes is the Comprehensive Rural Development Programme. Moreover, women empowerment is increasingly being integrated in rural development programmes worldwide, and this is largely due to the important triple role that women have demonstrated to play in societies through time (Mahmud & Beckers, 2012). Women have been vulnerable and experiencing disempowerment for a very long period of time in Muyexe village (Sebiloane, 2015). Mathebula (2014) pointed out that the major challenges facing women in Muyexe village includes: lack of participation in terms of decision making, poor education, lack of access to resources and inequality. The post-apartheid government of South Africa has been implementing strategies and programmes such as the Comprehensive Rural Development Programme to deal with the matters of rural-women empowerment, poverty and inequality. Muyexe has been one of the pilot areas in the country where

the CRDP was implemented in 2009. The purpose of the study is to investigate the contribution of the Comprehensive Rural Development Programme (CRDP) on women empowerment. This paper is organized as follows: first it provides objectives and discussion on literature, secondly, methodology of the study is described, thirdly, it presents key findings as well as proposed framework, and finally, the paper provides conclusive remarks.

2. Literature Review

Planning and implementation could be considered as major determining factors in relation to the outcomes of development process. Therefore, development organisations should critically assess their process of formulating and implementing programmes and policies towards improving people's quality of life. If the goal of development is to reduce poverty and deprivation, then development planning and implementation should be process oriented, people-focused, institution-centered, and based on strategic decisions (Asha, 2014). Therefore, the CRDP as one of the rural development programmes should be implemented in

a manner that it is women-focused and women oriented, thus aiming to empower women in rural areas. But what is women empowerment?

2.1 The Concept of Women Empowerment

The term women empowerment is a concept which is very broad and complex as well as not easy to define because there are no widely acceptable definitions and meaning of women empowerment. Women empowerment should be understood as a process of making information and opportunities available to women, and giving them exposure through involvement in decision making and the implementation of decisions made. Furthermore, it encompasses giving women the power to influence change through access to resources (Hodgson, 2002; Batliwala, 2007; Mahmud & Becker, 2012). Women empowerment should be approached from an angle of ensuring that women participate in the planning and implementation of developmental programmes.

Developmental programmes should ensure equality between men and women and also amongst women themselves. Moreover, developmental programmes should ensure capacity building on the lives of women and lastly women's access to resources should be enhanced. Women empowerment can be achieved through the adoption and implementation of participatory, empowerment, integrated and sustainable approaches in developmental programmes. It can also be achieved by focusing on grass root level which would be formulated and implemented by the people and for the purpose of meeting the needs and priorities of the people. Moyo, Francis, and Ndlovhu (2012) argued that for women to be fully in charge of their development, they must be able to access resources, be aware of the structures and institutions that hinder their progress, be actively involved in decision making processes and finally take control of the resources at their disposal.

Participation is considered as one of the key tenets of democratic governance in South Africa. Mashamaite & Madzhivhandila (2014) remarked that municipal councils are obliged to develop a culture of municipal governance that shifts from strict representative government to participatory governance, and must for this purpose, encourage, and create conditions for residents, communities and other stakeholders in the municipality to participate

in local affairs. In view of this quote participation is crucial for achieving the empowerment of women, by shifting centralized representation and allowing women to represent themselves in matters which affect them the most. Such will promote decision making and involvement in the implementation of such decisions.

In a nutshell, women empowerment should demonstrate the following qualities. It should be participatory, enables access to resources, equality focus and build capacity. Firstly, participatory refers to the eligibility of women to partake in decision making processes. Secondly, access to resources refers to access to services, land, capital, freedom, physical infrastructure, water, electricity and employment. Thirdly, equality refers to eliminating gender based discrimination. Finally, capacity building which refers to enhancing the knowledge and skills of women in rural areas. Thus, programmes such as the CRDP have been implemented in rural areas of Muyexe village to foster women empowerment.

2.2 The Comprehensive Rural Development Programme

The CRDP is a strategic priority number three within the National Government's Medium Term Strategic Framework (MTSF) and implemented under outcome number seven (DRDLR, 2012). The programme strives for vibrant, equitable, sustainable rural communities and food security for all (Obadire & Mudau, 2013). Moreover, it strives for the above through three-pronged strategies which are coordination and integrated broad-based agrarian transformation, strategically increasing rural development, and an improved land reform programme (DRDLR, 2012).

The aim of CRDP is to achieve social cohesion and development in rural areas by ensuring improved access to basic services (access to resources), enterprise development (participation) and village industrialization (equality and education). The objectives of the programme in the rural communities involves more inclusive economic growth, decent work and sustainable livelihoods, economic and social infrastructure, and food security (DRDLR, 2012). The programme further consist of objectives which are: sustainable land reform; access to quality education; improved health care; the fight against crime and corruption; cohesion and sustainable communities; sustainable resource

management and use; and a developmental state including improvement of public services (DRDLR, 2012). The CRDP was designed in a way that it will bring about economic development in rural areas. The programme did not narrow its focus to women but women were a priority. The programme was designed to benefit rural communities inclusive of women. The benefits were through: access to land and agrarian transformation, social cohesion in rural communities, and sustainable development. More of the benefits were economic and social transformation inclusive of job creation access to credit and finance, food security, access to quality education, and improved health care. Lastly, the benefits involved fight against crime and corruption which includes fight against women and child abuse, sustainable resource management, and improved public services. The important benefit which the programme was designed for was to improve the standard of living for rural poor communities with women as a priority (DRDLR, 2012).

According to the reports from DRDLR (2015) the village of Muyexe reaped benefits through CRDP in which 330 houses have been built, boreholes have been equipped, a water purification plant has been set up underwritten by the Development Bank of South Africa. Internal water reticulation has been established, 275 sanitation units have been provided, a community center with a post office, clinic, satellite police station, drop in center and sports stadium have been built. Moreover, the local school was renovated and more class rooms and ablution facilities were added, a new early childhood development center with solar lighting was also constructed, two village viewing areas enabled the community to view major sporting events. In the year 2010 women in Muyexe village were trained to knit beads that decorated *vuvuzelas* during the world cup.

A review of the previous study in Muyexe village done by Mathebula (2014) presented findings that majority of the respondents 73% indicated that the CRDP has not brought any significant change in terms of service delivery. Findings further indicated that 21% of the respondents were of the view that CRDP has made some strides in addressing the socio-economic wellbeing and the level of service delivery. However, the authors further indicated, 6% of the respondents were not sure of whether changes visible in the village were part of the CRDP or not. Thus, from the literature reviewed the paper

discusses how the CRDP has contributed towards women empowerment.

3. Research Method

The study was carried out in Muyexe Village, a Village located in Giyani Town, Limpopo Province, South Africa. The paper has adopted mixed research design. Mixed research design is defined as a method for conducting research that involves collecting, analyzing and integrating qualitative and quantitative research in a single study. The study used simple random sampling and purposive sampling to select participants of the study. The respondents of the study include 92 female headed households who were selected randomly out of the total 900 households in Muyexe village. Additionally, 13 respondents were purposively selected for one-on-one interview, including the CRDP facility managers, local government officials and traditional leaders. Data was collected using questionnaire and interview techniques. The quantitative data was analysed using SPSS while the qualitative data was analysed using thematic analysis.

4. Findings and Discussions

The findings of the study conducted are presented as follow.

4.1 The Status of Women in Muyexe Village

Regarding women rights, 88% of the respondents agreed that women have the right to freely express their views in the village meetings or *imbizos* which the residents in the village call *Xivijo*. Likewise, 92.4% of the participants perceived that women make decisions with their husband about finances in their household suggests that in their households, husbands do not suppress them nor side-line them when it comes to financial decision making.

Concerning women workload situation, 58.7% of the participants agreed that women have more workload due to their daily activities of cooking and taking care of the children. It suggests that women in the village are over loaded with home chores to a point where they are unable to focus on other developmental activities which would empower them whereas the man go out to work and bring money home. The finding on economic status shows that 63.1% of participants perceived that

women have access to income generating opportunities. Similarly, 64.2% agreed that employment opportunities are not gender biased.

4.1.1 Perception on Women's Participation in the CRDP

All participants of the study agree with the view that, women in Muyexe the village are involved in projects that are initiated to benefit the community. This entails that in the projects which are initiated to bring development in the village, women are also involved to participate in decision making processes. The participants indicated that the tradition of Matsonga and their culture which they practice in the village together with the village rules set by the traditional authority do not restrict them from taking advantage of opportunities presented in the village.

4.1.2 Perception on Gender Equality

Regarding employment, 62% of participants disagreed that women are satisfied with the type of employment they possess. Likewise, 69% of participants disagreed with the view that women are satisfied with the income they earn from their employers. This suggests that women are not satisfied with the income which they earn from their employers.

Concerning women engagement in leadership, 91% of participants agreed with the view that women in Muyexe village are allowed to hold leadership position, which entails that rural women have access to leadership positions like being a ward counsellor, school principal and managers.

4.1.3 Perception Towards Access to Resources

The finding indicates that:

- Most of the respondents 89% agreed that women are allowed to own land. Women have access to land which they can use for agricultural activities, business and for dwelling with their children.
- The majority of respondents 85% agreed that women have access to health care services. Women are able to access health services with ease, especially now that CRPD has built a health clinic in the village of Muyexe.
- A total of 89% of participants agreed that women have access to safety and security. Women feel

safe and there are no threats of crime and abuse in the village.

- The majority of respondents 90% agreed that women have access to water which reduce their burden of fetching water. Women no longer have to travel long distances to fetch water, but they can now fetch water from taps next to their households.
- The majority of respondents 90% agreed that women have access to electricity which reduces their burden of fetching fire wood. Women are able to cook and light their houses without having to fetch fire wood or use candles.

4.1.4 Perception on Women's Capacity Building

The finding reveals that:

- Most of the respondents 55% disagreed that women have opportunities to further their studies. Women in the village have never received opportunities which allow them to further their education like going to university, college or FET.
- The majority of respondents 60% women disagreed that women receive different skills and development training. Women do not have adequate opportunity for training and skills development.
- A total of 59% of participants disagreed that women are able to start their businesses through the skills they have acquired. Women lack capacity to enable them to start their own businesses.

4.2 The Implementation of CRDP

4.2.1 Establishment of Facilities and Service Centres

The finding revealed that there are various facilities or service centers established in the village. These include the clinic, post office, computer center, *Thusong* Centre, community hall, community market, library, Ben Muyexe Early Childhood Centre, women self-help and police station. These service facilities were established by sectorial departments and the municipality based in Giyani through CRDP implementation under the coordination of the Department of Rural Development and Land Reform. This is confirmed by the following extracts:

- "I witnessed the opening of the women self-help centre which was done in 2010 in the presence of the president Jacob Zuma, where he also bought our hand crafted products and some traditional materials produced by women in the village. The president handed the centre to us and the women elected me to be the coordinator of the centre" (Women self-help coordinator, Muyexe village, 21 June 2017).
- "Officials from the Department of Health come with officials from the municipality to open the clinic in 2012 but by that time the clinic had been operating for a month, it was an official opening and to certify access to the clinic by the Muyexe community" (Sister in Charge, Myexe Clinic, 21 June 2017).
- "It was 2012 when officials from the municipality and department of education came to the library to tell people that the library is open and free for people in Muyexe village to use it for reading and writing purposes. The village was aware of this visit so many people were here, they were allowed to enter in groups to see the set-up inside. My colleague and I were doing the orientation, people were further briefed on how to utilise library and its materials, it was a good day" (Librarian, Muyexe village, 21 June 2017).

The comprehensive rural development programme did not only establish new facilities and centres in the village, it also contributed towards the existing businesses and projects in the village of Muyexe which are the Mancena garden, Muyexe early childhood centre and Pfunanani Brick making project. The comments below give an indication of the general responses:

- "The garden was established in 1980 by women in the village, in 2010 CRDP built us a store house which has an office, toilets, kitchen and a hall for storage, they promised our project that they will give us a mini tractor also so we can deliver our produce to retail shops and markets since we were unable to do so due to lack of transport" (Mancena garden coordinator, Muyexe village, 22 June 2017).
- "The Muyexe early childhood centre was established in 1996 by women in the village, CRDP also gave us two Jojo tanks which are water reservation tanks, we understood that the programme could not give us more since we had already received funding from the Department of Social Development which started in 1999, but we are grateful for the water reservation tanks which we received in 2010" (Muyexe Early Childhood Centre Principal, Muyexe village, 22 June 2017).
- "Yes CRDP contributed towards the Pfunanani Brick making project, they built us a change room which has showers, toilets, lunch area and a kitchen; they also promised us a big tractor which we will use to deliver our bricks to customers. Even though they refused to use our brick when they build these RDP houses because we were not producing the right size, we are still grateful because since the establishment of the project in 1998 this is the first time we receive something from the government" (Pfunanani Brick Making Project, Muyexe village, 22 June 2017)

The infrastructure and service facilities which are mentioned above were provided by CRDP in line with the CRDP plan. Evidence is found from the CRDP implementation and evaluation report for June 2009-June 2012 by the coordinating department of Rural Development and Land reform.

4.2.2 The Primary Activities of the Service Centre/Facilities in Muyexe Village

The finding shows that the primary activities of various service centers aimed at amongst others providing librarian services, postal services, child caring services in the absence of mothers, computer services, and health care services. The extracts below give an indication of the general responses:

- "The primary activities in the library are to enable pupils to come to the library and study, use books within the library to enhance their studying and help them to do their assignments; allow pupils to use the computers in the library to surf the net and get information on university application and find job opportunities." (Librarian, Muyexe village, 21 June 2017).
- "What we do in the post office includes posting mails, receiving mails and parcels, banking, cash withdrawals and air-time purchases, its only just that villagers in Muyexe use free electricity we would sell it here, these are the activities which people in Muyexe come to do here". (Post officer, Muyexe village, 22 June 2017).

- "In the Ben Muyexe Early Childhood Centre we take care of children from the age of 0-3 while their parents are away, we feed them, and we bath them before they go home, we also teach from grade RRR until grade R, we teach children how to speak English and to write. In summary, we take care of children in the absence of their parents" (Ben Muyexe Early Childhood Centre principal, Muyexe village, 22 June 2017).
- "What we basically do in the computer centre is we assist young people who come in the centre to access computers, we assist them on how to use computers, how to surf the internet when they are looking for information on university application, employment and we also help them with online applications and many internet related assistance. The computer centre has faced challenges of vandalism and theft, many computers have been stolen and the thieves have gone to the point of stealing the floor tiles, chairs and cables inside the centre, thus it is now empty and young people only come to access wireless connections from outside the centre for social media purposes (Former Computer centre assistant, Muyexe village, 21 June 2017).

4.2.3. *The Activities Focused on Improving the Lives of Women*

The finding highlights that a number of activities have been carried out to benefit women or improve their living standard. These activities among others include business opportunities for women, employment creation, banking services, and health services. This is confirmed by the extracts below:

- "The women self-help centre have many activities which focus on improving the lives of women which are sawing, beading, hand crafting, pottery many other creative traditional work which women invent on their own. We meet on daily basis to do these activities then on the week where we know that customers are getting paid, we go out to sell and we return again to do more products so that on those pay days we can go and sell". (Women self-help coordinator, Muyexe village, 21 June).
- "In the Ben Muyexe Early Childhood Centre temporary employment are often created for women because the more children we get every year and in day to day basis we request women in the village to come and assist and in that way they get jobs even though they are on temporary basis but that small salary helps them, on top of that women find it easy to go out in search for opportunities as we take care of their children here". (Ben Muyexe Early Childhood Centre principal, Muyexe village, 22 June 2017).
- "I see the activities in the post office improving the lives of women because they come here to make savings on the stockvel groups which they have created and also for their personal savings, the women who work in the women self-help have created business accounts which help them save their profit and the post office has caused women to see the need to create various groups which help them save money, and lastly they get their salaries here". (Post officer, Muyexe village, 22 June 2017).

It was found that there are service facilities which did not serve women. The comments below give an indication of the general response:

- "Women do not use the library and we don't know the reason why but the general assumption is they are not engaged in educational activities hence they do not see the library useful to them, but the good part about it is they encourage their children to visit the library to study and do other things." (Librarian, Muyexe village, 21 June 2017).
- "I feel that if the community markets were operating, women were going to make use of them and sell their cooked and uncooked food, it is one centre which was going to create self-employment for women who are not working but have passion for business because it is only a matter of time we start to see people from other countries doing business in those markets." (Community Secretary, Muyexe village, 21 June 2017).
- "The Thusong Centre must just start to operate because that centre was going to create employment; even though it wouldn't be women alone but at least 50% would be employed as cleaners, security guards, assistants, supervisors, administrators, clerks and data captures" (Community Secretary, Muyexe village, 21 June 2017).

It was the aim of CRDP to ensure that the service facilities which were implemented improve the lives of not women alone but also the entire community. Evidence was also found in the Implementation and

evaluation plan which was developed by the coordinating Department of Rural Development and Land Reform (DRDLR).

4.3 The Contribution of CRDP to Women Empowerment

4.3.1 Benefits Gained by Women

The finding from the study highlighted a number of major benefits that women have derived from various service facilities in Muyexe village. The comments below give an indication of the general response:

- "Women are now able access health services like medication, treatment, family planning methods, proper maternity services and easy access to health services without having to travel long distances, the same goes for their families, meaning taking care of their children and loved once is now easy for them" (Sister in Charge, Myexe Clinic, 21 June 2017).
- "The major benefits which women deprived from the post office are access to financial banking services, financial savings, access to credit, easy mailing access (sending and receiving), quick access to purchases of pre-paid vouchers" (Post officer, Muyexe village, 22 June 2017).
- "Women self-help has benefited women the most especially during the 2010 FIFA world cup year and after 2010, women were able to start their businesses of selling beaded and hand crafted work, it has allowed women to access to capital, it enabled women to be independent and it lead women to other business opportunities" (Women self-help coordinator, Muyexe village, 21 June 2017).

It was found indicated that women are concerned with the manner in which they were supposed to benefit from service centres because many of the service facilities are not operated by residents from Muyexe village, many of the service facilities are not operating after a minimum of 4 years of completion. The comments below give an indication of the general response:

- "Some of the service centres in the village are operated by people outside the village and we do not know how did this matter come about,

because the post office is operated by a woman outside the village, the two employees in the library are not members of the village whereas there are many people in the village." (Community member, Muyexe village, 19 June 2017).

- "I am very worried about the service facilities which are not operating because we would be benefiting from them, for example the community hall would give us jobs of cleaning, cooking during community events and supervision; the markets would help us to be self-employed, the *Thusong Centre* would create jobs for us and also the police station would create many jobs which women would also benefit." (Community member, Muyexe village, 20 June 2017).

4.3.2 The Importance of CRDP

The finding from the study revealed that CRDP was important in Muyexe village. The reason for its importance was that it has brought economic development and growth in the village and other surrounding villages. The comments below give an indication of the general response:

- "CRDP was very important in Muyexe village because now there is economic developed, people now have electricity, water, RDP houses, convenient sanitation and employment and their lives have been easy since the implementation of CRDP. Economically there is growth in the village because there is an in-flow and out-flow of money since there are markets, people have jobs, and others started their business; people have access to security through the police station, they have access to health services through the clinic, they have access to postal and banking services through the post office; a lot can be said but CRDP was very important in the village" (Integrated Development Plan Manager, Greater Giyani Municipality, 23 June 2017).
- "Muyexe village was a very remote village without any sign of development in it, therefore it was very important for the programme to be implemented so that the lives of people in the village could be improved, but the main purpose of CRDP was economic development and growth" (Integrated Development Plan Coordinator, Greater Giyani Municipality, 23 June 2017).
- "The village was very poor, everything was far from us, we had to travel for us to access clinics,

libraries, post office, police station, the standard of living for people in Muyexe was difficult, computer centres, community hall and early childhood centres were a dream for people in Muyexe, therefore for this reason I can say yes, CRDP was important in Muyexe village because it managed to give us all that I have mentioned". (Traditional Authority, Muyexe village, 23 June 2017).

The above response indicated that it was very important for CRDP to be implemented in Muyexe village, evidence of the statement was found in the CRPD implementation plan designed by the coordinating department of Rural Development and Land Reform. The CRDP is premised on a three-pronged strategy which focuses on agrarian transformation, rural development and land reform. The programme is said to be different from past government strategies in rural areas in that it embraces a proactive, participatory, community-based planning approach rather than an interventionist approach to rural development (DRDLR, 2009:3).

4.4 Challenges in the Implementation of CRDP

The findings from the study have revealed that there were challenges and weaknesses which were faced by the implementing office for CRDP. These are the challenges which they say have led to the failure of CRDP in some parts of Muyexe village. The comments below give an indication of the general response:

- "There was poor integration of sectoral departments who were responsible for delivering services and service facilities in the village. This was in a way that responsible offices in sectoral departments were rebellious and did not cooperate hence there are service facilities which are not functioning till today, but we hope that responsible departments will act and those centres will be operational". (Integrated development Plan Manager, Greater Giyani Municipality, 23 June 2017).
- "We experienced a great challenge during the implementation of CDRP in Muyexe village because building material we being stolen, service facilities were being vandalised, this was a bad experience because that meant there would never be enough benefits to distribute among village members. Benefits like computers, jojo tanks, building materials were stolen while other

employees within the projects decided to take more than the required number for distribution in each household. That is how the police station took many years to be completed, the Thusong Centre is not operating together with the computer centre because all the furniture inside have been stolen." (Integrated Development Plan Coordinator, Greater Giyani Municipality, 23, June 2017).

- "Yes we were taught that CRDP will bring service facilities, RDP houses, water, electricity and jobs for people, we are happy and grateful. I was only upset by the way sectoral department did their things, they implemented service facilities and left them like this, they don't tell us what will happen to the computer centre, thusong centre, police station, and the market, they did not tell us what will happen to the people who work in Community Workers Programme because their employments are temporary". (Traditional Authority, Muyexe Village, 23 June 2017).

5. Conclusion

The condition of women living in the village has improved as the result of the implementation of CRDP. According to the finding, women engage in decisions that directly affect them and treated with respect and dignity. For ex women have access to resources such as land, health care, water and electricity. They were taking part in the projects that were designed to benefit the community. Women are allowed to hold leadership positions despite the cultural and traditional practices. However, the participants of the study indicated that women are not satisfied with their working conditions and the income they earn.

The CRDP has facilitated to establish various facility services in order to benefit the local community of Muyexe by establishing a library, recreation center, computer center, early childhood learning center, post office, clinic, road construction and many more. Other projects implemented include water reservation tanks, electricity, toilets and backyard gardens. The infrastructure and service facilities that were developed through the CRDP have major impact in the lives of women in the village. Women have more access to houses, water reservation tanks, and electricity and sanitation facilities. Moreover, the projects initiated by CRDP have benefited women and their family as well as

created employment opportunities and skills training. The CRDP has not fully achieved its purpose of empowering community, women in particular due to several implementation challenges including inadequate coordination, theft and vandalism and nepotism. Hence it is crucial for the policy makers and implementers to look into the different challenges that women are facing and come up with appropriate strategies that will further empower rural women at large in South Africa.

References

- Asha, A.A. 2014. Towards Effective Planning and Implementation of the Local Development Initiatives in Limpopo Province, South Africa. *Mediterranean Journal of Social Science*, 20(5):398-408.
- Batliwala, S. 2007. Putting Power Back in to Empowerment: Open Democracy. New York: Unwin Hyman Ltd.
- Department of Rural Development and Land Reform (DRDLR). 2012. Comprehensive Rural Development Programme Strategy. Pretoria: Department of Rural Development and Land Reform.
- Hodgson, D.L. 2002. Women's Rights as Human Rights: Women in Law and Development in Africa. *Africa Today*, 49(2):3-26.
- Mahmud, S.S. & Beckers, S. 2012. Measurement of Women's Empowerment in Rural Bangladesh. *World Development*, 40(3):610-619.
- Mashamaite, K. & Madzhivhandila, A. 2014. Strengthening community participation in the integrated development planning process for effective public service delivery in the rural Limpopo province. *Mediterranean Journal of Social Science*, 25(5):225-230.
- Mathebula, N. 2014. Service Delivery in Local Government through Socio-Economic Programme: Success and Failures of the Comprehensive Rural Development Programme (CRDP). *Mediterranean Journal of Social Sciences*, 5(20):132-140.
- Moyo, C.S., Francis, J. & Ndlovhu, P. 2012. Grassroots communities' perception relating to extent of control as a pillar of women empowerment in Makhado Municipality of South Africa. *Gender & Behavior*, 10(1):4418-4432.
- Obadire, J. & Mudau, M.J. 2014. Social Networks and Stakeholder Participation in the Comprehensive Rural Development Programme in Limpopo Province, South Africa. *European Scientific Journal*, 10(3):1857-7881.
- Sebilwane, L.J. 2015. Implementation of the Comprehensive Rural Development Programme in Muyexe, Limpopo. Unpublished Masters thesis. Johannesburg: University of Witwatersrand.

Legislative Oversight in the Democratic South Africa: An Analysis of the Effectiveness of Portfolio Committees

A Malapane

Gauteng Provincial Legislature, South Africa

M Madue

Pro Active College (Pty) Ltd, South Africa

Abstract: The legislative sector in the democratic South Africa continues to receive more attention in the public discourse. It has become a subject of interest from various sectors of society not limited to civil society, academics and the media. This interest recognises the importance of the work of the legislature, especially in holding the executive accountable amid an emerging tendency of lack of accountability. In the midst of the attention that the legislative sector receives; questions come to light about its effectiveness. This is mainly regarding whether legislatures have the ability and capacity to hold the executive to account. This paper argues that questions on the effectiveness of legislatures should be directed to the work of committees. Committees are central to the work of legislatures, and they are regarded as the engine rooms. Recently, the work of committees, particularly in the South African parliament, has been on the spotlight, with various inquiries hosted. Yet, questions on the effectiveness of committees persist. Hence, the article provides an empirical analysis on the effectiveness of portfolio committees at the Gauteng Provincial Legislature (GPL). The study has employed a qualitative approach, with the data collected utilising semi-structured interviews, participant observation and document analysis. The findings of this article suggest that to a certain extent, oversight is performed better in committees of the legislature. There are improved relations between the Gauteng government departments and committees. The departments are responsive; yet there are still challenges leading to the illusion of accountability, with limited or no consequences. The study recommends inter alia, follow-up on oversight activities; action against the executive's reluctance; and strengthening the role of research.

Keywords: Accountability, Committees, Democracy, Legislature, Oversight

1. Introduction

Since the advent of democracy in 1994, South Africa has embarked on a process of rebuilding to effect proper governance institutions and systems for the democracy to function. Democracy in the country was introduced through multi-party elections. The multi-party elections have allowed majority of the previously disenfranchised people to vote for the first time to choose their own representatives in a form of political parties. It is for this reason that multi-party elections continue to be associated with democracy as it allows the people to participate in the choice of representatives. This is as compared to other political party systems, particularly a one-party system in which either one party exists or allowed to exist; a system associated with autocratic governments. To contextualise the study, it is argued that the link of multi-party elections to democracy does not represent a complete definition of democracy (Malapane, 2016). It is important to note that while democracy is broadly defined

around voting for a preferred representation (political parties), it should not be confined to voting. Hence, Cheru (2012:267) states that:

"...the fact that the hold of power by undemocratic rulers through the ballot box is fashionable, particularly in the African continent serve as a sobering reminder of the tentative and fragile nature of democracy when the basic conditions such as vibrant legislatures, an independent judiciary, diverse political parties, free press and strong accountability institutions are weakened, and thus unable to act against an often-powerful executive branch of government."

The foregoing alludes that democracy in some countries has not moved beyond holding multi-party elections. It is because holding elections is one thing, while building institutions is the other. After many years of such elections, democracy is fairly stable in some African states than others; Mauritius, South Africa and Ghana are stable as compared to

Kenya, Zimbabwe and Cote d'Ivoire (Emanuel, 2012). Di Palma (1990) in Kiwuwa (2013:272) argues that the good of a democracy is echoed on its institutions, because when a nation builds democracy, it builds institutions. Democratic institutions are basic conditions to ensure stability. This makes the institutions of democracy such as electoral institutions, political parties, civil governments, independent judiciary, and legislatures important as argued in this article. These institutions should assist to promote the rule of law and procedures that constrain abuse of powers and to foster transparency and accountability in government.

In a democracy, it is expected that "the government's action is subject to scrutiny and control, the probability that a government is democratic should be influenced by the legislature's potential to oversee the government" (Pelizzo & Stepenhurst, 2006:2). The assertion stresses the need for strong institutions of accountability; and in this context a strong legislative branch of government. A strong legislative branch as empowered through various sections of the Constitution of the Republic of South Africa, 1996, especially section 55 and 114, empowering the national and provincial legislatures to exercise their powers. It is argued in the article that the legislature's ability and capacity to hold the executive accountable should be evaluated through the work of its portfolio committees. Portfolio committees are central to the work of legislatures; they are responsible for the day to day work not limited to oversight but include public participation and law-making. However, with scant empirical studies and recent events dominating the public discourse sowing doubt on the work of committees, questions around their effectiveness seem not to subside.

This article provides an empirical analysis of the effectiveness of portfolio committees drawing from experiences of the GPL. The article seeks to respond to the question of legislature's ability and capacity to effectively perform the oversight role. Having discussed the introduction and background, the following section outlines the research methodology and approach adopted in this study.

2. Research Methodology and Approach

The study has focused on portfolio committees responsible to oversee key priority departments in the Gauteng province. It is exploratory and

a qualitative methodology was adopted, with semi-structured personal interviews, observation and document analysis utilised to collect both primary and secondary data. With regard to the interviews as the primary data instrument, participants interviewed were purposively selected mainly comprised of committee support staff and Members of the Provincial Legislature (MPLs). As a result, 34 semi-structured personal interviews were conducted. The population comprised 24 support staff and 10 MPLs (current and former). The objectives of the study were to: assess the legislature's ability and capacity to promote transparency through holding the executive accountable; and examine the executive-legislative relations. The Principal-Agent theory was used to define and analyse the relationship between the executive and the legislature in relation to the argument of this paper.

3. Principal-Agent Theory

The utilisation of the Principal-Agency (PA) theory is premised on studies that analyse relationships, in particular between the executive and the legislature. The theory is one of the dominant and extensively used paradigms of analysing public accountability (Gailmard, 2012; Schillemans & Busuioac, 2014). The Principal-Agent (PA) theory derives from economics (Miller, 2005), utilised in the insurance sector and later became useful in other disciplines. The PA theory can be traced back from Max Weber, who is among the first scholars to clearly define the theory in relation and applicable to social, political and related fields of study. In his definition of the theory, Max Weber emphasised the issue of the information asymmetry between the principal and the agent. The information asymmetry is an important aspect in the relationship between two parties. The PA relationship is an asymmetric relation where authority and information are placed in the opposite sides (Miller, 2005:203). This is a situation where the party with authority does not have information to exercise such authority.

According to Waterman and Meier (1998:176), the assumption has been that the bureaucrats and the executive have the advantage regarding information and expertise over elected representatives. Based on this information asymmetry, the authority may be in the hands of the expert, where it is not supposed to be at the first place. The information advantage is also emphasised by Leruth and Paul (2006:8) when stating that "... the agency problem

may arise from the diverging interests of the principal and the agent, and the latter's information advantage". The information advantage may lead to the executive being reluctant to respond to the preferences of the principal. Accordingly, applying the theory in the context of this study, the legislature is regarded as the principal while the executive is the agent (Kofmand & Lawarree, 1996). In this regard, the legislature is required to oversee the executive, and in turn the executive must be accountable and transparent to the legislature in the implementation of government policies and programmes. In relation to the information asymmetry, the executive should be able to provide the required performance information to the legislature. Conversely, Leruth and Paul (2006:192) argue that "... a principal-agent perspective would conceive the accountability problem of unelected governance as one of the potentially drifting agents, where the executive agents are prone to withhold information, serve their own interests and generally eschew accountability". Yet, the focus has been on drifting principals at the neglect of agents; it has always been about principals who neglect their oversight responsibility intentionally or unintentionally.

Developing legislatures in general have always been accused of abandoning their oversight role and have been categorised as weak due to their institutional capacity and limited decision-making role (Abellera, 2011). This suggests that there are serious doubts on whether legislatures have the ability and capacity to carry out their oversight role to hold the executive accountable relating it to the South African context.

4. Systems of Governance in the South African Democracy

Systems adopted have an influence on how a country is governed (Malapane, 2015, 2016). The systems include among others the political party, forms of government and electoral systems. They are crucial in the formation of government. As a premise, the country's democracy was introduced through the adoption of a multi-party system.

4.1 Party Systems – Multi-Party and the Dominant Party System

South Africa has adopted a multi-party system. However, Lanegran (2002) argues that the country has not practiced a multiparty system where at

least two parties enjoy enough share of support to warrant competition to control power. This is because the National Party (NP) and African National Congress (ANC) have dominated government in two different regimes. Apartheid regime was dominated by the NP, while the ANC has dominated the past two decades since the inception of democracy. This has resulted in the country incidentally experiencing a dominant party system. Nkwokora and Pelizzo (2015:460) write that dominant party system takes place where one party wins three or more consecutive elections. Sadie (2011:207) states that dominant party systems are regarded as not conducive to democratic health in any system. This is for the following reasons, among others: without rotation in office, dominant parties find it increasingly difficult to distinguish between party interests and state interests; a dominant party system damages democracy because it may limit the accountability and responsiveness that are created through the key threat of re-election; and dominant parties may also be tempted to concentrate power increasingly in the executive as well as in the central party structures. Furthermore, the study argues that the electoral system might also exacerbate the issues contributing to illusion of accountability.

4.2 Influence of the Electoral System

Popescu (2013:214) states that "... the electoral system in its various forms can cause a mismatch between the expressed will of the electorate to the polls and the distribution of mandates to the representatives". This underlines that the electoral systems have an influence on the behaviour of MPLs and incentivises them to behave in a certain manner. Andre, Depauw and Martin (2006:51) argue that MPLs are well aware of incentives of the electoral system adopted. The wish of MPLs to be re-elected or to sustain their career in the legislature provides a leeway for electoral systems to shape their strategic behaviour (Andre *et al.*, 2014:485). The authors argue that different systems have different incentives whether majoritarian and Propositional Representation (PR). MPLs respond positively to such incentives, motivated by the desire to remain representatives in the legislature. Stoffel (2014:79) writes that in the closed-list PR systems espoused by the country, MPLs rely on their political parties that have the prerogative to decide on odds for re-deployment according to rankings on the party lists. It incentivises legislators to be attached to partisan electoral tides as opposed to gaining personal

support as the electorate vote for parties instead of individuals. This also makes it simple to recall MPLs in the legislature who do not show loyalty to the party when the executive account.

4.3 Executive-Legislative Relations in Parliamentary System

In the parliamentary system, legislatures are central to the process of forming government (Cheibub, Martin & Rasch, 2015:969). It is however cautioned that the levels of influence by legislatures vary from country to country as others vote for a candidate and others for a party, whereas others endorse an already selected candidate. According to Chang (2015:4), the parliamentary system has the President and a cabinet both accountable to the legislature, and they emanate from the majority. In addition, they are sitting MPLs (Venugopal (2015:671) and categorised as the executive branch of the state. The executive owes its existence on the confidence of the majority in the legislature. This however presents both advantages and disadvantages. Kim and Lee (2009:153) on the one hand, state that the advantage of the system is unified power between the executive and the legislature, which enables the legislature to work effectively and provide direct policy response to the changing state of affairs. On the other hand, Shugart and Carey (1992:44) in Siaroff (2003) argue that accountability and transparency are absent due to protective relationships as the majority in the legislature are responsible to form government, and committees of the legislature.

5. The Effectiveness of Committees

Legislatures need to be thoughtful of the central role and powers of parliamentary committees, that is, if they are to effectively carry out their oversight mandate (Nijzink & Piombo, 2004:6). Committees exist in various types of legislatures (Ahmed, 2011:11) and in the parliamentary system they become representative in non-partisan composition worldwide. This enables them to perform their oversight function better. In the parliamentary system the executive emerges from the majority in the legislature, which in terms of the executive-legislative relations, it may somehow lead to protective relations. Hence, the composition of committees should take into account the total number of all MPLs, with the rights of minorities in mind when establishing committees, propositional to the

number of seats won during elections. Ziobiene and Kalinauskas (2010:29) argue that much of the work of legislatures takes place in committees, and for this reason, committee composition is according to legislative work and specialisation. Committees deal with details of legislation and policies, and this lays the groundwork for potential decisions of legislatures. The important role played by parliamentary committees cannot be discarded; instead it needs to be elevated.

Ahmed (2011:12) argues that for the legislature to be strengthened without compromising the executive, committees need to be fully utilised. Conversely, Madue (2013:42) stresses that the work of legislatures is extensive and requires more time, yet committees perform most of this work. For example, with the limited time, committees reduce the workload of legislatures by providing a platform to deal with details of reports, thereby make direct contribution to policies. This suggests that committees are fully utilised, perhaps the issue may be on whether they are effectively used. Fashagba (2009:454) states that "...committees, it should be noted, are the centres of action and engine rooms of modern legislatures; in fact, oversight appears largely better handled and performed by committees". They provide for avenues to enable legislatures to interact with the public and external tools of oversight, and to engage the executive directly. However, Yamamoto (2007:15) argues that not all committees perform oversight. This allows to further state that various legislatures establish a committee system, and for this cause, each legislature has its individual system.

Since the parliamentary system is emphasised as a bone of contention in this article, Madue (2013:42) argues that it may be categorised into two kinds of committees which are standing committees and portfolio committees. The functioning of these committees is dependent on various factors. The size of a committee is one of the distributional and institutional factors for effective oversight, and is noted as a root of committee power together with tenure, jurisdiction, assignment process and level of staff (Khmelko & Beers, 2011:503). In addition to these factors, Obiyo (2013:105) cites the 2005 Griffith report that effective parliamentary oversight committee requires the basic elements, including among others, committees' independence from the executive's influence; sufficient powers to call for and examine witnesses and articles; adequate

information to render the agency accountable; resources commensurate with the functions the committee is required to perform; and implementation of the committee's recommendations for reform by the executive.

The elements are considered as determining factors for the success or rather the effectiveness of committees when they are executing their day to day work, in particular the oversight role. This oversight role entails the legislature's ability and capacity to promote executive transparency and accountability. The elements underline the complexity surrounding the relationship between the executive and legislatures, which committees have to confront in the performance of their oversight role. The relationship is rooted on the legislature's independence, powers, information asymmetries, capacity, and shared decision-making as outlined by Johnson (2005). Therefore, the basic elements for ensuring the effectiveness of committees are important.

The foregoing also underscores the significance of committees in parliamentary oversight, and in turn with the afore-mentioned basic elements parliamentary committees might be effective. In addition, Burnell (2002:294) asserts that:

"...Information dissemination, monitoring and reviewing the actions of government to hold it accountable, and playing a key role in policy making as well as taking government to the public are among the functions of parliamentary committees".

Friedberg (2013:306) writes about oversight centres on a vigorous committee system, but affirms that, while professional staff in committees may advance its work, members of legislatures serving in many committees weaken them. The latter is because members of legislatures may have little time to spend on the work of all those committees and may have to prioritise some committees at the expense of others. This is mentioned as one of the parameters for oversight potential of committees, which may lead to poor attendance of members (absenteeism) in some committees. The parameters to examine oversight potential include among others, members in several committees simultaneously; sources of information relied on in the discussions; professional adversary staff; seniority of members; and professional background of

members (Friedberg, 2013:530). Although most of the literature emphasises the importance of parliamentary committees, Burnell (2002:292) argues that committees have little effect when stating that:

"...Committees have minimal effect in making government accountable, notwithstanding their hard work and the commencement of a programme. Effective accountability demands not just that the executive is required to give account of its conduct but that the structures of bodies that should hold government to account are enforceable. It is in the matter of enforceability that committees are most deficient".

The foregoing assertion does not abate the standing of parliamentary committees; however, it questions its effectiveness, whose impact, as revealed by the literature, is difficult to measure. Burnell (2002) concedes that committees do play a part in influencing the conduct of the executive in various ways. It should be noted that there is a gap in the universal scholarship in terms of the effectiveness of committees. When studying committees in Bangladesh and Zambia, Ahmed (2001) and Burnell (2002) pointed out that in the two countries and elsewhere, the origins of committees are owed to constitutions of respective countries, which make their role central. In the South African context, the aforesaid is a reality. The Constitution, in Section 56 outlines that committees have powers to summon any person to appear before it, and give evidence on oath or to produce documentation on its actions or lack thereof.

6. The Gauteng Legislature as the Representative Body

The GPL upholds representative democracy which is ushered through a form of democratic national and provincial elections held by South Africa (SA) every 5 years to allow the people to elect their representatives.

Table 1 on the following page illustrates how different political parties have been represented in the GPL since 1994 to 2014. This shows the multiparty system adopted and the dominance of the ANC since 1994, which is a feature of a dominant party system as alluded to by Nkwokora and Pelizzo (2015). In addition, Table 1 depicts party system change, with the ANC slowly losing its dominance in the legislature towards entrenching the

Table 1: Representation of Political Parties in the GPL

Event	Date	ANC	DP / DA	NP / NNP	COPE	EFF	IFP	VF / VF+	ID	ACDP	UDM	Others
1994 election	27 April 1994	50	5	21	—	—	3	5	—	1	—	1+
1999 election	2 June 1999	50	13	3	—	—	3	1	—	1	1	1
2003 floor-crossing	4 April 2003	50	12	3	—	—	3	0	1	1	1	2
2004 election	14 April 2004	51	15	0	—	—	2	1	1	1	1	1
2005 floor-crossing	15 Sept 2005	51	12	—	—	—	2	1	1	1	0	5
2007 floor-crossing	15 Sept 2007	51	13	—	—	—	2	2	2	1	0	2
2009 election	22 April 2009	47	16	—	6	—	1	1	1	1	0	0
2014 election	7 May 2014	40	23	—	0	8	1	1	—	0	0	0

Source: https://en.wikipedia.org/wiki/Gauteng_Provincial_Legislature

multiparty system as adopted. The weakening in representation of the dominant party has changed representation. In the 2014 elections the ANC was reduced to 40 representatives in the GPL; and in turn, it had to appoint the Premier and 10 members of the Executive Council (MECs) among its MPLs. As a result, it remains with 29 members versus 33 from opposition parties to take care of the day to day business of the legislature. The reduction implies that the ANC is now overstretched when it comes to allocating MPLs to the 17 committees responsible to oversee the Gauteng Provincial Government (GPG) Departments. This means that the ANC no longer enjoys the overwhelming majority and on average, each committee is served by 6 members. The ANC continues to ensure that it leads committees, with most if not all, chairpersons belonging to it. This is one of the factors discussed in the literature that weakens legislatures as committees become smaller in size, and also leads to absenteeism. As observed, MPLs from all parties prioritize attendance of some committees at the neglect of others.

6.1 The Nature of the Executive-Legislature Relations on Oversight

The findings of this article revealed that participants are of the view that the legislative-executive relation remains complex due to the systems of governance prevalent in the South African legislative sector. The systems have unintentional consequences, which create a rather dominant executive over the legislative branch. This is in reference to the party system, electoral and form of government as discussed in the literature. The PR system adopted gives political parties the authority to decide on who should represent them. To some extent, this weakens the legislature as most if not all representatives deployed

as MECs by the ANC are senior party members. One of the participants said that "imagine the MEC Paul Mashatile who is the chairperson of the ruling party in the province and the MEC for Human Settlements expected to be held accountable by the chairperson who is a junior in the party". Nevertheless, most of the participants are of the view that the relationship between the executive and committees has improved. There is a good working relationship between the GPG departments and committees. This pertains to departments appearing before committees to account, since previously there was reluctance from the executive. As discussed in the literature, the executive's reluctance to cooperate is one of the challenges facing legislatures. Currently, the relationship has moved to become reciprocal in which the executive further takes initiatives to inform committees about their programmes outside the quarterly and annual reporting.

6.2 The Executive's Responsiveness to the Requests of the Legislature

The findings suggest that there has been an improvement in the responsiveness of the GPG departments and their agencies to questions, resolutions and requests for information. This is positive as the PA theory suggests that where the executive is prone to withhold information, there is lack of accountability. One participant said that "there is an improvement in committees as they used to struggle to receive responses although I may say, there is little improvement noting the challenges". The participants allude that the quality of the responses and complying with the timeframes set by the legislature and its committees remain a challenge. On the one hand, the information provided to committees and responses are sometimes vague, and may not be

a true reflection of the events that took place. On the other hand, the delays in responding obstruct committees to hold the executive to account as committees mostly depend on the information provided to ensure effective oversight (Obiyo, 2013). Thus, when the information requested is received late, issues may have been overtaken by other events and in some instances, situations could have worsened when responses are received.

6.3 Actions Taken for the Executive's Reluctance to Cooperate and Respond to Requests

Most of the participants are of the view that while acknowledging the improvement in the responsiveness of the executive, there are areas requiring attention. The grey areas are exacerbated by lack of actions taken for the executive's reluctance to account for its performance. This is a grave challenge as discussed in the literature. Committees are most deficient in matters of enforceability (Burnell, 2002). The executive's reluctance in relation to the improvement discussed, mainly consists of the delays in providing responses and vague responses provided to committees, although this is not to discard the fact that there are some instances where the responses to requests, questions and resolutions are not provided at all. Most of the participants agree that this is a serious concern facing committees of the GPL, which has been emphasised over the years. One participant said that "the only time I remember a portfolio committee taking action for a GPG department's unwillingness to provide the required information was on the Portfolio Committee of Social development. When it appeared before the portfolio committee, the Gauteng Department of Social Development (GDSD) was not allowed to continue with its reporting, and was instructed to go back and prepare what is required".

6.4 The Influence of Partisanship in the Decisions of Committees on Oversight

As discussed in the literature, the participants agree that committees offer a suitable platform for MPLs to work together without political grandstanding and competition, something that happens in the house plenary in debates and oral questions. Committees always strive to reach decisions through consensus to eliminate partisan views. Interestingly, there is a good working relation between the parties mostly

represented (ANC & DA) based on the results of the last elections. Some of the participants however caution against some support staff who seem to forget that they are supposed to serve committees in non-partisan ways. One participant said that "the staff go to the extent of aligning to certain political offices, and this obstructs oversight in committees".

6.5 Protective Relations Between Committee Chairpersons and the Executive

The participants stress the importance of the relation between Committee chairpersons and MECs, which is central to holding the executive to account. At most, MECs enjoy a senior status over the chairpersons who are from the same party; because of the systematic issues. As discussed in the literature, this is because in the closed-list PR system adopted, deployments are done based on rankings in the party lists. One participant stressed that "the MECs have a senior status over the chairpersons of committees, and being an MEC is viewed as a promotion that is desired by chairpersons". The nature of the relation results into a cosy relationship where chairpersons protect MECs to evade being accountable to committees. This manifests through MECs absence in consecutive meetings and attempting to sway MPLs against asking certain questions as well as sometimes responding on behalf the executive. This protection of the executive by the Committee chairpersons obstructs the exercising of effective oversight.

6.6 Available Capacity to Support the Work of Committees of Legislatures

Most of the participants highlight that there is capacity and professional support to committees coming from various units and role players. The participants put an emphasis on the available capacity and support committees receive from committee researchers. The committee researchers provide committees with objective analysis and verification of the performance of the executive. It has been discussed in the literature that sources of information, professional staff and MPLs' professional backgrounds are some of the parameters to determine oversight potential. Over the years, the GPL has built capacity and support; this is with reference to various units providing professional support, among others, Committees Support, legal and Information officers. Committees have on average of 8 support staff. There is also capacity among the

MPLs in general. However, the participants stress that there is a need for continuous capacity building programmes since there are MPLs and support staff who are lacking capacity. One participant further said, "not all parties deploy MPLs based on their interests and specialisation", and this is to recognize DA's efforts. Furthermore, while the GPL has built institutional capacity to address capacity challenges, it still does not match the capacity, in particular the expertise, skills and resources in the hands of the executive.

6.7 Views, Opinions and Experience on the Effectiveness/Usefulness of the Oversight Role and Oversight Tools Utilised by Committees

The participants believe that the tools of oversight utilised in committees are effective than those used in the house. As discussed in the literature, the emphasis is on the nature of oversight that exists in committees. Committees in their nature endeavour for low partisanship, while it is the contrary in the house where partisanship and politicking is the order of the day. There are however varied responses in terms of the effectiveness of the oversight role of committees as most of the MPLs interviewed are of the view that it is effective, while most staff it is not. Yet, after further probing, most support staff are of the view that it is effective, while a few continue to hold a view that it is ineffective despite saying some of the field-based oversight tools such as oversight visits are effective.

6.8 The Legislature's Ability and Capacity to Generate Own Information

As discussed in the literature, the legislature requires detailed information in order to demand for accountability; and in turn it depends on the executive's willingness to provide timely, accessible and adequate information when requested. To a certain extent the executive is still reluctant or intentionally withhold information (Leruth & Paul, 2006). The legislature should be able to generate its own information; and most of the participants assert that the legislature has that ability and capacity. There are different tools and mechanisms utilised by committees to generate their own information. Such tools and mechanisms include fieldwork research, independent verifications and oversight visits, as well as external reports from research institutes and Chapter 9 institutions. Although, the

participants assert that the tools and mechanisms have proven to be effective, they are not utilised to their full potential when conducting oversight. Conversely, one participant believes that "the usefulness of the information collected depends on various factors, particularly the chairperson of the committee". The mechanisms however give the GPL information advantage to bridge the gap relating to information asymmetry, where the executive is dominant. Therefore, the executive has to verify and ensure that performance information and reports submitted to the GPL committees are accurate and transparent. This has positive effects to attaining transparency and accountability and to foster improved performance information.

7. Factors Contributing to Weaknesses in the Oversight Role

The participants allude to time constraints; bureaucratic internal processes and procedures; and lack of understanding of roles and responsibilities by some in the support provided to committees. As discussed in the literature, time constraints have been stressed as the main factor. Committees have to ensure that they consider all the reports and bills referred to the legislature and at the same time, implement their own plans. On average, committees have four meetings in a quarter. There are two days for committee work in a week and the other days are constituency days for MPLs, among others. Committees are clustered to avoid conflicts in the programmes of MPLs and to ensure that various committees have the required number of MPLs to function effectively. The second major factor is that MPLs are overstretched as most serve in more than one committee, depending on the number of seats a party won in elections. As discussed, this weakens the legislature. In addition, MPLs have party work and serve other sub-committees in the legislature or in their caucuses. The foregoing is compounding the time limits because when committees deal with the programme, they have to also consider MPLs' busy schedule. One of the participant said, "party work and conflicting schedules are the main reasons given for MPLs' absence in committee engagements".

8. Conclusion and Recommendations

The systems of governance espoused in our democracy have much influence on the legislature and MPLs. Yet, they have less influence on the work of committees as compared to the house. Committees

perform their oversight work well and they are a suitable platform for MPLs to exercise oversight over the executive. The relationship between GPG departments and committees has improved, and is reciprocal. Committees have the ability and capacity to perform their work and generate their own information. As the legislature continues to build capacity to ensure that it is independent from the executive's dominance in performing its oversight role, the influence of systems espoused cannot be easily discarded. Furthermore, committees are smaller in size and MPLs are overstretched; this is exacerbated by time constraints. While committees might be effective, there are challenges related to delays and vague responses by the executive, with limited or no consequences. The study recommends follow-up on oversight activities; committee action against the executive's reluctance to be responsive; strengthening the role of research, relying on empirical studies and collaboration with external research institutions; and regular interactions between the executive and the legislature, outside quarterly reporting. In addition, there should be regular training and development for MPLs and support staff; strengthen collaborations with other oversight institutions; and finding a balance between the utilisation of field-based oversight vis-à-vis in-house oversight mechanisms. Furthermore, MECs should always be available when departments appear before committees, and they should be accountable.

References

- Abellera, E.M.V. 2011. *Explaining legislative oversight in the Philippine sub-national governments: Institutional impediments in good governance*. In H. Kimura, H.M. Suharko, A.B. Javier & A. Tangsupvattana (eds). 2011. Limits of good governance in developing countries. Indonesia: Gadjah Mada University Press.
- Ahmed, A. 2011. Parliamentary oversight and its role in ensuring constitutionalism and accountability under the FDRE Constitution. *Masters dissertation published in the Addis Ababa University*.
- Ahmed, N. 2001. Parliamentary committees and Parliamentary government in Bangladesh. *Contemporary South Asia*, 10(1): 11-36.
- Andre, A., Depauw, S. & Martin, S. 2006. The classification of electoral systems: bringing legislators back in. *Electoral studies*, 42:42-53.
- Andre, A., Depauw, S. & Martin, S. 2014. Electoral systems and legislator's constituency effort: The mediating effect of electoral vulnerability. *Comparative Political studies*, 48(4):464-496.
- Burnell, P. 2002. Legislative-Executive Relations in Zambia: Parliamentary Reform on the Agenda. *Journal of Contemporary African Studies*, 21(1):47-68.
- Chang, A.C.H. 2015. Vertical Accountability in the Semi-Presidential Regimes: A micro-level prospective. *International Journal of Intelligent Technology and Applied Statistics*, 8(1):1-15.
- Cheibub, J.A., Martin, S. & Rasch, B.E. 2015. Government selection and executive powers: Constitutional design in Parliamentary democracies. *West European politics*, 38(5):969-996.
- Cheru, F. 2012. Democracy and people power in Africa: still searching for the political kingdom. *Third World Quarterly*, 33(2):265-291.
- Emmanuel, K. 2012. Political and democratic trends in Africa: is democracy working? An overview. *African Security Review*, 21(3).
- Fashagba, T.Y. 2009. Legislative Oversight under the Nigerian Presidential system. *The Journal of Legislative Studies*, 15(4):439-459.
- Friedberg, C. 2013. Oversight by the State control committee in the Israeli Parliament: form of accountability under stress. *Israel Affairs*. 19(2):306-320.
- Gailmard, S. 2012. *Accountability and Principal-Agency Models*. Chapter prepared for the Oxford Handbook of Public Accountability; Forthcoming, Oxford University Press.
- Johnson, K. 2005. *The role of parliament in government*. The World Bank Institute Working paper, The World Bank, Washington DC.
- Khmelko, I.S. & Beers, D.J. 2011. Legislative oversight in the Ukrainian Rada: Assessing the effectiveness of parliamentary Committees. *Journal of Legislative Studies*. Vol. 17(4): 501-524.
- Kim, Y. & Lee, S. 2009. Constitutional designs and democratisation in the third world. *Journal of Third World Studies*, XXVI, 1.
- Kiwuwa, D.E. 2013. Democracy and the politics of power alternation in Africa. *Contemporary Politics*. 19(3):262-278.
- Kofmand, F. & Lawarree, J. 1996. On the optimality of allowing collusion. *Journal of Economics*, 61(3):383-407.
- Lenegram, K. 2002. South Africa's 1999 Election: Consolidating a democratic party system. *Africa Today Review*. Accessed on 12 June 2015.
- Leruth, L. & Paul, E. 2006. *A Principal-Agent theory approach to public expenditure management system in developing countries*. IMF Working paper, WP/06/204, International Monetary Fund, United States of America, Washington, D.C: University of Liege.
- Madue, S.M. 2013. The Role of Oversight in Governance. *Loyola Journal of Social Sciences*, XXVII(1):37-56.
- Malapane, A.T. 2015. Effective Oversight in the South African Legislative Sector: A Demand for Accountability. *Journal of Public Administration*. Vol.50 (4):863-872.
- Malapane, A. 2016. Holding the Executive Accountable: Parliament as the beacon of hope to the people. *Journal of Public Administration and Development Alternatives*. Vol.1 (1):135-149.

- Miller, G.T. 2005. The Political Evolution of Principal-Agent Models. *Annual Review of Political Science*, 8: 203-225.
- Nijzink, L. & Piombo, J. 2004. The Institutions of Representatives Democracy. *Centre for Social Science Research*. University of Cape Town.
- Nwokora, Z. & Pelizzo, R. 2015. The Political Consequences of political system change. *Politics and Policy*, 43(4):453-473.
- Obiyo, R. 2013. Oversight of the Executive in the Eastern Cape Province, South Africa: *Journal of Contemporary African Studies*. Vol. 31(1):95-116.
- Pelizzo, R. & Stapenhurst, R. 2006. *Democracy and oversight*. SMU Social Sciences & Humanities working paper series: Singapore Management University.
- Popescu, R.D. 2013. Distortions within representative democracy – the influence of the electoral system on representation. Available at: <http://heionline.org>. Accessed on 12 February 2015.
- Republic of South Africa (RSA). 1996. *The Constitution of the Republic of South Africa 1996*. Government Printer: Pretoria.
- Republic of South Africa (RSA). 2014. Available at: www.gpl.gov.za. Pretoria: Government Printer. Accessed on 11 July 2016.
- Sadie, Y. 2011. *Political parties and elections* (184-210). In Venter, A. & Lendsberg. *Government and Politics in South Africa*. 4th edition. Pretoria: Van Schaik Publishers.
- Schillemans, T. & Busuioc, M. 2014. Predicting Public Sector Accountability: From Agency Drift to Forum Drift. *Journal of Public Administration Research*. Oxford University press.
- Siaroff, A. 2003. Comparative presidencies: The inadequacy of the presidential, semi-presidential and parliamentary distinction. *European Journal of Political Research*, 42: 287-312.
- Stoffel, M.F. 2014. MP behaviour in mixed-member electoral systems. *Electoral studies*, 35:78-87.
- Venugopal, R. 2015. Democracy, development and the executive presidency in Sri Lanka. *Third World Quarterly*, 36(4):670-690.
- Waterman, R.W. & Meier, K.J. 1998. Principal-Agent Models: An Expansion? *Journal of Public Administration Research and Theory*, 2:173-202.
- Yamamoto, H. 2007. *Tools for parliamentary oversight: A comparative study of 88 national parliaments*. Switzerland: Inter-Parliamentary Union. Accessed on 10 May 2017.
- Ziobiene, E. & Kalinauskas, G. 2010. The necessity of parliamentary oversight and the main subjects of parliamentary oversight in Lithuania: Parliament committees of the SEIMAS. *Social Sciences Studies*, 1(5):12-39.

Translating Policy into Practice: Challenges in the Implementation of Local Economic Development (LED) Projects in Greater Tzaneen Municipality in Limpopo Province

LE Malele*

Limpopo Provincial Department of Education, South Africa

T Moyo

University of Limpopo, South Africa

Abstract: Local Economic Development (LED) is an important strategy which the South African government introduced in order to achieve socio-economic development at the local level. It aims to boost economic activities that benefit local communities in a sustainable manner and also to enhance the competitiveness of the local economy. Cognisant of its development potential, the government has developed a National LED Policy Framework in order to guide municipalities. The study focuses on the Greater Tzaneen Municipality in Limpopo Province. Although it has implemented many LED projects in the context of Integrated Development Planning (IDP), the translation of the LED policy into practice has been limited. The study therefore aims to develop a more holistic understanding of the dynamics of local economic development initiatives and implementation challenges in the municipality. Its ultimate objective is to explore options to address those challenges so as to ensure that policy effectively achieves the intended results. The research adopts a qualitative research design. Its rationale was to gain more in-depth knowledge and insights on the dynamics and complexities of the translating LED policy into practice. Face to face interviews were used to collect data from a small sample of 10 participants composed of project participants and municipal officials. The paper presents findings that point to *limited* success in implementation of LED, with major challenges consisting of obstacles posed by outstanding land claims and also the lack of the necessary financial and human resource capacity required. *The paper's value addition lies in the presentation of the myriad of management challenges in the context of the municipality and the subsequent recommendations towards improving LED implementation.*

Keywords: Local economic development, Local government, Outstanding land claims, Sustainability

1. Introduction

South Africa is one of the few countries in Sub-Saharan Africa that has been officially embarking on LED projects for some time. Projects are a popular tool globally in efforts towards achieving development. Often they are implemented within the framework of a long-term developmental agenda in which they contribute towards specific goals. In South Africa, the project tool is widely used particularly in the context of local government. Generally, projects are supposed to be informed by broader policies at national and local level. Under the Constitution of the Republic of South Africa (1996) Chapter 7, the government has introduced local municipalities under district municipalities in each of the 9 provinces to ensure the implementation, management and sustainability of Local Economic Development (LED). The White Paper on Local Government (1998)

provides the context and the direction for the role of municipalities in economic development. Provincial governments are responsible for monitoring the implementation of policies by local government.

Even though local government is not directly responsible for creating jobs, however, it is responsible for ensuring that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities. Rogerson (2010:489) argues that the limited success of LED projects is partly attributed to the welfare focus adopted by some municipalities. This is contrary to LED policy. This misunderstanding has undermined the credibility and significance attached to LED. Municipalities are therefore faced with the mammoth task of ensuring effective implementation, management and sustainability of the LED projects that are geared towards job creation, poverty alleviation and skills development.

* The author is a Masters student at the Turfloop Graduate School of Leadership

The Greater Tzaneen Municipality (GTM) has been implementing a number of projects over the years. Although it has achieved some successes, it has faced many challenges. This paper therefore aims to assess the extent to which the municipality has managed to translate policy into practice in terms of how it has implemented and managed its LED initiatives. The specific objectives of the paper are to: i. critically examine the relationship between LED policy and implementation mechanics; ii. assess the challenges faced in the implementation of LED projects; iii. propose strategies towards improving LED implementation.

2. Methodological Approach

This paper is based on a research project in which a mixed methods research design was used to collect and analyse data based on a sample of 60 participants. These included ward councillors, ward committees, project leaders and community stakeholders. This paper, however, focuses on the qualitative aspects of the study where a sample of 10 was selected using purposive sampling. Results of the quantitative part of the study were reported elsewhere. Key municipal officials directly involved in LED and those who have more knowledge and information concerning LED implementation were identified by means of purposive sampling technique and key research questions. In terms of LED policy, how is LED supposed to be implemented? (Institutions, processes, resources). What are the mechanisms for implementing LED in the Greater Tzaneen Municipality? ii. What are the challenges faced by the municipality in implementing LED? iii. What strategies are necessary to improve implementation of LED?

3. Description of the Study Area

Greater Tzaneen Municipality is the largest municipality of four municipalities that fall within Mopani District municipality. The municipality visions itself as "the fastest growing economy in Limpopo where all households have access to sustainable basic services". Their mission statement is to stimulate economic growth through sustainable, integrated service delivery and partnerships. The municipality is the only one in Mopani District if not Limpopo Province which has a functional and sustainable economic development agency. The Greater Tzaneen Economic Development Agency (GTEDA) came into being in 2006 in order to manage the implementation of the Greater Tzaneen

Economic Development Strategy. The Independent Development Corporation (IDC) funded the establishment of the agency on a 60/40 basis with IDC funding 60% of the capital and the municipality contributing 40%. GTEDA is advancing and leveraging the development and job creation potential inherent within the municipality.

The Municipality has a strong economy with well-established agricultural, tourism and commercial activities as well as supporting infrastructure. Tzaneen contributes 20,3% to Mopani District's GDP, which is the second highest followed by Ba-Phalaborwa Municipality 47%. Of all the activities taking place in Mopani District, 43% of all agricultural activities and 38,3% of manufacturing takes place in Tzaneen (GTEDA, (GTM IDP 2018/2019:131)).

4. The Legislative and Policy Framework for LED in South Africa: An Overview

One of the achievements of the country includes a comprehensive legislative and policy framework to guide the design and implementation of LED. We cite a few but major policies. The White Paper on Local Government (1997) clearly states that local government is not responsible for creating jobs. Rather, its role is to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities. Section 25 of the Local Government Municipal Systems, Act 2000 (Act 32 of 2000), mandates all municipalities to adopt a single, inclusive strategic plan for the development of its area of responsibility. The National Framework for Local Economic Development (2006) provides a vision for creating "robust and inclusive local economies, exploiting local opportunities, real potential and competitive advantages, addressing local needs and contributing to national development objectives" (Department of Provincial and Local Government (DPLG), 2006:17). The framework has specific guidelines which emphasize a market-based approach to LED to ensure its sustainability. They also emphasize a participatory, multi-stakeholder approach for an inclusive and sustainable LED. What is evident in all these frameworks and policies is that in terms of policy, there is clarity as to what LED is, how it must be designed and implemented. At the level of the municipality, the GTEDA, in its Concept Document (2006), is responsible for LED. The interest of this study was to find out precisely how LED policy has been translated into practice in the case of the GTM.

5. Literature Review

The purpose of the review is to identify existing theoretical frameworks which link policy to implementation. It is also to summarise findings from other studies which may speak to similar issues. The objective behind the exercise is to identify any gaps and therefore locate the present study and how it can add value to existing knowledge.

5.1 Theoretical Framework

Meyer and Venter (2013:93) define LED as a participation in which local people from all sectors jointly work together to stimulate local commercial activity, resulting in a resilient and sustainable economy. Pretorius and Blaauw (2008:156-157) emphasise the importance of participation in LED by communities so that they become participants in their own development rather than be objects of development. Similar views on LED are given by Goga, Murphy and Swinburn (2006:27) and Sibisi (2009:5). They conceptualise LED as development of a territory, specifically aiming at stimulating the local economy to grow, compete and create jobs, by making better use of locally available resources. Clearly, there is consensus that LED is about growth of a local economy and that it should create jobs and yield other benefits for communities.

With respect to theoretical approaches which attempt to explain how policy is translated into practice, the literature has a variation of perspectives. There are those who argue that due to lack of clarity about what LED is, it is difficult to explain the policy-practice interface. For example, Jones *et al.* (2009:3) contend that 'our collective understanding of the dynamics of the knowledge-policy-practice interface in developing country contexts is still in a fledgling state'. This view is corroborated by Hofisi, Mbeba, Maredza and Choga (2013:593) who posit that the conceptualisation of LED is theoretically unclear and underdeveloped, so much so that this erodes the capacity of municipalities to successfully conceptualise and implement strategies for LED. Rowe (2009a:3), Maloka, Mashamaite and Ledwaba (2014:221) echo similar sentiments when they argue that 'while there is substantial theoretical base for the growth of local economies and highly palpable efforts in LED, the evidence base on the practice of LED is absent or minimal'. All the above views essentially suggest that it is actually difficult to map out the modalities of a policy-practice interface in the case of

LED primarily due Khandaker and Khan (2016:538) share similar views with Koma (2014:43) by arguing that policy implementation involves translating the goals, objectives and decisions of policy into action. DeGroff and Cargo (2009:47) state that policy implementation reflects a complex change process where government decisions are transformed into programs, procedures, regulations, or practices aimed at social betterment. They argue that policy implementation depends on a number of factors such as: i) networked governance, by which they mean a world in which there are multiple institutional actors whose cooperation is required to turn policy into reality (Agranoff and Mcquire, 2003:16). De Groff and Cargo (2009:47) explain that networks can vary in structure, size, and complexity and are referred to by various terms, including *partnerships*, *coalitions*, and *consortiums*; ii) power differentials where some actors have greater influence than others owing to differences in status, resources, formal authority, access to information, and expertise; iii) socio-political context: The authors explain that some political interests can block the implementation of particular policies; iv) Existence of partnerships, coalitions, and consortiums with key stakeholders; and v) new public management (issues about efficiency and effectiveness of implementation. Because it is comprehensive in scope, the authors adopted the approach by De Groff and Cargo in reviewing literature, in designing the data collection instrument and subsequently, in the analysis of results.

5.2 Review of Evidence and Existing Studies on LED Policy Translation and Implementation in South Africa

Evidence from the literature suggests that LED has largely been unsuccessful in South Africa. This would suggest that basically, the mechanisms for translating policy into practice have failed. We summarise here some of the studies that led us to such a conclusion. Seduma (2011:14) cites the ideological challenge when he cites authors who argue that LED policies in the South African context are 'at odds with the prevailing neo-liberal macro-economic strategy of the country, creating tension as to whether LED should be about pro-poor or pro-growth intervention or both'. This factor could have limited policy implementation. This view is supported by Whitfield and Steenkamp (2012:81) who point out that LED in some municipalities is viewed more as community-based initiatives that primarily seek to ensure survival, rather than

empowerment through access to wider markets. Other scholars such as Lawrence and Hadingham (2008:45) and Rogerson (2009:61), conclude that generally LED is "not taken seriously" by many local governments; that LED is generally relegated to a "backroom function" or treated as a minor issue on the agenda of municipalities. Seleballo (2008:39) and Malefane (2009:156) also reflect similar views when they argue that challenges and constraints faced by municipalities inhibit them from making any meaningful impact into the lives of the people they are meant to benefit.

Davidson and Mclaghlin (1991:1) cited in Moyo (2007:1) emphasize the issue of visionary leadership and management in the implementation of LED strategies. They argue that implementation of LED requires building of capacity at the local sphere, the creation of a critical mass of visionary leaders within municipalities who can serve as the driving force for comprehensive, pro-poor, community-driven and transformational local economic development. The DPLG (2003:65) emphasizes that the implementation and delivery of LED projects and programmes requires sound management. In many municipalities, LED is considered either a "dumping ground" for ineffective officials or only a stepping stone for competent local government personnel because of constrained career prospects (Rogerson, 2009:61). These attitudes appear to translate into lack of professionalism within LED departments. These challenges are compounded by the fact that LED is not equipped with competent staff and most staff attached to it do not have a single qualification in RLED. In some instances, ineffective officials are placed in the LED unit. Furthermore, many local municipalities do not see LED as important but rather as an unfunded mandate.

Due to challenges faced by municipalities in implementing LED, in recent years, a new approach has emerged, which is the establishment of Local Economic Development Agencies (LEDAs) (Bartlett, 2009a, IDC, 2009a, 2009b, 2009c) as cited by Rogerson (2009:57). Of the 30 in existence, at least 20 have been funded by the Industrial Development Corporation. At the level of the municipality, the Greater Tzaneen Economic Development Agency (GTEDA), an entity of GTM, in its Concept Document (2006), is responsible for LED. The agency was established following an agreement between the Industrial Development Corporation (IDC) and Greater Tzaneen Municipality (GTM) to advance and

leverage the development and job creation potential inherent within Greater Tzaneen Municipal area.

6. Findings and Discussions

GTEDA has been successful in a number of projects. For example, the establishment of a Greater Tzaneen Community Radio Station known as (GTFM) for Tzaneen, which started broadcasting in March 2011, demonstrates how local economic development can be achieved through partnerships. This community radio station project is the Greater Tzaneen Economic Development Agency (GTEDA)'s initiatives. The funding of R2m was secured from the Media Development Diversity Agency (MDDA,) and R50 000 from Limpopo Premier's Office for use to procure technical equipment, office space and staff. The radio station was established as a Section 21 Company in terms of Act 61 of 1973 that allows for a 'not-for-profit company' or 'association incorporated not for gain'. The GTFM adds value to LED because it is dedicated to economic and social issues, creating a platform for the local community, particularly the youth in Tzaneen, and to encourage them to take part in local political and socio-economic decisions (GTEDA, 2006).

One of the projects that has made an impact in job creation and social empowerment is the leather making project operated by Monye-Le-Shako Co-operative. GTEDA established a co-operative of 17 people who make leather goods by manufacturing products like jackets, shoes, sandals, handbags and belts at their factory in Nkowankowa Township in the outskirts of Tzaneen CBD. The co-operative has the potential to expand and create more jobs in the future.

GTEDA has made a positive contribution in promoting linkages between different sectors, such as promoting a close relationship between the farming, goods production and retail projects. There is also a link between the livestock improvement project that will produce animal skin, which in turn will be used in the leather-making factory, whose goods will be sold in the local shopping centres. This is the promotion of the green economy at its best where locally produced goods are processed, manufactured and sold at local markets.

GTEDA has successfully brought the Internet closer to the people by setting up Internet cafes in Lenyenye Township, 21 km outside Tzaneen. Within these

cafes are mobile libraries that are used extensively by school children. Other successful projects are i. the livestock improvement programme has increased the commercial value of cattle farmers and the improved business skills of livestock owners (goat farming, poultry, and piggery); ii. The Greater Tzaneen Tourism Development. The municipality and GTEDA have identified five anchor projects to further utilize tourism for economic growth and employment creation: The Ebenezer, Tzaneen and Magoebaskloof Dam as well as Dap Naude Dam and the Debengeni Waterfall. Feasibility studies are currently underway.

While acknowledging these many successes, the municipality, however, has experienced many challenges. One of the factors that have slowed down, retarded or halted some project implementations are land claims issues. An example is the Letaba River Mile which is a major tourism attraction aimed to develop a platform for local businesses, an office park and residential property in order to tackle the space limitations of the Tzaneen CBD.

One of the flagship projects of GTEDA is the Makgoba Tea Estate which is also known as Sapekoe Tea Estate. The Agency has embarked on the revitalization of the farm, which lies at the foot of Makgoebaskloof Mountains. Makgoeba Tea Estate was intended to focus on the extraction of organic tea leaves, which can be sold as ingredients for food and beverages (iced tea, soft drinks), cosmetics, pharmaceuticals and botanical drugs. The project had prospects for employment creation, however this goal has not been achieved, since the estate is overgrown and everything has been brought to a halt due to a claim on the land. Delayed restitution processes, hampered the projects implementation processes.

GTEDA has initiated the improvement of the subtropical fruit and nut cluster farms in the Greater Tzaneen Municipality. The cluster development includes the commercialization of different agricultural products (avocado, mango, banana, macadamia and litchi) as well as the establishment of an incubator programme aiming at enterprise development, training of emerging farmers, collaborative mentorships, dissemination, value chain analysis as well as the management of cooperatives. However, there is a lack of resources, access to finance, low levels of business and management skills and the poor quality and low volumes of the products often limit the job creation potential and growth rates of the sector.

Another LED focus area of the municipality, which was the development of new retail facilities in Tzaneen aimed at increasing the growth of the local trade and retail sector did not succeed. Inability to access the required skills, the willingness by the local authority to embrace a business approach to LED, and also the unwillingness of the municipality to allocate resources to some of the projects posed serious challenges. (SALGA position Paper on Local Economic Development, 2010).

A number of factors such as lack of qualified manpower which have remained the bane of effective project planning and implementation in the Greater Tzaneen Municipality, hampered government programmes and projects. There is no professionalism in LED because of its poor career prospects. Professional and trained planners to practitioners are virtually non-existent while administrative officers performing planning functions lack proper training and experience. Consequently, the municipality has not been able to attract or retain staff in the Unit. GTM Final IDP 2017/2018 also highlights other pertinent challenges which the municipality is facing in the context of LED.

The above challenges clearly show that although the GTM has had some successes in LED implementation, there are many challenges as outlined. These include the impact of the restitution processes which are not finalized, case of the Letaba River Tourism Project and the Makgoba Tea Estate agricultural project, challenges in terms of staffing and financial resources.

7. Conclusion

The study found that although to a large extent, the GTM has been successful in implementing a number of LED projects, it nonetheless faces a number of challenges. A major challenge is the impact of unresolved land restitution claims. We conclude that, in order for GTM to be effective in translating LED policy into practice, solutions to these challenges have to be found. A conclusion is drawn that the Greater Tzaneen Municipality is making some efforts to translate policy into practice through the implementation of the LED projects; however, a lot still needs to be done in order to arrive at 100% implementation. Furthermore the findings indicate that there is a positive impact on LED projects on poverty alleviation in the local areas.

8. Recommendations

To improve the capacity of GTM to translate LED policy into practice, we make a number of recommendations. Consensus must be reached between the GTEDA and the GTM on the methodological approach to LED and also with respect to funding some initiatives in order to avoid differences that could derail implementation of LED. It is also incumbent upon the National Government to speed up the resolution of outstanding land claims in the municipality. LED funding and resources should also be prioritized. We recommend to the parties to engage the communities more actively in order to ensure that the LED projects that are implemented by GTEDA benefit the wider community of local businesses and households. Infrastructure development to accommodate LED projects and employment creation should be the primary responsibility of the LED Unit within the Greater Tzaneen Local Municipality for effective LED projects policy implementation. Spatial development planning should be given a top priority.

References

- Agranoff, R. & McGuire, M. 2003. *Collaborative public management: New strategies for local governments*. Washington, DC: Georgetown Univ. Press.
- Atwood, J.B. 2012. *Supporting Partners to Develop their Capacity: 12 Lessons from DAC Peer Reviews*, OECD.
- Department of Provincial and Local Government. 2003. *Local economic development: A resource book for municipal councillors and officials*. Pretoria. Government printer.
- Department of Provincial and Local Government. 2006. *National Framework for Local Economic Development*. Pretoria. Government Printer.
- DeGroff, A. & Cargo, M. 2009. *Policy Implementation: Implications for Evaluation*. In J.M. Ottoson & P. Hawe (Eds.), *Knowledge Utilization, Diffusion, Implementation, Transfer and Translation: Implications for Evaluation*. 124, pp. 47-60.
- Goga, S., Murphy, F. & Swinburn, G. 2006. *Local Economic Development: A primer developing and implementing Local Economic Development Strategies and Action Plans*. The World Bank, Washington, DC: Bertelsmann Stiftung.
- Greater Tzaneen Local Municipality. 2017/2018. *Final Integrated Development Planning (IDP)*, Tzaneen, Limpopo: Greater Tzaneen Local Municipality.
- Greater Tzaneen Local Municipality. 2018/2019. *Final Integrated Development Planning (IDP)*, As Adopted by Council on 25 May 2018, Tzaneen. Limpopo: Greater Tzaneen Local Municipality.
- GTEDA. 2009. *Feasibility Study on the Fruit and Nut Cluster in GTLM*. Tzaneen: Greater Tzaneen Local Municipality.
- Hofisi, C., Mbeba, R., Maredza, A. & Choga, I. 2013. Scoring Local Economic Development Goals in South Africa: Why Local Government is Failing to Score. *Mediterranean Journal of Social Sciences*, 4(13):591-595.
- Jones, N., Datta, A. & Jones, H. 2009. *Knowledge, Policy and Power: Six dimensions of the knowledge development policy interface*. United Kingdom, Overseas Development Institute (ODI).
- Khandaker, S. & Khan, A.R. 2016. A critical Insight into Policy Implementation and Implementation Performance, *Public Policy and Administration*, 15(4):538-548.
- Koma, S.B. 2014. The Implementation of Local Economic Development Policy: The case of the Emakhazeni Local Municipality in South Africa, *Administratio Publica*, 22(4):40-60.
- Lawrence, F. & Hadingham, T. 2008. *Decentralisation and the challenge of Institutionalising Local Economic Development: Some Practical Insights from the South African Experience*, @ local globes. Delnet Programme, International Labour Organisation (ILO): Turin, 41-45.
- Malefane, S.R. 2009. Structuring South African municipalities for effective local economic development (LED) implementation. *Journal of Public Administration*, 44(1):156-168.
- Maloka, C.M., Mashamaite, K.A. & Ledwaba, M.D. 2014. Local Economic Development: Linking Theory and Practice in South Africa's Local Municipalities. *Mediterranean Journal of Social Sciences*, 5(20):218-223.
- Meyer, D.F. & Venter, A. 2013. Challenges and solutions for Local Economic Development (LED) municipal institutional arrangements. The case of the Northern Free State. *Administratio Publica*. 21(4):91-113.
- Moyo, T. 2007. *Leadership challenges for successful local economic development in South Africa*. *Journal of Public Administration*, 42(3):220-230.
- Pretorius, A.M. & Blaauw, P.F. 2008. *Local Economic Development Agencies in South Africa Six Years Later*. Monash South Africa & University of Johannesburg, Johannesburg, South Africa.
- Republic of South Africa. (RSA). 1996. *Constitution of the Republic of South Africa*, Pretoria: Government Printers.
- Republic of South Africa (RSA). 1998. *The White Paper on Local Government*. Pretoria: Government Printers.
- Republic of South Africa (RSA). 2000. *Local Government: Municipal Systems Act*. Pretoria: Government Printers.
- Rogerson, C. 2009. *Strategic Local Economic Development in South Africa*, Final Report Submitted to Minister Sicelo Shiceka (DPLG) Commissioned by the DPLG and AHI. Supported by the Strengthening Local Governance Programme of GTZ.
- Rogerson, C.M. 2010. Local economic development in South Africa: Strategic challenges, *Development Southern Africa*, 27(4):481-495.
- Rowe, J.E. 2009a. *The importance of theory: linking theory to practice*. In Rowe, J.E. (ed.). *Theories of Local Economic Development: Linking Theory to Practice*. Farnham, England: Ashgate. (pp. 3-30).

- Seduma, M.P. 2011. *The impact of local economic development on the livelihood of communities in Ba-Phalaborwa Municipality, Mopani, Limpopo Province, South Africa*. Unpublished Masters thesis. Polokwane: University of Limpopo.
- Selebalo, L.E. 2008. *An investigation of community involvement in the planning and implementation of local economic development projects: a case study of Fetakgomo Local Municipality in Limpopo Province*. Unpublished Masters thesis. Polokwane: University of Limpopo.
- Sibisi, S. 2009. *Brushing against the grains of history. Making Local Economic Development work in South Africa*, in Ngubane, J (ed), Local Economic Development. DBSA Working Paper series No.2: Halfway house: Johannesburg.
- South African Local Government Association. 2010. SALGA LED Position Paper. Pretoria: SALGA.
- Whitfield, K. & Steenkamp, C. 2012. The use of market brokers as a tool in Local Economic Development strategies, Skills@Work. *Theory and Practice Journal*, 5(11):81-88.
- Xuza, P. 2007. Ten years and ten trends of Local Economic Development practice in South Africa: A Practitioner's Perspective. *Urban Forum*, 18(1):117-123.

Learning Approaches as Constraints to Education Capabilities Development Among Students of Social Sciences at Makerere University, Uganda

S Bigabwenkya

Uganda Management Institute, Uganda

Abstract: Graduates of social sciences at Makerere University in Uganda have apparently low levels of higher education capabilities as evidenced in low labour productivity, due to, among other things, deficiencies in knowledge, skills and attitudes. Using data from interviews of five alumni, four lecturers of social sciences, and document reviews the author established that learning approaches used by most students quite often constrain their level of higher education capabilities development. While these students use the common learning methods such as group discussions, doing coursework, attending lectures and person reading; their levels of engagement with the subject matter are surface in nature as opposed to deep learning engagements. Actually, most students do rote-learning when the examinations are approaching and spend the rest of their time engaged in other non-academic activities. Quite often, the students take a minimalist approach to learning and are just interested in getting a degree regardless of the education capabilities developed. In this paper, I argue that the surface approach to learning used by students of social sciences at Makerere University limits their development of higher education capabilities. I therefore suggest that in order to develop the relevant education capabilities among students at Makerere University, and probably other universities in Africa, the authorities need to motivate students to learn; teach students how to learn; and develop analytical skills in students for the future development of Africa.

Keywords: Deep approach to learning, Higher education capabilities, Learning, Surface approach to learning

1. Introduction

This paper discusses the issue of limited higher education capabilities among the first-degree new graduates (2007-2016) from the Faculty of Social Sciences at Makerere University, Kampala, Uganda. The inadequate higher education capabilities are in form of limited knowledge and skills evidenced in poor practical reasoning, low levels of sociality and participation, low learning dispositions, and low science and technology competences. Actually, several graduates are 'half-baked' as they join the labour market both in the formal and informal sector employment plus political leadership. In this paper, I argue that students' approach to learning is one the key constraints to higher education capabilities development among the first-degree students of social sciences at Makerere University. Students are heavily involved in rote-learning practices and are examination-oriented, which limit their acquisition of the necessary higher education capabilities expected of a typical social sciences graduate.

2. Makerere University in Uganda

Makerere University provides both undergraduate and postgraduate education. The University started

in 1949 when Makerere Vocational School was converted into a university. The Vocational School had been established in 1922 with a population of 16 male students. It opened as a skills training centre for the people of East Africa. It later expanded in capacity and enrolment. In 1937, Makerere Vocational School developed into an institution of higher education offering post-secondary certificate courses (Sicherman, 2005:22). In 1949 Makerere became a university college affiliated to the University of London that awarded general degrees.

When the University of East Africa came into being in 1963, Makerere became a constituent college of the University of East Africa. In July 1970, Makerere University became an independent national university offering undergraduate and postgraduate studies in a variety of disciplines. As Sicherman (2005) notes, during the seven years of its membership of the University of East Africa (1963-1970), Makerere underwent a rapid and intense evolution in terms of course development and quality of teaching. The growth and development of Makerere continued in the 1970s. According to Kasozi (2003:xiii), Makerere University grew "from about 2,500 in 1970s to about 25,000 in 2001". Equally, Liang (2004) explains that at Makerere University (the largest university in

Uganda) enrolment increased more than four-fold from about 7,000 in 1993 to about 30,000 in 2002. By the beginning of 2016, the University was estimated to have a population of 42,000 students.

3. University Education Administration and Design at Makerere University

Makerere University designs her own curriculum content using her technical teams. College or departmental teams at Makerere determine the appropriate mix of theory and practice teaching, the professional relevance of a course or programme and the curriculum focus in terms of student needs. This autonomy creates room for flexibility in the university education processes regarding what is taught, how it is taught and what the students learn. In effect, the education capabilities developed are partially at the choice of the technical teams at the university and partially on the students' discretion and motivation to learn. The university offers courses in subjects ranging from the natural sciences to the social sciences, law or the humanities.

4. The Challenge

Although university education should develop in a student higher education capabilities (for instance practical reason, sociality and participation, learning dispositions, and science and technology) this does not seem to be the case among recent graduates (2007-2016) of social sciences from Makerere University. Actually, signals from the labour market suggest that there are average levels of new graduates' productivity at the workplace. For example, Wiegratz (2009), Asiimwe (2011) and Uganda (2011) provide evidence that the new graduates in Uganda have low labour productivity due to, among other things, deficiencies in knowledge, skills and attitudes. Besides, Muwonge (2009) reveals that Uganda's new graduates are taught at the workplace what to do instead of them working and that they lack skills which they should have obtained from university. Yet, as Billet (2009:827) asserts, "graduates are expected to have the capacities to engage immediately and effectively in the professional setting where they secure employment". However, this does not seem to be the case among the new graduates under discussion. Incidentally, Makerere University employs qualified lecturers who use teaching and assessment approaches plus instructional materials related to those applied elsewhere in Africa. Moreover, the University admits

well-qualified students from high school, majority of whom are academic high-flyers. Nonetheless, these students graduate from the university when they are weak in higher education capabilities. It appears that the way students approach learning is key in constraining their education capability development given that other complimentary learning resources are reasonably available. Therefore in this paper, I seek to answer two key questions: How do Makerere University students approach learning? How does the students' approach to learning at Makerere University affect their level of higher education capabilities development?

5. Capability

A capability can be regarded as a person's ability to perform important acts or reach states of being or as the different combinations of things a person is able to do or be (Saito, 2003; Walker & Unterhalter, 2007). Capability, inter alia, connotes knowledge, skill, learning, importance, and a need for individual promotion (Gasper, 2002,2007). The process of educating a person is a process of building or developing capabilities. Therefore, education at all levels, including university, ideally develops capabilities of people. Hence, one of the ways to understand the linkage between education and (human resource) development can be through the *capability approach*.

6. Theoretical Review: The Capability Approach

The capability approach was propounded and continuously improved by Amartya Sen in the 1980s and 1990s. It was developed as a conceptual framework for evaluating social conditions in terms of human wellbeing. According to Sen (1999) and Alkire (2016), the emphasis of the capability approach is that development should be seen as the expansion of human capabilities such as knowledge, health, a clean physical environment, and political freedom, not the maximisation of utility or its proxy, money income. Money income is a means to an end rather than an end in itself.

6.1 The Capability Approach and Education

Education can be analysed in terms of contributions to capabilities development. The capability approach, therefore, can be used to analyse university education outcomes because the approach has "the plurality of purposes" for which it can

have relevance in different fields (Sen, 1992, cited in Robeyns, 2001:3). University education provides an opportunity to a student to develop multiple capabilities which can be educational or general in nature. For instance, university education can promote reasoning abilities that enable an individual to "distinguish between virtues and vices and then to *act accordingly*" (Flores-Crespo, 2004:3). Education provision at all levels can, therefore, be considered as a capability development process, but depending on what is taught and how it is taught. As some scholars argue, for education to develop capabilities, it must move from rote-learning to addressing the development needs and aspirations of the learners, their ability to think and reason, to build up self-respect and respect for others, to think ahead and to plan their future lives (Hoffmann 2006; Terzi, 2004). Therefore, the type of education given must be carefully designed and delivered to the learners.

The four higher education capabilities that are adapted to guide this paper are: sociality and participation (social relations and social networks); learning disposition; and practical reason (Walker 2006), plus science and technology (Terzi, 2007). University education should ideally provide such capabilities. It is permissible through certain methods to draw up capability lists that are context-relevant (Fukudar-Parr, 2003; Robeyns, 2003; Alkire, 2006). In this paper, I opted to consider the above four as the most relevant to the discussion of learning approaches and education capabilities.

7. Learning

Learning is the process through which an individual acquires knowledge, skills, capabilities, behaviours and attitudes in a given setting (Armstrong 2016). According to Billet (2009: 835), "learning is a continuous process that occurs across all kinds of activities and the range of settings where humans think and act. The on-going process of thinking, acting and learning co-occur (i.e. simultaneously); they are not separate". Learning may be incremental or transformational in nature. Learning can further be understood from learning characteristics, learning theories, strategies, approaches and learning principles. This understanding guides the teacher in making decisions about training design and in guiding the students on how to learn. Guidance is necessary because "how students construct knowledge, how they learn, and the beliefs they hold about what kind of knowledge and knowing"

is very important in higher education (Otting, Zwaal, Tempelaar & Gijsselaers, 2010:741-742), especially at university level. Moreover, how students learn determines how much they retain and are able to apply in the real world of work.

7.1 Learning Approaches and Higher Education Capabilities Development

Students have various approaches to learning. Students' approaches to learning refer to the manner in which students engage the same learning tasks differently; and this variation may affect the different learning outcomes (Marton & Saljo, 1997, cited in Balasooriya, Toohey & Hughes, 2009). An approach to learning can also be described as "an *orientation* or predilection for learning in a certain way... [or] how a student handles a particular task at a *particular time*" (Biggs & Moore, 1993:315). Some approaches used by students in the study process have been identified, each of which contains an affective (motivational) component and a cognitive component (Biggs 1987). The commonly cited approaches to learning are the surface approach and the deep approach (Saljo, 1979, cited in Biggs & Tang, 2011).

The *surface approach* is about the external motivation and surface learning strategies. The student's sole intention in learning is to satisfy the perceived requirements of the teacher or the system, which the student looks at as externally imposed and detached from his interests. In such a situation a student tends to reproduce information he has been given to satisfy the examination requirements of the course (Biggs, 1987; Hativa, 2000; Biggs & Tang, 2011). However, in this approach, a student might even be active, but will learn only to pass examinations. As Trigwell and Prosser (1991) observe, the student may use tactics such as memorising or rote-learning strategies in order to be able to reproduce the material. In this approach, he can easily be conversant with facts during examinations and even pass his examinations very well only to lose such knowledge in a short while. In the opinion of Marton and Saljo (1997, cited in Exeter, Amaratunga, Ratima, Morton, Dickson, Hsu & Jackson, 2010) such a student is a disengaged learner who may settle for taking notes during lectures, memorising facts and important points in order to get the minimum pass-mark. In the development of higher education capabilities such a student would achieve very little.

The *deep approach*, on the other hand, consists of internal motivation and deep learning strategies. It is about making connections and meaning rather than focusing on isolated elements or rote-learning (Butcher *et al.*, 2006; Biggs & Tang 2011). The student takes deliberate steps to internalise the major substance of the subject material presented. He seeks meaning of the subject matter in order to understand it (Trigwell & Prosser, 1991; Biggs & Moore, 1993). Such a student aims at gaining an understanding of the subject matter. He adopts strategies such as reading widely and discussing the concepts or issues with others and seeks to make sense of new knowledge and relate it to what he already knows about this topic and related topics. The student interacts critically with content, examines evidence and evaluates the process through which conclusions have been generated (Biggs 1987; Biggs & Tang, 2011). The major interest is not in high marks or grades but rather to achieve knowledge and skills. In effect, the deep-approach student has "passion for learning with a focus on development of capabilities needed for future practice" (Balasooriya *et al.*, 2009:792). Therefore, deep learning can be equated with successful learning that can form a foundation for further learning, unlike surface learning that is short-term (Butcher *et al.*, 2006). This is because the deep learner is an 'engaged' student "seeking to develop his/her knowledge, reflecting on the facts and details presented in the lecture related to their own experiences and 'the big picture'" (Exeter *et al.*, 2010:762). Indeed, deep approaches to learning tend to have high-quality learning outcomes whereas surface approaches tend to have poor-quality learning outcomes (Trigwell *et al.*, 1999). Students, therefore, need to be encouraged to practice deep learning because it is associated with high-quality learning. And, as Biggs (1999) suggests, this encouragement demands a well-structured knowledge base; an appropriate motivational context; learner activity; and interaction with others. Indeed, it is possible to deliberately create these factors in a learning environment such as at university level.

From the above two learning approaches, the surface approach is apparently the least helpful and points to immaturity on the part of the student. On the other hand, the deep learning approach would be ideal for a university student aiming at acquiring applied knowledge and skills. Therefore, the deep approach, if practised and encouraged, can transform students' lives through knowledge and skills retention.

It appears that learning is also affected by the learning environment. "'Learning environment' refers to the social, psychological, and pedagogical contexts of learning in which learning occurs and which affect students achievement and attitudes" (Fraser, 1998:3). The relationship between the environment and student approaches to learning has been widely discussed in literature (Entwistle & Ramsden, 1983, cited in Trigwell & Prosser, 1991; Otting *et al.*, 2010). When the classroom-level learning environment has elements that promote deep approaches to learning, students are stimulated to adopt deep approaches. However, when the students are placed in learning environments that demand superficial learning, such as recall and memorisation, they are likely to adopt surface approaches to learning (Trigwell *et al.*, 1999; Kek & Huijjer, 2011). Hence, student approaches to learning can, inter alia, be adapted to the environment. Consequently, by improving the learning environment, it is possible to improve on the quality of learning and the learning outcomes. Therefore, the paper, inter alia, analyses the approaches to learning in the light of learning environment at Makerere University.

8. The Research Methodology

The paper is based on a case study and investigates learning approaches at Makerere University and higher education capabilities development among first-degree social science students. As Amin (2005) and Newman (2006) recommend, the study used multiple sources of evidence to generate data for analysis. I used qualitative approaches. Qualitative research approaches were used because, as Amin (2005:42) indicates, qualitative research promotes "greater understanding of the way things are, but also why they are the way they are". In this study, the approaches helped to explain the learning approaches used at Makerere University.

Using purposive sampling, three departments from the College of Humanities and Social Sciences were selected. The departments were: Social Work, Sociology, and Political Science. Four lecturers at different levels of seniority in those departments were selected. In addition, five new graduates (2007-2016) from the three departments were selected using both cluster and snowball sampling techniques. The new graduates were the major respondents followed by lecturers from social sciences. Data were collected through interviews with new graduates and lecturers plus document

reviews. The themes of investigation were learning approaches, knowledge and skills (capabilities) development. The major themes of analysis were fused under learning approaches and their effects on higher education capabilities development.

9. Learning Methods and Approaches at Makerere University

The findings revealed that learning is done through many ways. Some people learn by doing something or by listening to the spoken word; others learn by reading words, and/or observing a given phenomenon. The learning methods in this section are those ones being applied at faculty of social sciences at Makerere University.

9.1 Group Work and Coursework

Students at Makerere University engage in group work. Group work and individual coursework are the most common ways in which Makerere students learn. They form interest groups with class mates and discuss academic matters. For instance, a lecturer reported:

"If you form them (students) into groups, you can see some of them learn from each other on how to do particular things: how to go about writing a piece of assignment; how to go and ask for a placement for internship. You know, collectively, there is collective learning" (Lecturer in Social Work, LSW1).

By implication, if used correctly, group work method is beneficial because it enhances the development of some higher education capabilities such as practical reason, and sociality and participation. Learning happens because when the students are in groups the group members learn from one another. However, from new graduates' testimonies, Makerere University employs group work mainly as an assessment method and less as a teaching method meant to foster learning. Actually, one participant reasoned:

"To the best of knowledge...if you are too many in a class, for instance in OD, where we were over 100 students, if joined into groups he [lecturer] would easily mark in a shorter time. He would mark easily the few scripts..." (New Graduate, NG1).

In fact, group work is used mainly for the convenience of the lecturer since it reduces the workload

to be assessed by, for example, reducing the number of scripts to be marked. Using group work as an assessment tool in some cases diminishes the would-be learning benefits of this method. In group work, some students engage in free-riding, whereby some group members do not participate in group assignments but only turn up to append their signatures to the work before it is handed in to the lecturer for assessment.

9.2 Attending and Listening to Lectures

Students learn by listening in lectures. The interaction between students and the lecturers enhance students' learning. Therefore, students develop their higher education capabilities through lectures. However, there are other students who are only interested in acquiring a degree certificate and actually focus on attaining the bare minimum mark. This phenomenon came up during individual interviews when a participant said:

"About 30% is of seriously committed students and the other 70% I can call them mediocre. They just come and attend the lectures. By the way, we had a common saying: 'All I need is surviving a retake'. Someone is aiming at 52% or 55% [the bare minimum pass mark] to escape a retake.... There are in mediocrity, 'as long as I pass'; that is what you will find students telling you, 'at university you read only before exams'" (New Graduate, NGSW1).

Indeed, this revelation seems to imply that some students are simply looking for a qualification regardless of its value. Usually, students receiving a pass mark are those who, in the wisdom of most examiners, have barely internalised the knowledge or skill required by such a course or paper because of their surface approach to learning. Nevertheless, a student graduates. Even as one participant observed:

"Well, but when we went to the university we thought not much was required of us. They told us that there is a lot of freedom in the university so we thought that going to the university was all about freedom" (New Graduate, NGSW2).

The students in general seem to be poorly self-motivated. Some of the students behave as if they are too young to follow university education. Therefore, such students end up not developing the requisite higher education capabilities.

9.3 Learning Through Internship

Students at Makerere University also learn through internship or fieldwork placements. Internships or fieldwork enable the students to learn directly from the practitioners. Fieldwork includes the attachment of students to social care agencies in the community, schools, government departments and agencies where there is actual work that facilitates learning. In the current study, a participant revealed that:

"...they (students) go for internship in a recognised institution. And, while there they get first-hand information when they go to societies to learn and then get the experience on what people are going through" (Lecturer in Social Work, LSW1).

Through such experiences, the students may learn several things, for instance how to lobby for better policies.

9.4 Personal Reading as a Learning Method

Students at Makerere University also learn through reading on their own, guided by reading lists supplied to them by lecturers. Lecturers encourage students to use both the library and the internet. These multiple sources of information provide learning opportunities. Indeed, one respondent reported:

"Actually, in some of the classes we tell them [students] to read in advance, before we go and talk about something... because as a lecturer I give about 35% of what a student should know in that particular course. I only facilitate the learning process for the student. A student is supposed to take his learning seriously and use the library" (Lecturer in Social Work, LSW2).

Students' motivation to reading is quite often a result of the demands of coursework assignments that are received from lecturers. Students read as individuals and then discuss coursework questions or topics. Personal reading is helpful in understanding of subject matter. But, quite often students read in the last days to an examination thereby engaging in surface learning approaches which deny them the development of permanent knowledge and skills.

9.5 Online Learning

Online learning is one of the learning avenues students use. This approach is getting more and more popular at Makerere University. Students access the

internet and download learning materials posted by their lecturers on a university website. These materials could be notes made by the lecturers or relevant articles from different publications. Because of the availability of reading materials on the internet, some students even avoid lectures. As one lecturer revealed:

"Information technology has just many wonders. ...our lab has internet there. Therefore, most of the time students go in the computer lab when course-work questions are difficult. Some students consult the e-resources, which I think they use to learn more than what we teach" (Lecturer in Political Science, LPS1).

Students argued that the internet has the learning materials that they need to learn the subject matter. In the process, some students miss out on explanations and illustrations given by the lecturer in class. Quite often, the end result is insufficient knowledge and skills development among students. Therefore, when not properly managed, internet use in learning can disadvantage a student in expanding higher education capabilities.

9.6 Discussion Method of Learning

The students also learn a lot from group discussions. They consider discussions to be one of the most effective ways of learning. For instance, a participant said:

"Learning in discussions is useful because you get to learn a lot in a short time as opposed to reading on your own" (New Graduate, NGPS1).

Another respondent observed:

"As a student, specifically what I used to do, I would use revision to internalise what I got from the lecture room. Then from there, it would be group discussions to bring different ideas together to come up with one concrete solution to the problem" (New Graduate, NGS2).

Group discussions help students in sharing ideas if preceded by intensive private reading. The discussions facilitate the sharing and building of knowledge and skills such as practical reasoning. However, academic discussions with the major objective of learning as opposed to passing examinations or coursework are very rare at Makerere

University. Actually, in interviews nobody reported to have discussed topics for the sake of learning: most new graduates used to discuss for the sake of passing examinations which is a surface approach to learning.

Participants reported that the lecturers who take interest in students' learning give them topics or questions for discussions. Sometimes the lecturers encouraged students to answer questions and make class presentations. Such presentations are very fruitful because they enable students to learn through participation and this enhances the retention of knowledge and skills. Presentations enhance confidence-building and learning disposition. However, the presentations are rarely used at Makerere yet presentation would force students to do deep reflection during preparation. Only one out of six lecturers interviewed reported to have been using the class presentations method.

10. Discussion of Learning Approaches at Makerere University

The students at Makerere University quite often pay limited attention to what it takes to acquire the higher education capabilities. To acquire the higher education capabilities, as scholars (e.g. Trigwell & Prosser, 1991; Biggs & Moore, 1993) attest, one needs to use deep learning approaches on a large scale. However, the results suggest that concentration on learning by students at Makerere is low. Students seem to concentrate on their studies only under the threat of impending examinations or tests. Even when they learn, they are engaged only in surface learning approaches which limit their internalisation of knowledge and skills expected at that level.

A lot of constraints to learning could be a result of how lecturers teach. The use of the lecture method, for example, that dominates the teaching processes at Makerere University, accompanied by notes dictated in the lecture room, does not provide sufficient study material. The lecturers dictate the main points and later on expect short answers because the students are very many. The students simply cram these few main points and reproduce them during examinations and tests. Incidentally, the students pass their examinations and coursework with good grades. However, as scholars (such as Biggs, 1987; Trigwell & Prosser, 1991; Hativa, 2000) observe, although such surface learners can reproduce information that they have been given

to satisfy the examination requirements of the course and even pass very well, such knowledge and skills are lost shortly after examinations. Similarly, Makerere University surface approaches to learning seem to limit the development of higher education capabilities among students.

The surface approaches to learning by students at Makerere University seem to be an extended and probably exaggerated part of a wider national 'system' of examination-focused learning. At many stages of the lower education system in Uganda, a lot of interest is focused on examination passing than on knowledge and skills acquisition and retention. Students in secondary schools depend on summarised pamphlets which have both questions and model answers; hence the teaching is examination oriented. Actually, one respondent argued:

"The learning processes are there and we try them; but the problem is the client group (students). You know, before learning takes place everybody does their bit. Personally at my level as a senior person and a professional social worker I am doing my part, but my students; my goodness! They depend on my sketchy notes" (Lecturer in Social Work, LSW1).

Indeed, only a few students are academically 'grown-up' and focused students. The majority of the students appear unserious. In such cases, lecturers are disgusted with students' reluctance to study. Actually, some students simply want a degree certificate without going through the rigours of university studies. Students who take little interest in learning or who absent themselves from classes miss out on some of the knowledge and skills they should have acquired from the university.

Some students are interested in receiving limited teaching from their lecturers so as to avoid being examined on many issues. Such students are like what Exeter *et al.* (2010) describe a disengaged learner who is only interested in minimum amount of learning and simply memorises facts and some points in order to get a pass-mark. Actually, in some cases students at Makerere will applaud a lecturer who indicates that he will cancel certain sessions due to other commitments. For example, one respondent mentioned:

"They (students) even tell you off your head that 'you are giving us too much' ...and they do not read. So however much we are trying as lecturers

and professionals, we are faced with clients who are not motivated. And, I think this is why I say we have a lot of immature students who do not know what brought them here" (Lecturer in Sociology, LS1).

Certainly, some students at Makerere complete university when they have attended only 'bits and pieces' of their course. During assessment of students' work, lecturers find glaring evidence of knowledge and skills deficiencies unexpected of a university student. The deficiencies are partly due to students missing classes on their own volition and partly due to other factors. Such students with surface approaches to learning inevitably disadvantage their higher education capability development opportunities.

Students seeking to transform their education capabilities tend to get involved in deep approaches to learning that quite often demand doing research of whatever kind on their own (Butcher *et al.*, 2006). They take interest in their studies and they are curious to get the knowledge and skills. And, as Jungert and Rosander (2009) attest, students' learning can be enhanced if they become active participants in the learning processes and in the development of the learning atmosphere and not simply as passive recipients. However, as indicated in this sub-section, the learning processes at Makerere University seem to be not well-guided: students are not informed of how to learn. This role of teaching them how to learn appears widely neglected by some University lecturers and the entire university management system. The neglect allows students to avoid their academic responsibility through dodging classes, free-riding in group work and avoiding rigorous research in their relevant disciplines.

11. Conclusion

Surface approaches to learning are constraining skills and knowledge development at public universities in Uganda. As already indicated in this paper, students at Makerere University learn through day-to-day personal interaction with lecturers, experts, peers, and through internet surfing as well as private individual reading. All these approaches are useful and help students improve on their higher education capability. However, the students' learning intensity and interest to learn appear to be low. Most students concentrate on learning only when

they are under the threat of examinations or tests. So, when they engage in learning, they use surface approaches. Surface approaches to learning lead to loss of opportunities to acquire higher education capabilities in form of skills and knowledge.

The internet is another source of learning that is used by students for both academic and non-academic purposes. Officially-provided-Internet access is, however, generally low at Makerere University, with an estimated 25% access by the student community (excluding the students in ICT courses). This percentage is quite low for university students in the current age. Besides, students are generally averse to downloading elaborate study materials from the internet, instead opting to use the internet mainly for social interaction, such as on WhatsApp, Twitter and Face book. In spite of the current familiarity with internet purposes, students are less inclined to use it for academic learning. Therefore, the presence of learning technology does not guarantee the usability of such technology even when the user is reasonably versed with it.

12. Implications of Learning Approaches for Makerere and Other Universities in Africa

In this paper, I attempted to demonstrate that the learning approaches at Makerere can have an influence on higher education capability development. Where university students concentrate on constructing a personal understanding of ideas, the probability of replicating such ideas in practice after university life is increased and vice versa. Therefore, the universities need to emphasise learning approaches that benefit both the individual student and society. Approaches to be emphasised are those that concentrate on building insights, personal development and transformation of a student. Such learning domains make a student more productive in society. The learning approaches in universities have to be deep in nature and pedagogically sound to enable student's complete university education as useful, knowledgeable and skilled graduates.

Universities in Africa should strengthen their career guidance and counselling functions. In spite of the presence of learning opportunities that facilitate students to develop higher education capabilities (for example internet resources) there

is need for the university faculties to go beyond these opportunities and guide students in how to learn. Students need guidance on what to download, how and why. Hence, the universities should institute functioning career centres that are open to all students for consultations and guidance.

Makerere University and other universities in Africa should develop analytical skills of students. These skills will enable the student to measure up to international standards regarding what is expected of a graduate. In order to improve on the analytical skills of the students, universities in Africa should promote deep learning approaches among their students. Moreover, as some scholars have argued, deep learning helps students to always make connections and meaning rather than focusing on isolated elements of knowledge or rote-learning (Butcher *et al.*, 2006: 89). In effect, the students will graduate from the university, when they have developed the expected education capabilities.

Makerere University and other universities in Africa need to strengthen computer skills development among students. The level of computer skills development among non-specialist students of Computer Science or Information Technology is low. While, most faculties at universities have computer laboratories that allow students to do self-teaching, the numbers of computer need to be sufficient to match the student population. Besides, university students need to be advised on what needs to be surfed and what needs to be ignored given that the internet has a plethora of information most of which is non-academic and is usually of low value to a university student. In conclusion, the foregoing recommendations are made with the belief that they are feasible. However, I am also aware that making changes in the university system is a complicated undertaking. Quite often the different stakeholders are reluctant to change their way of doing things due to one reason or the other. Nevertheless, as long as what needs to be changed in a university is beneficial to most of the stakeholders (such as students, lecturers, and employers) the university should effect such a change. In effect, the opportunities for students to expand their higher education capabilities will be enhanced through the suggested refinements in student learning approaches and the problems identified in the first sections of this paper will hopefully be minimised.

References

- Alkire, S. 2006. Choosing dimensions: the capability approach and multidimensional poverty. Paper presented at Brasilia conference.
- Alkire, S. 2016. The capability approach and well-being measurement for public policy. Available at: <https://www.researchgate.net/publication/304081483>. Accessed on 24 March 2018.
- Amin, M.E. 2005. *Social science research: conception, methodology and analysis*. Kampala: Makerere University Printing Press.
- Armstrong, M. 2016. *Armstrong's handbook of human resource management practice*, 13th ed. London: Kogan Page Ltd.
- Asiimwe, B. 2011. Education sector needs to be revamped. *The New Vision*, 7 December: 23.
- Balasoorya, C., Toohey, S. & Hughes, C. 2009. The cross-over phenomenon: unexpected patterns of change in students' approaches to learning: *Studies in Higher Education*, 34(7): 781-794.
- Biggs, J.B. 1987. *Students approaches to learning and studying*. Hawthorne: Australian Council for Educational Research.
- Biggs, J.B. 1999. What the student does: Teaching for enhanced learning: *Higher Education Research and Development*, 18(1):57-75.
- Biggs, J.B. & Moore, P.J. 1993. *The process of learning*, 3rd ed. Melbourne: Prentice Hall of Australia Pty Ltd.
- Biggs, J.B. & Tang, C. 2011. *Teaching for quality learning at university*, 5th ed. Berkshire: Open University Press.
- Billett, S. 2009. Realising the educational worth of integrating work experiences in higher education: *Studies in Higher Education*, 34(7):827-843.
- Butcher, C., Davies, C. & Highton, M. 2006. *Designing learning: from module outline to effective teaching*. New York: Rutledge.
- Exeter, D.J., Ameratunga, S., Ratima, M., Morton, S., Dickson, M., Hsu, D. & Jackson, R. 2010. Student engagement in very large classes: the teachers' perspective: *Studies in Higher Education*, 35(7):761-775.
- Flores-Crespo, P. 2004. Situating education in the capability. Paper presented at the 4th international conference on the capability on the capability approach, Pavia, (September).
- Fraser, B.J. 1998. The birth of a new journal: editor's introduction: *Learning Environments Research*, 1:1-5.
- Fukudar-Parr, S. 2003. The human development paradigm: Operationalising Sen's ideas on capabilities. *Feminist Economist*, 9(2-3):301-317.
- Gasper, D. 2002. Is Sen's capability approach an adequate basis for considering human development? *Review of Political Economy*, 14(4):435-461.
- Gasper, D. 2007. What is the capability approach? Its core, rationale, partners and dangers. *Journal of Socio-Economics*, 36:335-359.
- Hativa, N. 2000. *Teaching for effective learning in higher education*. Dordrecht: Kluwer Academic Publishers.

- Hoffman, A.M. 2006. The capability approach and educational policies and strategies: effective life skills education for sustainable development. In Reboud, V. (Ed.) *Amartya Sen: un economiste de developpment?* Paris: AFD.
- Jungert, T. & Rosander, M. 2009. Relationship between students' strategies for influencing their study environment and their strategic approach to studying. *Studies in Higher Education*, 34(2):139-152.
- Kasozzi, A.B.K. 2003. *University education in Uganda: challenges and opportunities for reform*. Kampala: Fountain Publishers.
- Kek, M. & Huijser, H. 2011. Exploring the combined relationships of student and teacher factors on learning approaches and self-directed learning readiness at a Malaysian university: *Studies in Higher Education*, 36(2):185-208.
- Liang, X. 2004. *Uganda tertiary education sector*. (Africa region human development: working paper series). Washington DC: The World Bank.
- Muwonge, D. 2009. Uganda's labour productivity lowest in East Africa. *The New Vision*, 27 April: 62.
- Neuman, W.L. 2006. *Social research methods: qualitative and quantitative approaches*, 6th ed. Boston: Pearson education, Inc.
- Otting, H., Zwaal, W., Tempelaar, D. & Gijsselaers, W. 2010. The structural relationship between students' epistemological beliefs and conceptions of teaching and learning: *Studies in Higher Education*, 35(7):741-760.
- Robeyns, I. 2001. Understanding Sen's capability approach. Paper presented at Wolfson College, Cambridge (November 2001).
- Robeyns, I. 2003. The capability approach: an interdisciplinary introduction. Revised version (9 December 2003) of the paper presented at the 3rd international conference on the capability approach, Pavia (September).
- Saito, M. 2003. Amartya Sen's capability approach to education: a critical exploration. *Journal of Philosophy of Education*, 37(1):17-33.
- Sen, A.K. 1999. *Development as freedom*. New York: Knopf.
- Sicherman, C. 2005. *Becoming an African university: Makerere University 1922-2000*. Kampala: Fountain Publishers.
- Terzi, L. 2004. On education as a basic capability. Draft paper prepared for the 4th International conference on the capability approach: enhancing human security. Pavia (September).
- Terzi, L. 2007. The capability to be educated. In Walker, M. & Unterhalter, E. (eds.) *Amartya Sen's capability approach and social justice in education*. New York: Palgrave MacMillan.
- Trigwell, K. & Prosser, M. 1991. Improving the quality of student learning: the influence of learning context and student approaches to learning on learning outcomes: *Higher Education*, 22(3):251-266.
- Trigwell, K., Prosser, M. & Waterhouse, F. 1999. Relationship between teachers' approaches to teaching and students' approaches to learning. *Higher Education*, 37(1):57-70.
- Walker, M. 2006. *Higher education pedagogies: a capabilities approach*. Glasgow: Open University Press.
- Walker, M. & Unterhalter, E. 2007. The capability approach: it's potential for work in education. In Walker, M. & Unterhalter, E. (eds.) *Amartya Sen's capability approach and social justice in education*. New York: Palgrave MacMillan.
- Wiegatz, J. 2009. *Uganda's human resource challenge: training, business culture and economic development*. Kampala: Fountain Publishers.
- Uganda. 2011. Ministry of Gender, Labour and Social Development: Happy International Labour Day. *The New Vision*, 1 May: 8.

South Africa's State and Business Governance of Public Private Partnerships for Provision of Services and Infrastructure: A Case of Gauteng E-Tolls

TM Ramoroka

University of Limpopo, South Africa

Abstract: The aim of the paper is to demonstrate that whilst the intersection of governance of the state and business in Public Private Partnerships (PPP) is meant to deliver efficient and reliable public services and infrastructure, it also conveniently serves the selfish interests of the two parties. Typically, a PPP involves parallel fragmentary existence of monostatic and adaptive governance, wherein the former serves state interests while the latter fulfils business motives. In the process of the monostatic governance serving bureaucratic interests of the state and the adaptive allowing for unfettered financial and commercial transactions, society's social good remain circumvented. The paper uses Gauteng freeway e-tolls to demonstrate that notwithstanding the apparent societal resistance of the system, as evidence through the ballot-box reaction against the African National Congress (ANC) during the 2016 municipal elections, the state and business have stood firm in their collusion to sustain the initial intension. Hence, the recent assessment of impact which has provided evidence of the deleterious effects did little to sway the original decision of e-tolling. Therefore, the paper concludes that the state's insistence on e-tolling and bureaucratic repression of societal interests is a function of the imperatives to service business' financial and commercial gates at the expense of tax paying public.

Keywords: Business, Gauteng freeway e-tolling, Governance, Public Private Partnerships, State

1. Introduction

Public Private Partnerships (PPPs) have traditionally been adopted as an international strategy meant to fast track service delivery and the provision of infrastructure (Brinkerhoff & Brinkerhoff, 2011; Glasbergen, 2012; Leviäkangas, Nokkala, & Talvitie, 2015; van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016; Bjärstig & Sandström, 2017; Regan, Smith & Love, 2017). These PPPs are considered as an effective strategy for the construction and maintenance public infrastructure and provision of services through which business finances the delivery projects and therefore, bears a greater risk (Bjärstig & Sandström, 2017, Regan *et al.*, 2017). Internationally, PPPs are mostly used for efficient and effective governance purposes between the state and business as well as for ensuring sustainability of projects (van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016; Bjärstig & Sandström, 2017). That is, PPPs are regarded as an effective tool that could be used to enhance sustainable service delivery through mutual partnerships between the state and business. The role of the two parties in the partnership becomes crucial in the governance processes of public goods and service delivery projects. Moreover, the governance of PPPs involves

long-term investments and efforts from both the state and business through contractual agreements (Glasbergen, 2012; van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016).

The governance of PPPs mostly involves the use of both public and private institutions and structures of authority through a collaboration which focuses on the allocation of resources as well as coordination and control of activities in society or the economy (Leviäkangas *et al.*, 2015). Through PPPs, the state hopes to reduce high costs, improve efficiency and effectiveness as well as enhance customer orientation in public service delivery and infrastructure (Mukhopadhyay, 2016; Bjärstig & Sandström, 2017; Leviäkangas *et al.*, 2015; Regan *et al.*, 2017). Different ways and arrangements are adopted as measures to lower the costs associated with administration, management, provision of access and supply of various public services and infrastructure. Thus, governance is regarded as the common denominator for the achievement of these development actions (van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016; Bjärstig & Sandström, 2017). PPPs are a new governance tool that replaced the traditional method of contracting for public services through competitive tendering processes

(Glasbergen, 2012; van den Hurk & Verhoest, 2015). However, South Africa's PPPs seem to be used as a strategy wherein the state and business' collusion of governance is a way to fulfil their selfish interests by using the tax payers' money in the name of provision of public services and infrastructure. Theoretically through desktop review, this paper demonstrates that whilst the intersection of governance of the state and business in Public Private Partnerships (PPP) is meant to deliver efficient and reliable public services and infrastructure, it also conveniently serves the selfish interests of the two parties. The paper uses the Gauteng e-tolling system as a case to make the demonstration. Given this background, the paper is therefore, presented in five sections inclusive of this introduction and the conclusion. The second section discusses the categories as well as the characteristics of PPPs for service delivery and infrastructure. In the third section, governance of PPPs in the 21st century is discussed. The fourth section focuses on the Gauteng e-toll system and the implications of South Africa's 2016 local elections results specifically in Gauteng Province. The paper then concludes that the state and business' collusion of governance in some of the PPPs is a strategy to fulfil their selfish interests through the tax payers' money in the name of addressing societal needs.

2. Categories and Characteristics of Public-Private Partnerships for Public Services and Infrastructure

Universally, PPPs are considered as common development tools that are accepted for governing service and infrastructure delivery projects in both first and third worlds (Leviäkangas *et al.*, 2015; van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016; Bjärstig & Sandström, 2017; Regan *et al.*, 2017). Seemingly, PPPs are an appropriate strategy essential for service delivery which is characterised by efficiency, legitimacy, accountability and sustainability (Mukhopadhyay, 2016; Bjärstig & Sandström, 2017). PPP as a concept, does not have a uniform definition however, common features are shared among different definitions (Bjärstig & Sandström, 2017). Bjärstig & Sandström (2017:58) defined PPPs as "collaborative arrangements in which actors from two or more spheres of society (state, market and/or civil) are involved in a non-hierarchical process, and through which these actors strive for a sustainability goal". Whereas Koppenjan (2005:137 cited in Brinkerhoff & Brinkerhoff, 2011) defines a PPP as

"a form of structured cooperation between public and private partners in the planning/construction and/or exploitation of infrastructural facilities in which they share or reallocate risks, costs, benefits, resources and responsibilities".

Based on the definitions, there are common features that are used to define the concept of PPPs. The first feature entail an arranged and agreed collaboration between the state and business although the range of partners may vary based on different partnerships (Glasbergen, 2012; van den Hurk & Verhoest, 2015; Mukhopadhyay, 2016; Bjärstig & Sandström, 2017). Secondly, there must be a formalized long-term partnership and/or at minimum, a mutual collaboration so to execute the set commitments through which the partners' contributions complement each other to enable them to effectively achieve their goals rather than on their own (Bjärstig & Sandström, 2017; Regan *et al.*, 2017). Thirdly, the partners must share resources, risks and benefits, that is, shared ownership and sharing of responsibilities equally is important (Brinkerhoff & Brinkerhoff, 2011; Glasbergen, 2012; van den Hurk & Verhoest, 2015; Bjärstig & Sandström, 2017). Lastly, the aim of the PPPs is to provide the society with public services and/or infrastructure (van den Hurk & Verhoest, 2015; Bjärstig & Sandström, 2017). PPPs are therefore, considered as formally arranged partnerships for a specific timeframe between the state and business which are based on a defined set of rules and norms as well as shared resources, responsibility and benefits for enhancement of efficient and sustainable public service and/or assets delivery.

The adoption and usage of PPPs can be experienced in many policy fields inclusive of education, energy, environment, healthcare, infrastructure as well as rural and urban development, among others (van den Hurk & Verhoest, 2015; Bjärstig & Sandström, 2017). Additionally, the same partnerships could be implemented within a variety of contexts such as global, national, regional, provincial as well as local levels for service delivery purposes (van den Hurk & Verhoest, 2015; Bjärstig & Sandström, 2017). PPPs can also take different forms and serve a variety of purposes inclusive of "serving a regulative function, playing a methodological, supportive and supervisory role as well as functioning as a knowledge and communication platforms" (Bjärstig & Sandström, 2017:59). In some cases, PPPs are described as "an institutional arrangement for financial cooperation,

a development strategy, a tool for solving problems, conflicts and providing community amenities, an arrangement for crisis management and knowledge transfer, or a way to modernize the public sector" (Björstig & Sandström, 2017:59). Partnerships between the state and business can be categorised as either market, social or policy oriented (Glasbergen, 2012; Björstig & Sandström, 2017). Market oriented PPPs mainly focus on strengthening markets and bolstering institutional effectiveness while social partnerships focuses on providing a voice to mostly unrecognized groups (Glasbergen, 2012; Björstig & Sandström, 2017). The role of policy PPPs is to set the agenda and policy development and therefore, service and infrastructure delivery projects locate themselves across the three different types of PPPs (Glasbergen, 2012; Björstig & Sandström, 2017).

However, Weihe (2006) classified PPPs into five groups using their approach and the categories include local regeneration, policy, infrastructure, development and governance. Both the local regeneration and policy approaches deal with changes in policies concerning development, the environment, the economy and institutional structures, among others (Weihe, 2006; Björstig & Sandström, 2017). Although the local regeneration and policy approaches share the same characteristics, what differentiate the two from each other is the different levels at which they are applied, which are local and international levels, respectively (Weihe, 2006; Björstig & Sandström, 2017). The infrastructure approach provides for the state and business' cooperation to provide for and maintain effective infrastructure whereas the development approach which is mostly adopted in developing countries concentrates on infrastructure provision in cases where social deprivation, corruption and global disasters are prone (Weihe, 2006; Björstig & Sandström, 2017). The governance approach provides for organizational and management aspects as well as cooperation and governance strategies (Weihe, 2006; Björstig & Sandström, 2017). Thus, service and infrastructure delivery PPPs still finds their footing in all the five categories as elaborated above. Regardless of the different categories, the partnerships between state and business in particular should provide for effective and efficient public services and infrastructure that are well governed in order to fulfil expected societal needs. The succeeding section discusses the governance of PPPs in the 21st century.

3. Governance of Public-Private Partnerships in the 21st Century

PPPs are regarded as alternative modalities of achieving good governance that is a result of the collaboration between the state and business (Advent, Finnemore & Sell, 2010; Mukhopadhyay, 2016). Practically, most PPPs still struggle to achieve the aspired societal benefits due to a number of factors such as poor implementation, skewed incentives, lack of capacity and skills as well as inability to adhere to the focus and goal of the partnership. The most contributing factor to the failure is the type of authority that the members of the partnership have access to and can also mobilise which include among others the institutional, delegated, expert, principled and capacity bases (Advent *et al.*, 2010; Brinkerhoff & Brinkerhoff, 2011). Most often, PPPs operates with delegated responsibilities whereby authority is on loan basis from certain institutions and/or authoritative actors that could represent both the state and business (Advent *et al.*, 2010; Brinkerhoff & Brinkerhoff, 2011). Delegated authority can be supplemented with expert and capacity based authority in order to be able to achieve the aspired societal goals of the PPPs. Simultaneously, they might integrate principle based authority to endorse, distribute and support certain governance norms and principles (Advent *et al.*, 2010; Brinkerhoff & Brinkerhoff, 2011). However, this kind of authority may be more beneficial for institutions which share common societal goals as compared to the state and business' current partnerships that have stood firm in their collusion to sustain the initial non-societal intension. This authority framework implies that PPP partners can influence their delegated, expert and capacity authority to promote governance norms and principles while the principle based authority support like-minded partners and stakeholders (Advent *et al.*, 2010; Brinkerhoff & Brinkerhoff, 2011). Although several norms such as accountability, equity, social inclusion and empowerment are supposed to be rationale for many PPPs, the majority of the partnerships serve selfish interests of the state and business.

Generally, there are three models of governance that deal with institutional processes and rules for authority and decision making between the state and business, namely: the monocentric, multilevel and adaptive models (Termeer *et al.*, 2010; Kok & Veldkamp, 2011; Pereira & Ruysenaar, 2012). Monocentric governance model comprises of a state

that is at the centre of political power and authority thereby exercising control over the society, economy and relevant resources (Kok & Veldkamp, 2011; Pereira & Ruysenaar, 2012). Whereas, multilevel governance model emphasises that policy and administration starts internationally then infiltrate down to and between different policy and administrative levels which include the national, regional/provincial and local levels. This model holds that the distribution of governance to different levels is more efficient and effective as compared to mono-centric governance (Termeer *et al.*, 2010; Pereira & Ruysenaar, 2012). The adaptive governance model involves "a systematic process for improving management policies and practices by learning from the outcomes of management strategies that have already been implemented" (Pahl-Wostl *et al.*, 2007:4, cited in Termeer *et al.*, 2010). This model assumes that the world is characterised by continuous and unexpected changes that could mostly result in unpredictable consequences (Termeer *et al.*, 2010; Pereira & Ruysenaar, 2012). Therefore, this model accepts challenges associated with uncertainty by preparing for continuous and unexpected changes through adaptive capacity to deal with the consequences related to the implementation of societal development plans (Kok & Veldkamp, 2011; Pereira & Ruysenaar, 2012). Apparently, the governance of South Africa's PPPs requires such unlimited flexibility to maximise social net gains as required generally for societal development.

The governance of PPPs should be characterised as "participatory, transparent ... accountable ... effective and equitable ... promotes the rule of law ... ensure that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources" (UNDP, 1997:12, cited in Pereira & Ruysenaar, 2012). This type of governance approach is mainly concerned with institutions and processes through which the society pronounces their needs and exercise their legal rights for the management of the country's affairs at all levels (Termeer *et al.*, 2010; Kok & Veldkamp, 2011; Pereira & Ruysenaar, 2012). The aim is to ensure that the political systems provide development opportunities for the whole society by means of proper governance of PPPs. However, South Africa's state and business seem to use the flexibility of the adaptive model to fulfil their selfish interests which compromise the satisfaction of societal needs and

further ignores their human rights. The governance of this partnership focuses more on serving bureaucratic interests of the state and allowing business's unfettered financial and commercial transactions while society's social good remain circumvented. The Gauteng freeway e-tolls demonstrates that notwithstanding the apparent societal resistance of the system, as evidence through the ballot-box reaction against the African National Congress (ANC) during the 2016 municipal elections, the state and business have stood firm in their collusion to sustain their initial intension. The next section focuses on the Gauteng freeway e-tolls and its effects on the 2016 local government elections.

4. The Gauteng Freeway E-Tolls and 2016 Local Government Elections

South Africa's PPPs are regulated under the Public Finance Management Act (PFMA) 1 of 1999 which was adopted five years after the dawn of the democratic dispensation (National Treasury, 2007). It is in this PFMA that a clear and transparent framework for the state and its business partners' mutually beneficial commercial transaction which should mainly be for public good is outlined. PPPs leverage business capital to fund infrastructure, services and transfer of scarce skills between the parties, by sharing risk between the partners, delivering budgetary certainty and guarantee of expected quality gained from the collaboration (National Treasury, 2007; Fombad, 2014; Solana, 2014). South Africa's PPPs have a number of characteristics which include: a clearly defined project; contractual relationship with a life span of 5 to 30 years; business being involved in all stages of the project; funding that sometimes combine state and business funds, payments arrangements that are output-based; and, adequately maintained fixed and operational assets over the project's lifetime (National Treasury, 2007; Fombad, 2014; Solana, 2014). The country's PPPs are however, not a strategy of outsourcing functions, a donation by business for public good and privatization of state assets and liabilities (National Treasury, 2007) but must provide accessible and affordable public infrastructure and services to the society.

In South Africa, the Gauteng Province distance-based e-tolling system driven by South African National Road Agency Limited (SANRAL) in partnership with the state's Department of Transport, was officially activated in December 2013. This system is adopted

as a strategy to collect money from road users in order for the state to be able to repay the loan that was taken to develop Gauteng Province free-ways which were mostly developed in preparation for the 2010 Federation of International Football Association (FIFA) World Cup (Advisory Panel, 2014; Ramoroka, 2014). The collected fees are also used for continuous improvement and maintenance of the roads for sustainability and efficiency of the infrastructure. Beneficially, the system reduced high costs of building manual toll plazas and paying for the human resources involved in their operations (Noordegraaf, Annema & van Wee, 2014; Ramoroka, 2014). The use of detection infrastructure known as electronic toll gantries, are built every 10 km along the freeways (national roads and R21) to collect information of all the vehicles passing underneath them for billing purposes (Advisory Panel, 2014; Ramoroka, 2014).

The recent study to establish the impact of the Gauteng Freeway Improvement Project (GFIP) and the e-tolling system societal wellbeing uncovered critical facts. Firstly, reflection of the apartheid racial patterns through trips taken by the working class to and from areas of economic activities and the location of gantries present racially configured spaces (Advisory Panel, 2014). That is, the e-tolling system has contributed to racially determined costs and benefits, limited access to transport services and infrastructure, longer travel duration and congestion and difficulties in accessibility of education, health and recreational facilities (Advisory Panel, 2014; Ramoroka, 2014). Secondly, for households, the benefits of the transport infrastructure clearly outweigh the costs of paying for it, through both the e-tolls as well as a national fuel levy (Advisory Panel, 2014). Households are heterogeneous entities, and as a result not all those which necessarily benefit from the system will be able to afford the e-tolling fees. Lastly, the assessments failed to explicitly take into consideration the historical socio-political context of the urban region, including the travel patterns of different economic classes. Affordability analyses conducted at the level of regional GDP instead of household level was also of no good use in this case. Lack of consideration of alternative mobility solutions for the long term as well as cost benefit analyse that ignored the costs associated with secondary road usage are also some of the reasons for the rejection of the e-toll system by majority of the working class (Advisory Panel, 2014).

The demonstrations against the e-toll system by various organisations and opposition parties as well as the recent assessment of impact which has provided evidence of the deleterious effects, did little to sway the original decision of e-tolling. Gauteng municipalities, inclusive of Ekurhuleni and City of Tshwane Metropolitan, Sedibeng District, Emfuleni, Lesedi and Midvaal Local Municipalities owe SANRAL more than R2.3m for unpaid e-toll bills while some of the municipal cars are not even fitted with an e-tag (Raborife, 2015). Furthermore, the Economic Freedom Fighters (EFF) which is against what they call the 'privatization of public roads' receives invoices for its vehicles but ignores them (Barletta & Middleton, 2015). Ironically, the state also has unpaid e-toll bills worth millions of Rands. The results of South Africa's 2016 municipal elections specifically in Gauteng Province also provided evidence that the society was not happy with the former ruling party's development initiatives inclusive of the e-tolls. That is, the election results have drastically changed, removing the ANC in power and leaving the DA for the first time in the democratic history as the ruling party for the Tshwane and City of Johannesburg Metropolitan Municipalities. The loss of the ANC in the metropolitan municipalities through the recent ballot-box reaction is a sign of crying and unsatisfied society over the governance of some of the public goods and services such as the e-tolls through the PPPs. Instead of taking public's concerns into consideration, the state and business have finalised a plan intended at the implementation of a similar project in the Western Cape freeways (Davis, 2015). Typically, the country's PPPs meant for enhanced provision of public goods and services involve parallel fragmentary existence of monostatic and adaptive governance, wherein the former serves state interests while the latter fulfils business profit related commercial motives. In the process of the monostatic governance serving bureaucratic interests of the state and the adaptive allowing for unfettered financial and commercial transactions, society's social good remain circumvented. Regardless of the evidence provided against some of South Africa's PPPs, the state and business still have plans to implement same projects such as the e-toll in other provinces.

5. Conclusion

This paper revealed that PPPs are classified into five groups by using their approach and the categories include: local regeneration, policy, infrastructure,

development and governance. Regardless of the different categories of PPPs, the partnerships between state and should always provide for effective and efficient public services that are well governed and serve the expected societal needs. Generally, the paper identified three models of governance that deal with institutional processes and rules for authority and decision making between the state and business, namely: the monocentric, multilevel and adaptive models. However, South Africa's state and business partnerships seem to take advantage of the flexibility of the adaptive model by using it to fulfil their selfish interests which compromise the satisfaction of societal needs and further ignores their human rights. Regardless of the critical facts uncovered by the recent study to establish the impact of the GFIP and the e-tolling system on societal wellbeing, the state and business persuade with their partnership motives. The demonstrations against the e-toll system by various organisations and opposition parties as well as the recent assessment of impact which has provided evidence of the deleterious effects, did little to sway the original decision of e-tolling. The insistence on e-tolls resulted in the ANC losing political and administrative power in the Tshwane and City of Johannesburg Metropolitan Municipalities. Therefore, the paper concludes that the state's insistence on e-tolling and bureaucratic repression of societal interests is a function of the imperatives to service business' financial and commercial gates at the expense of tax paying public. The paper recommends that the governance of South Africa's PPPs such as the Gauteng e-tolls, must focus on fulfilling societal needs instead of serving the state and business' selfish agendas. That is, the society must be at the heart of the partnership which takes into consideration, the public voice during the different phases of such projects.

References

- Advent, D.D., Finnemore, M. & Sell, S.K. 2010. Who Governs the Globe? In Advent, D.D., Finnemore, M. and Sell, S.K. (eds.) *Who Governs the Globe?* Cambridge and New York: Cambridge University Press.
- Advisory Panel. 2014. *The Socio-Economic Impact of the Gauteng Freeway Improvement Project and E-tolls Report: Together, Moving Gauteng City Region Forward*. Pretoria: Gauteng Provincial Government.
- Barletta, D. & Middleton, G. 2015. EFF's Golf GTI Does Not Pay E-tolls – Malema. Available at: <http://www.news24.com/SouthAfrica/News/EFFs-Golf-GTI-does-not-pay-e-tolls-Malema-20150702>. Accessed on 12 July 2016.
- Bjärstig, T. & Sandström, C. 2017. Public-Private Partnerships in a Swedish Rural Context – A Policy Tool for the Authorities to Achieve Sustainable Rural Development? *Journal of Rural Studies*, (49):58-68.
- Brinkerhoff, D.W. & Brinkerhoff, J.M. 2011. Public-Private Partnerships: Perspectives on Purposes, Publicness and Good Governance. *Public Administration and Development*, (31):2-14.
- Davis, R. 2015. E-tolls: The battleground moves to Cape Town. Available at: https://www.dailymaverick.co.za/article/2015-08-12-e-tolls-the-battleground-moves-to-cape-town/#.Wpz_pWYUnmQ. Accessed on 13 February 2017.
- Fombad, M.C. 2014. Enhancing Accountability in Public-Private Partnerships in South Africa. *Southern African Business Review*, 18(3):66-92.
- Gautrain. n.d. (a). Why rapid rail? Available at: <http://www.gautrain.co.za/about/about-gautrain/why-rapid-rail/>. Accessed on 18 February 2017.
- Gautrain. n.d. (b). Gautrain corporate governance. Available at: <http://www.gautrain.co.za/about/about-gautrain/objectives/gautrain-corporate-governance/>. Accessed on 23 February 2017.
- Glasbergen, P. 2012. Partnerships for sustainable development in a globalised world: A reflection on market-oriented and policy-oriented partnerships. In Wijen, F., Zoeteman, K., Pieters, J. & Seters, P. (eds.) *A Handbook of Globalisation and Environmental Policy: National Government Interventions in a Global Arena*. (2nd ed.) Cheltenham: Edward Elgar Publishing Limited.
- Kok, K. & Veldkamp, T.A. 2011. Scale and Governance: Conceptual Considerations and Practical Implications. *Ecology and Society*, 16(2):23.
- Leviäkangas, P.J., Nokkala, M.J.M. & Talvitie, A.P. 2015. A Slice or the Whole Cake? Network Ownership, Governance and Public-Private Partnerships in Finland. *Research in Transportation Economics*, 49:2-13.
- Mukhopadhyay, C. 2016. A Nested Framework for Transparency in Public Private Partnerships: Case Studies in Highway Development Projects in India. *Progress in Planning*, 107:1-36.
- National Treasury. 2007. *Introducing Public Private Partnerships in South Africa*. Pretoria: National treasury.
- Noordegraaf, D.V., Annema, J.A. & van Wee, B. 2014. Policy Implementation Lessons from Six Road Pricing Cases. *Transport Research Part A*, 59:172-191.
- Pereira, L.M. & Ruysenaar, S. 2012. Moving towards Traditional Government to New Adaptive Governance: The Changing Face of Food Security Responses in South Africa. *Food Security*, 4:41-48.
- Raborife, M. 2015. Gauteng municipalities owe more than R2.3m in unpaid e-tolls. Available at: <http://mg.co.za/article/2015-07-15-gauteng-municipalities-owe-more-than-r23m-in-unpaid-e-tolls>. Accessed on 20 July 2017.

- Ramoroka, T. 2014. South Africa's E-toll System and the African Working Class Motorists: The Re-emergence of the Socio-Economic Exclusions of the Apartheid Urban Settlements. *Mediterranean Journal of Social Sciences*, 5(15):49-54.
- Regan, M., Smith, J. & Love, P.E.D. 2017. Financing of Public Private Partnerships: Transactional Evidence from Australian Toll Roads. *Case Studies on Transport Policy* 5: 267-278.
- Solana, E.F.O. 2014. Public Private Not-for-profit Partnerships: Delivering Public Services to Developing Countries. *Procedia-Engineering*, 78:259-264.
- Termeer, C.J.A.M., Dewulf, A. & Lieshout, M. 2010. Disentangling Scale Approaches in Governance Research: Comparing Monocentric, Multilevel, and Adaptive Governance. *Ecology and Society*, (15)4:29-43.
- van den Hurk, M. & Verhoest, K. 2015. The Governance of Public-private Partnerships in Sports Infrastructure: Interfering Complexities in Belgium. *International Journal of Project Management*, 33:201-211.
- Weihe, G. 2006. *Public-Private Partnerships: Addressing a Nebulous Concept* (Working Paper No.16). Copenhagen: International Center for Business and Politics, Copenhagen Business School.

Human Capital Investment's Contribution Towards Economic Growth in Malawi

SA Milanzi and IP Mongale
University of Limpopo, South Africa

OD Daw
North West University, South Africa

Abstract: Human capital investment is viewed as one of the drivers of social development and industrial growth in every country. It enriches the poor and the inferior groups in the economy as it equips them with equal opportunities to take part in local and national development. The purpose of this study was to investigate the effects of Human capital investment on economic growth in Malawi by means of the annual time series data covering the period 1995 to 2017 obtained from the World Bank website. The study employs the Autoregressive Distributed Lag (ARDL) to estimate the link between the variables. This approach was found to be relevant because of its ability to generate robust and reliable results even if the sample size is small or finite like in the case of this study. Literature review evidence has revealed that there are limited studies done in this area in the context of Malawi. Therefore, this paper aims to contribute to this research gap and also to contribute to the policy formulation in the relationship between human capital investment proxied by government expenditures on education and health sectors and economic growth. The empirical results showed that total government expenditure on public and private education has a negative relationship with growth whilst total government expenditure on health sector is positive. Based on this, the study recommends that the government has to balance between education and health expenditures as the main route towards growth. The study supports the projection of budget structure in the year 2016-2017 towards education and health sectors.

Keywords: ARDL, Education, Government Expenditure, Health, Human Capital Investment, Labour

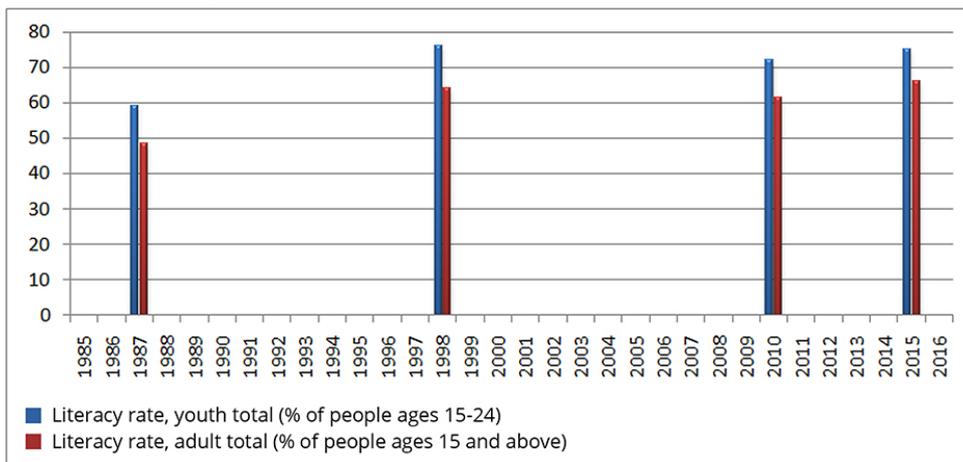
1. Introduction

The experience of the newly industrialised economies suggests that human capital investments will be a vital ingredient of the transition from middle income to high income. Those investments can also affect equity and public finances. Estimates indicate that a 20% increase in human capital spending per capita can raise labour productivity by up to 3.1% and narrow labour income inequality by up to 4.5% (Park *et al.*, 2017) and (Abrigo *et al.*, 2018). Likewise, human capital development is viewed as one of the fundamental factors in determining the wealth and the quality of life the citizens of any country. Development Economists indicate that human capital consists of education, health, and other human abilities that can enhance productivity (Ehimare *et al.*, 2014). In 2015, the Economic Co-operation and Development (OECD) saw a slow but rising health spending growth, albeit still below the growth rates seen in the years before the economic crisis. While generally health spending growth remains below the pre-crisis rates, it has nevertheless tended to follow economic growth more closely since 2013.

This was in contrast to the years leading up to the economic crisis, that is, the period between 2001 and 2005 where growth in health spending strongly outpaced the rest of the economy (OECD, 2017).

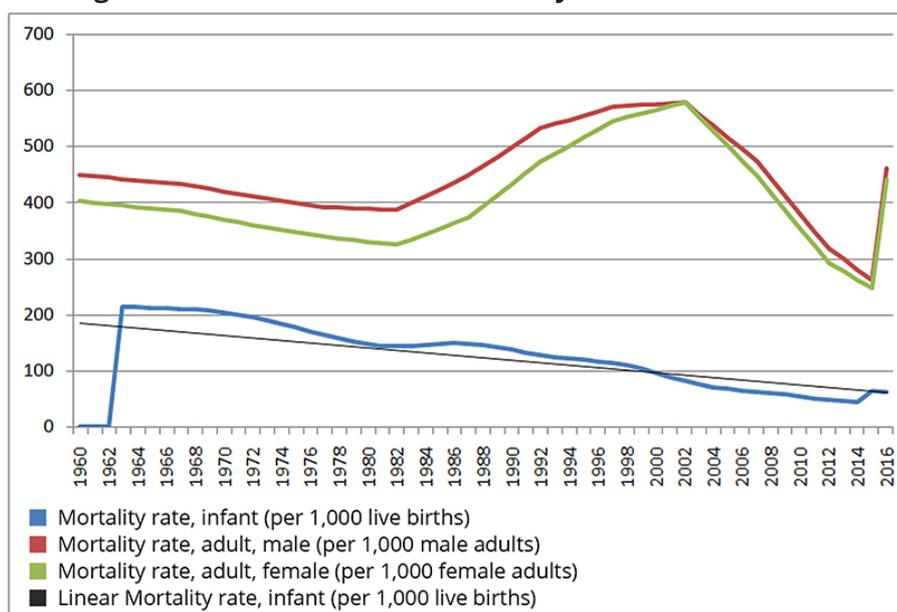
As outlined by Diop *et al.* (2012) in the Second Malawi Growth and Development Strategy (MGDS II) 2011-2016 report, education is valued for social development and industrial growth in every country in the world. It enriches the poor and inferior groups in the economy as it equips them with equal opportunity to take part in local and national development. In addition to that rapid development in all sectors, in line with Becker (1962) every economy requires highly skilled labourers, healthy and educated work force. MGDS II indicates that in order to show keenness in the education side, the Malawian government implemented universal primary education which resulted into high enrolment into public primary schools from 73% in 2006 to 83% in 2009 only. This resulted in improved literacy rate from 74.9% in 2005 and 84% in 2009 respectively. Such an achievement was attained by constructing additional school infrastructure, recruiting of addition

Figure 1: Literacy Rate From the Year 1987-2016



Source: Computed by data from The World Bank website

Figure 2: Adults and Infants Mortality Rate from 1964-2014



Source: Computed by using Quantec data

well trained teachers and improving technological infrastructure for research and development and other appropriate technologies in the country. The improvement is illustrated in Figure 1, constructed by using data from the World Bank website.

Even though Figure 1 shows that education standard improved by 59% in 1987 for youth aged 15-24, 76% in 1998 and 87% in 2010 and the adult literacy rate rose by 64% in 1998 and 75% in 2010, the MGDS II points out that primarily the country has not yet achieved universal access to primary education due to social problems.

In considering the livelihood of the citizens in Malawi, the strategy focused as well on taking

part in improving the health sector. The economy will never improve if the citizens are not healthy enough. Thus a healthy population is regarded to be necessary for sustainable economic growth and development. It is therefore imperative for the government to implement strategies to ensure that the economic participants are healthier. This can be achieved by strengthening the initiatives for preventions and availability of health equipment as well as proper training staff and good service delivery. Diop *et al.* (2012) recorded that a high child mortality rate in Malawi was due to lack of enough facilities and enough training among the nurse. With this regard the MGDS II covered the strategies on maternal health which improved the sector by declining the infant mortality rate from

76 deaths per 1000 live births in 2004 to 66 per 1000 live births in 2010. Furthermore, the under-five mortality rate got declined from 133 deaths per 1000 live births in 2004 to 112 live birth per 1000 live births in 2010 respectively. This helped to improve the HIV prevalence and Tuberculosis cases from 2005 to 2009.

As illustrated in Figure 2 on the previous page, female and male adult mortality rate has a decreasing trend from 1964 to 1986. The situation changed in the mid 1988 where adult mortality rate rose up to 520,000 adults per 1000 adults. This was probably due to HIV/AIDS pandemic and lack of awareness of the disease among the citizens. Due to improved sanitations in the country, the rate got reduced to 390,000 adults per 1000 adults in 2012. Youth mortality has been on a decreasing rate from 1964 to 2014. This was a result of availability of enough health centres and well trained nurses.

In considering the budget structure outlook, the country has put much effort in integrating the education sector rather than agriculture and health sector. The government allocated Malawian Kwacha (MK) 127.9 billion towards education in the fiscal year 2014-2015. This shows that the department received 18% of overall budget making it the highest sector to receive such an amount. Meanwhile the health department received MK65.2 billion making it to be on third position after education and agriculture respectively. In considering the projection done by the government in the year 2016 and 2017 respectively, it shows that the plan was to reduce the expenditure on agriculture and food security by 1% every year from 2016 to 2017 in order to initiate the increase in the department of education, science and technology by 2% increment in 2017. The department of public health, sanitations, Malaria and HIV/AIDS is expected to have been allocated an addition of 3% of the total budget in the year 2016 and 1% increase in the year 2017.

According to Abrigo *et al.* (2018), the positive effect between human capital investments and growth is stronger for poorer households and, hence, beneficial for equity. They suggest that human capital investments have a positive effect on labour productivity and, hence, output. The literature review section showed some contradictions about the relationship between human capital investment and economic growth. While other studies such

as Duraisamy (2002), Haizheng (2003) and Li and Huang (2009) indicate positive results, others such as Weil (2014) and Granados (2012) revealed negative association between growth and some of the proxies of human capital. Despite the importance of this relationship, there is a limited number studies done in developing countries, therefore, this paper aims to contribute to this research gap by focusing in Malawi. In addition, the paper is envisaged to contribute to the policy formulation in the relationship between human capital investments and economic growth.

The central objective of this paper was to examine the effect of human capital investment and economic growth in Malawi and the rest of the paper is organised as follows: Section 2 focuses on the literature review which covers both the theoretical and perspective of human capital investment and growth. Section 3 the presents the empirical framework, that is, data and the model used for analysis, section 4 reports and discusses the empirical results obtained from section 3 and section 5 is the conclusion.

2. Literature Review

Human capital is viewed as a set of skills that increase a worker's productivity. In that sense the human capital theory stipulates that formal education is highly instrumental and necessary to improve the productive capacity of a population. Based on Becker (1962) human capital is directly useful in the production process and it increases a worker's productivity in all tasks, though possibly differentially in different tasks, organisations and situations. The implication is that an educated population is a productive population because education increases the productivity and efficiency of workers. On the other hand, the Schultz/Nelson-Phelps view is that human capital is viewed mostly as the capacity to adapt. It postulates that human capital is especially useful in dealing with "disequilibrium" situations, or with situations in which there is a changing environment, and workers have to adapt to this (Saito, 2007). Hence most of the human capital theorists, including Becker and Schultz maintain that human capital will be valued in the market because it increases firms' profits.

Finally, this study aligns itself with Becker's (1962) notion that broadly speaking human capital can be construed as a set of knowledge, skills, health,

and values that contribute to making people productive. As far as empirical literature is concerned Duraisamy (2002) pointed out that education provides monetary returns to labours in the form of wages and salaries. The study was done in India using national household survey data from the year 1983-1994. The elaborate method and the extended earnings function methods were used in order to assess the rate of returns to education during that period. The results showed that there is hardly any estimate of the monetary returns to schooling in the labour market in India based on national level representative data for the recent period. Hence the returns to education increase up to the secondary level and decline thereafter. In a similar study with a household survey data from 1995, Haizheng (2003) discovered that returns in education in China are low thus by looking at annual earnings. Furthermore, Li and Huang (2009) conducted a study on the impact of health and education on economic growth. The panel data models were used in the estimation based on the provincial data from 1978-2005. The results postulate that both health and education have positive significant effects on economic growth. This seems to be in tandem with Rengin (2012) who argued that education and health complement each other and that it is compulsory to make similar investments in health as those made in physical capital and education regarding the development of the country.

Fersterer and Winter-Ebmer (2003) added that returns on education are sometimes difficult to notice as some residents conceal personal income during survey and declining quality of education. The study employed cross-section data from the year 1981-1997 collected from Mikrozensus in Australia. Estimating quantile regressions provide further interesting insights in the study. In addition, Dee (2004) suggests that educational attainment has large and statistically significant effects on subsequent voter participation and support for free speech. The study also showed that additional schooling appears to increase the quality of civic knowledge as measured by the frequency of newspaper readership and participation in research and development. The findings were based on the study done by using data from the 1972-2000 and General Social Surveys estimate were used.

Furthermore, Weil (2014) emphasised that there exists great relationship between health and

economic growth. The finding has shown that income per capita is highly correlated with health as measured by life expectancy or a number of other indicators and this was found to be the case in both across and within countries. Another relationship between health and growth was established by Mehrara and Musai (2011) who discovered the existence of a long run relationship between economic growth and health expenditure. They were able to prove the hypothesis that over the period after the revolution, health expenditure in Iran rose at a faster rate than growth. However, their results established an instantaneous and unidirectional causal link running from growth to health spending. Yet, health spending did not Granger-cause per-capita GDP growth with a positive sign. In another study, Granados (2012) used cross-section data collected from England and Wales during 1840-2000. The result showed a negative relationship between health progress and rate of growth of gross domestic product (GDP).

van Zon and Muysken (2001) pointed out that the endogenous growth proves the interaction between health production and growth of generating service of human capital accumulation in an endogenous growth framework. The study further shows that the reduction in income per capita is mostly associated with health preference and aging population. Countries with poor health standards show slow growth.

Wang (2011) used international total health care expenditure data of 31 countries from 1986-2007 in exploring the causality between an increase in health care expenditure and economic growth. The results showed that health care expenditure will stimulate economic growth; however, low economic growth will reduce health care expenditure. Panel data was used in the process. Likewise, Baltagi and Moscone (2010) estimated the long-run relationship between health care expenditure and income using panel data of 20 OECD countries observed from the year 1971-2004. The results showed that health care expenditure is a necessity rather than a luxury, with elasticity much smaller than that estimated in previous studies.

The empirical literature reviewed on this section showed a serious dichotomy about the relationship between human capital investment and economic growth. Some of the results revealed that increased expenditure on growth stimulates the economy and

others indicated that endogenous growth proves the interaction between health production and growth. On the other side of the coin, others illustrated that returns on education are sometimes difficult to notice. Another contrast was experienced by Pelinescu (2015) where his model revealed a positive and statistically significant relationship between economic growth and its proxies of human capital, namely, innovative capacity of human capital and qualification of employees. At the same time the other proxy in the form of education expenditure gave the unexpected results of a negative relationship with growth.

3. Data and Methodology

The essence of compiling this study is to examine the effects of Human capital investment proxied by government expenditure on education and health sectors on economic growth in Malawi. The study uses an annual time series data covering the period 1995 to 2017 obtained from the World Bank website. The choice of the study period is limited by the availability of data of all variables in the model. The Autoregressive Distributed Lag (ARDL) approach developed by Pesaran, Shin and Smith (2001) was chosen to estimate the link between the dependent variable and its regressors. Besides the other advantages of this approach, ARDL was found to be more relevant because of its ability to generate robust and reliable results even if the sample size is a small or finite sample size like in the case of this study. The model was specified as follows;

$$GDP_t = \alpha + \beta_1 POPGrate_t + \beta_2 TEDExp_t + \beta_3 THExp_t + \mu_t \quad (1)$$

where, GDP which is used as a proxy for economic growth. In line with studies such as Hanushek and Kimko (2000) and Hoeffler (2002), annual population growth rate ($POPGrate$) has been introduced as a controlled variable in the model. Meanwhile, $TEDExp$ represents the total education expenditure which is comprised of public expenditure on education made up of current and capital public expenditure on education. This includes government spending on educational institutions both public and private sectors. Finally, $THExp$ symbolises the total health expenditure which is the sum of public and private health expenditures. The variable covers the provision of health services, that is, both preventive and curative, family planning activities, nutrition activities and also the emergency aid designated

for health but does not include provision of water and sanitation.

Prior to model estimation, several econometrics techniques were conducted to determine the characteristics the individual variables and to estimate the model as a whole. They are as follows:

3.1 Stationarity Test

The stationarity test in the form Augmented Dickey-Fuller (ADF) was conducted to determine the properties of the variables under study. The stationarity test is very crucial because the ARDL bounds test is based on the assumption that the variables are integrated of order zero or one, that is $I(0)$ or $I(1)$. Therefore, in this case the objective is to ensure that there are no variables integrated of order two or $I(2)$ so as to avoid spurious results since in the presence of such variables, the values of F-statistics provided Pesaran *et al.* (2001) cannot be interpreted. For that reason, the ADF unit root test was estimated for individual series to provide evidence of the order of integration. The results are presented in Table 1 on the next page.

3.2 ARDL Bound Test for Cointegration

Moreover, the bound test of the ARDL is conducted in order to identify the evidence of long-run relationship amongst the variables. The decision rule of this test is based on the calculated F-statistics which is compared with the Critical Value as tabulated by Pesaran *et al.* (2001). If F-statistics is greater than the upper critical value, then the decision will be to reject the null hypothesis of no long-run relationship. On the other hand, if it falls below a lower critical value, then the null hypothesis cannot be rejected and if it falls within these two critical bounds, then the result is inconclusive (Pesaran *et al.*, 2001).

The ARDL model is therefore specified as follows:

$$\begin{aligned} \Delta GDP_t = & \beta_0 + \sum_{i=1}^m \beta_1 \Delta GDP_{t-i} + \sum_{i=1}^m \beta_2 \Delta POPGrate_{t-i} \\ & + \sum_{i=1}^m \beta_3 \Delta TEDExp_{t-i} + \sum_{i=1}^m \beta_4 \Delta THExp_{t-i} + \alpha_1 GDP_{t-1} \\ & + \alpha_2 POPOGrate_{t-1} + \alpha_3 TEDExp_{t-1} + \alpha_4 THExp_t + \mu_{t-1} \end{aligned} \quad (2)$$

where β_0 to β_4 and α_1 to α_4 are the coefficients of the independent variables, Δ is the first difference of the operator and μ_t is a white-noise disturbance term. The ARDL model in Equation 2 indicates

Table 1: Augmented Dickey Fuller Test Results

Variables	Model	Lag -length	t-statistics	P-value	Order of integration	Decision
GDP	Intercept	4	-4.153975***	0.0043	I(0)	Stationary
	Trend & intercept	4	-3.987941***	0.0251	I(0)	
	None	4	-3.130368***	0.0033	I(0)	
POPGrate	Intercept	4	-3.368786	0.0266	I(0)	Stationary
	Trend & intercept	4	-6.626720***	0.0003	I(1)	
	None	4	-6.475563	0.0000	I(1)	
TEDExp	Intercept	4	-4.644522***	0.0015	I(1)	Stationary
	Trend & intercept	4	-4.568998***	0.0081	I(1)	
	None	4	-4.768598	0.0001	I(1)	
THExp	Intercept	4	-4.083700	0.0053	I(1)	Stationary
	Trend & intercept	4	-4.115489	0.0202	I(1)	
	None	4	-3.772985	0.0007	I(1)	

*Statistically significant at 10% level, **Statistically significant at 5% level, ***Statistically significant at 1% level

Source: Authors

that economic growth tends to be influenced and explained by its past values and it is separated into two parts. The first part of the equation with β_0 to β_4 denotes the short-run dynamics of the model, while the second part with coefficients α_1 to α_4 signifies the long-run part of the model. The null hypothesis of the foregoing model is defined as $H_0 : \alpha_1 = \alpha_2 = \alpha_3 = \alpha_4 = 0$ which expresses that there is no long-run association among the variables.

Furthermore, the Error Correction Model (ECM) of the ARDL approach is specified as:

$$\Delta GDP_t = \beta_0 + \sum_{i=1}^m \beta_1 \Delta GDP_{t-i} + \sum_{i=1}^m \beta_2 \Delta POPGrate_{t-i} + \sum_{i=1}^m \beta_3 \Delta TEDExp_{t-i} + \sum_{i=1}^m \beta_4 \Delta THExp_{t-i} + \beta_5 ECM_{t-1} + \mu_{t-1} \tag{3}$$

4. Results and Discussion

This section presents the results of all the econometric registrations of dependent and independent variables in the model.

4.1 Stationarity Test Results

In determining the order of integration of the residuals of the variables used in this study, the ADF unit root test was used and the results are reported in Table 1 above. The results show that the null hypothesis of no unit root test has been rejected. The results are further validated by the p-values which are all

less than 5% level of significance, thus the variables are showing a mixture of integration because some are I (0) and others are I (1). Since they are not integrated at the same order and there is no evidence of I (2) variables, the ARDL approach was the most appropriate Cointegration technique required to test the long-term relationship among the variables.

4.2 ARDL Bound Test for Cointegration

The ARDL bound test for Cointegration results are presented in Table 2 on the following page.

The results indicate that the coefficient estimated in Table 2 is stable and significant for both dependent and independent variables. This was achieved at lag 2 selection using Akaike Information Criterion criteria, therefore, the bounds F-Statistics test will help to determine the presence of cointegration amongst the variables. Cointegration is used to reconcile the short-run and long-run behaviour of the variables as used in this study and the results are presented in Table 3 on the next page.

The estimated F-statistics of 6.079284 in Table 3 is larger than any of the I (1) values showing that the model is significant and cointegrated. We therefore fail to reject the bound test approach estimated in Table 3 due to suggestion made by Persaran (2001) that we have to accept the null hypothesis when the sample F-statistics is below the associated critical value.

Table 2: ARDL Estimated Coefficient Results

Variables	Coefficient	Std. Error	t-Statistic	Prob.*
GDP(-1)	-0.249402	0.287533	-0.867387	0.4027
GDP(-2)	-0.449888	0.185662	-2.423151	0.0321
POPGrate	-1.570240	19.90833	-0.078874	0.9384
POPGrate(-1)	16.68214	25.83427	0.645737	0.5306
POPGrate(-2)	-15.32385	12.83380	-1.194023	0.2555
TEDExp	-0.494549	0.455584	-1.085529	0.2990
TEDExp(-1)	-1.098145	0.629622	-1.744134	0.1067
THExp	0.913239	0.469570	1.944841	0.0756
C	5.612623	19.89083	0.282171	0.7826

Source: Authors

Table 3: ARDL Bounds Cointegration Test

F-Statistics : 6.079284		
Critical value bounds		
Significance levels	I(0) Bounds	I(1) Bounds
10%	2.72	3.77
5%	3.23	4.35
2.5%	3.69	4.89
1%	4.29	5.61

Source: Authors

Table 4: Short-Run Coefficients of the ARDL Model

Variables	Coefficients	Standard Error	T-statistics	P-value
D(POPGrate)	0.818352	3.085442	0.265230	0.7940
D(TEDExp)	-0.640537	0.323954	-1.977246	0.0645
D(THExp)	0.133417	0.271915	0.490655	0.6299
ECM(-1)	-0.624048	0.155246	-4.019745	0.0009

Source: Authors

The coefficients of the estimated short-run results presented in Table 4 show that the results are statistically insignificant. On the other hand, the ECM term is less than one and it has theoretically correct sign (negative) and significant at 1% level. All these confirm the foregoing long-run relationship among the variables and also imply that in the case of any disequilibrium in the economy the system will correct itself from the short-run towards reaching long-run equilibrium at the rate of around 62% every year.

4.2.1 Estimated Long-Run Coefficient

The short-run estimation was followed by the long-run analysis and the results are presented in Table 5 on the following page.

The regression results in Table 5 (see next page) show that *TEDEx* is positively related to GDP whilst *POPGrate* and *THExp* are negatively to economic growth. Thus a percentage change in population growth in the country results into 1.31% decreases in GDP. Thus a percentage change in total government expenditure on public and private education results into -1.03% decrease in GDP. Lastly total government expenditure on health sector results into an increase in GDP of 0.21%.

To check whether the model is reliable, several diagnostic tests were conducted and the results are presented in Tables 6 and 7 respectively on the following page.

Table 5: Cointegration and Long-Run Form of the ARDL Model

Dependent variable (GDP)				
Variables	Coefficients	Standard Error	t-statistics	P-value
<i>POPGrate</i>	1.311360	5.106347	0.256810	0.8004
<i>TEDEx</i>	-1.026422	0.553812	-1.853377	0.0813
<i>THExp</i>	0.213792	0.421483	0.507238	0.6185

Source: Authors

Table 6: Normality Test

Jarque-Bera	Standard Dev.	Skewness	Kurtosis	P-value
14.98206	2.250871	-1.264316	6.154378	0.000558

Source: Authors

Table 7: Serial Correlation and Heteroskedasticity Tests Results

Test	F-statistics	P-Value
Serial correlation	0.219483	0.8067
Heteroskedasticity	0.653963	0.7214
Wald Test (chi-square)	2.303209 (4.606417)	0.1303

Source: Authors

4.3 Residual Diagnostic Test

The residual diagnostic stability tests have been carried out in order to know the stability or otherwise of the model and parameters in the system equation

The residuals of this model are normally distributed since the p-value is significant at 5% and the Jarque-Bera value is more than 5.99 (chi-square with two differences at the 5% level).

The results of chi-square probabilities of the serial correlation and heteroskedasticity tests estimated in Table 7 are both less than 5% so we accept the null hypothesis of no serial correlation and heteroskedasticity. This is due to the fact that the null hypotheses of all the tests cannot be rejected due to insignificant p-values.

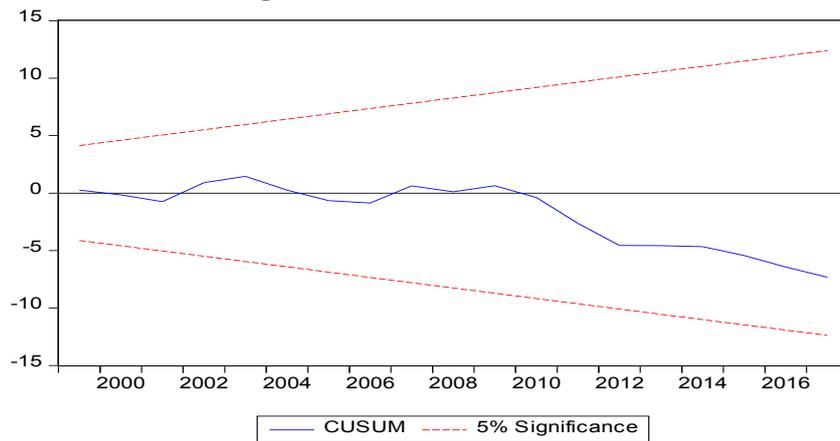
Figures 3 and 4 on the following page indicate the absence of any instability of the coefficients because the plots of both the CUSUM and CUSUMSQ statistics fall inside the critical bands of the 5% confidence interval of parameter stability.

5. Conclusion and Recommendations

The purpose of this study was to investigate the effects of Human capital investment on economic

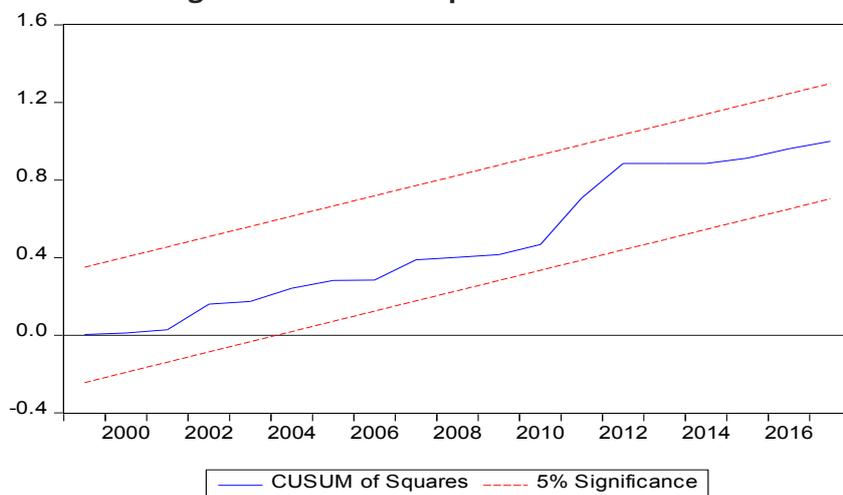
growth in Malawi by means of the ARDL approach. The unit root tests result showed that the variables had a mixed order of integration, that is, I (0) and I (1) orders of integration. Furthermore, the ARDL bounds cointegration test showed that the model was significant and cointegrated. The ECM term confirmed the foregoing long-run relationship among the variables indicating that in the case of any disequilibrium in the economy, the system will be able to correct itself from the short-run towards reaching the long-run equilibrium. As indicated in the literature review about mixed results on this relationship, the similarly results were obtained about the impact of human capital investment on economic growth in Malawi. In line with Pelinescu (2015), the empirical results of this study showed that total education expenditure has a negative relationship with growth whereas total health expenditure is positive. As the human capital has pointed out, human capital is directly useful in the production process and it increases a worker's productivity in all tasks, therefore the study recommends that the Malawian government has to strive to strike a balance between education and health expenditures as the main root towards growth. Therefore, study supports the projection of budget structure in the year 2016-2017 towards education and health sectors expenditure.

Figure 3: CUSUM Test Results



Source: Authors

Figure 4: CUSUM of Squares Test Results



Source: Authors

References

- Abrigo, M.R.M., Lee, S.-H. & Park, D. 2017. *Human Capital, Spending, Inequality, and Growth in middle income Asia*. Available at: <https://doi.org/10.1080/1540496X.2017.1422721>.
- Abrigo, M.R.M., Lee, S.-H., & Park, D. 2018. Human Capital Spending, Inequality, and Growth in Middle-Income Asia. *Emerging Markets Finance and Trade*, 54(6):1285-1303. Available at: <https://doi.org/10.1080/1540496X.2017.1422721>.
- Baltagi, B.H. & Moscone, F. 2010. Health care expenditure and income in the OECD. reconsidered: Evidence from panel data. *Economic Modelling*, 27(4):804-811. Available at: <https://doi.org/10.1016/J.ECONMOD.2009.12.001>.
- Becker, G.S. 1962. Investment in Human Capital: A theoretical analysis. *The Journal of Political Economy*, LXX, (5):9-49.
- Dee, T.S. 2004. Are there civic returns to education? *Journal of Public Economics*, (88):9-10, 1697-1720.
- Diop, M., Owen, D. & Ghura, D. 2012. *Second Malawi Growth and Development Strategy (MGDS II) 2011-2016*. Available at: <http://documents.worldbank.org/curated/en/399931468089371016/pdf/691340PRSP0P120OfficialUse0Only090.pdf>.
- Duraisamy, P. 2002. Changes in returns to education in India, 1983-94: by gender, age-cohort and location. *Economics of Education Review*, 21(2002):609-622.
- Ehimare, O.A., Ogaga-Oghene, J.O., Obarisiagbon, B.E.I. & Okorie, U.E. 2014. The Nigerian Government Expenditure on Human Capital Development: An Efficiency Analysis. *European Journal of Business and Social Sciences*, 3(7):1-13.
- Fersterer, J. & Winter-Ebmer, R. 2003. Are Austrian returns to education falling over time? *Labour Economics*, 10(1):73-89.
- Granados, J.A.T. 2012. Economic growth and health progress in England and Wales: 160 years of a changing relation. *Social Science & Medicine*, 74(5):688-695.
- Haizheng, L. 2003. Economic transition and returns to education in China. *Economics of Education Review*, 22(3):317-328.
- Hanushek, E.A. & Kimko, D.D. 2000. Schooling, Labor Force Quality, and the Growth of Nations. *American Economic Review*, 90(5):1184-1208.

- Hoeffler, A.E. 2002. The augmented Solow model and the African growth debate. *Oxford Bulletin of Economics and Statistics*, 64(2):135-158.
- Li, H. & Huang, L. 2009. Health, education, and economic growth in China: Empirical findings and implications. *China Economic Review*, 20(3):374-387.
- Mehrara, M. & Musai, M. 2011. The causality between health expenditure and economic growth in Iran. *International Journal of Business Management and Economic Research*, (2):13-19.
- OECD. n.d. Health Expenditure –OECD. Retrieved 12 May 2018. Available at: <http://www.oecd.org/els/health-systems/health-expenditure.htm>.
- Park, D., Abiad, A., Estrada, G., Han, X. & Tian, S. 2017. Transcending the middle-income challenge. In *Asian Development Outlook 2017*. Philipines: World Bank.
- Pelinescu, E. 2015. The Impact of Human Capital on Economic Growth. *Procedia Economics and Finance*, (22):184-190.
- Pesaran, M.H., Shin, Y. & Smith, R.J. 2001. Bounds testing approaches to the analysis of level relationships. *Journal of Applied Econometrics*, 16(3):289-326.
- Rengin A.K. 2012. The Relationship between Health Expenditures and Economic Growth : Turkish Case. *International Journal of Business Management and Economic Research*, 3(1):404-409.
- Saito, M. 2007. The Basic Theory of Human Capital. *Journal of International Cooperation in Education*, (10):165-182.
- van Zon, A. & Muysken, J. 2001. Health and endogenous growth. *Journal of Health Economics*, 20(2):169-185.
- Wang, K.-M. 2011. Health care expenditure and economic growth: Quantile panel-type analysis. *Economic Modelling*, 28(4):1536-1549.
- Weil, D.N. 2014. Health and Economic Growth (pp. 623-682). Available at: <https://doi.org/10.1016/B978-0-444-53540-5.00003-3>.

Citizen Involvement in the Formulation of Public Policy

T Molokwane

University of Botswana, Botswana

MT Lukamba

North West University, South Africa

Abstract: To assist the government in determining its mandate, citizens should be involved as they best know their needs. The significance of citizen engagement in the process of policy formulation is rooted in among others, the fact that public policy outputs and effects affect those to whom the policy is targeted at. This paper identifies areas of contribution of citizen involvement in public policy formulation. Literature illustrates that some governments do not engage citizens sufficiently in the process of public policy formulation. It remains relatively unclear as to why government evades engaging citizens in the formulation of public policy and conduct random and cursory consultations in order to enshroud the lack of consultation. The case of Botswana, illustrates that citizens made adequate efforts in the contribution to the formulation of the country's public policy. This study therefore, shows that citizens are an important stakeholder hence government engages them in a specific domain. This study also discusses selected cases of citizen engagement in Botswana. The study further acknowledges that the failure of policy implementation can be linked to failure on the part of civil servants where they do not follow proper procedure as recommended by the government. To this end, public policy successes require strong involvement of public officials to avoid any policy implementation failure.

Keywords: Citizen Involvement, Formulation, New Public Management, Public Policy

1. Introduction

The discipline of Public Administration has undergone transformations in the management of the public sector from what scholars call the 'traditional model' of public administration into a transition called 'New Public management'. This shift in paradigm led to change in our general understanding of public administration dynamics and ushered into perspective some of the notions that were virtually disregarded under traditional public administration. One such notion is that of citizen involvement. According to Antonini, Hogg, Mannetti, Barbieri, & Wagoner (2015:132), initiatives that promote direct participation by citizens in governmental policies have been in place since the 1950s with the underlying assumption that citizens' direct participation in their government will promote more democratic and effective governance.

The concept of citizen involvement in Botswana can be traced to the pre-independence era where the community was seen as part of the decision making structures where the village leadership sought ideas and advice from locals prior to introducing policies and programs. Lekorwe (1989:217) notes that Botswana has a strong tradition of participation and consultation at all levels of public life from the

village to central government, and this, has strong roots from *Tswana* custom of holding 'town meetings' known as the *Kgotla* which still exists and is part of the local consultative network. Lekorwe (1998:88) contrasts Botswana with other Sub Saharan African countries acknowledging that the country is unique as it adopted a pluralist political system that should naturally support the formulation of policy by interest groups. On a similar note, Maipose (2008:4,39) points out that while planning in Botswana was centrally conceived, there is evidence to show that policies were and continue to be realistically rooted in the tradition of the people and this has broadened participation in policy and planning initiatives.

This paper seeks to demonstrate that while citizen engagement has traditionally been the bedrock of policy formulation in Botswana, there has been a decline in the culture of citizen engagement in policy formulation over a period of time. The paper begins by interrogating the concept of citizen involvement linking it to citizen participation. The paper then provides a theoretical framework to explain the concept under study and then deliberates over a number of experiences that emanated from citizen involvement (as well as from exclusion from same) in policy formulation hence producing unfavourable policy outcomes and effects. This paper also

provides lessons learnt from the study with a view to have readers reflect on citizen involvement processes and practice. To this end all stakeholders should strive to actively foster collaborative participation. Finally, this paper calls for further research in the area of 'policy formulation' in Botswana so that causal linkages could be established between policy formulation and other areas of public policy making process such as policy implementation and evaluation.

2. The Concept of Citizen Involvement

Citizen participation is described as the involvement of citizens in a wide range of activities that relate to the making and implementation of policy including the determination of levels of service, budget priorities, and the acceptability of physical construction projects in order to orient government programmes towards community needs (Fox & Meyer, 1995). For Campbell and Marshall (2000) & Anderson (2015:1), citizen involvement means the public's ability to take part or participate in the nation-states' processes and activities especially concerning preparation of public policy and the critical decision making that affects their day to day lives. According to Obasi & Lekorwe, (2014:2) various scholars are in agreement that citizen engagement refers to ways, activities or processes for involving citizens in the public policy process. Basically citizen involvement entails engagement of citizens as participants in the development of public activities such as public policy formulation.

Occasionally, some scholars utilize the concepts 'citizen involvement' and 'citizen participation' to refer to the same process. It is critical that we make a distinction between the two concepts. Cogan & Sharpe (1986:283) define citizen participation as a process which provides private individuals an opportunity to influence public decisions. Their take is that citizen participation has long been a component of the democratic process. They also trace the roots of citizen participation to ancient Greece and Colonial New England. Before the 1960s, governmental processes and procedures were designed to facilitate 'external' participation. Citizen participation was institutionalized in the mid-1960s with President Lyndon Johnson's Great Society programs.

Mize (1972) brings to the fore another title – 'public involvement'. In his view, public involvement means to ensure that citizens have a direct voice in public

decisions. He acknowledges that the terms 'citizen' and 'public' as well as 'involvement' and 'participation' are often used interchangeably. The two concepts are generally used to indicate a process through which citizens have a voice in public policy decisions, both have distinctively different meanings and convey little insight into the process they seek to describe. Many agencies or individuals choose to exclude or minimize public participation in planning efforts claiming citizen participation is too expensive and time consuming (Irvin & Stansbury, 2004:58). Yet, many citizen participation programs are initiated in response to public reaction to a proposed project or action. However, there are benefits that can be derived from an effective citizen involvement program (Parker, 2002). Cogan & Sharpe (1986:284) identify five benefits of citizen participation to the planning process namely: information and ideas on public issues; public support for planning decisions; avoidance of protracted conflicts and costly delays; reservoir of good will which can carry over to future decisions; and spirit of cooperation and trust between the agency and the public.

Bryson & Crosby (1993) indicate that public policy formulation is a process that requires various stakeholders and may be a difficult one or result in failure if the citizens are left out of the planning process. Brady, Verba, & Schlozman, (1955:274) place a precondition to citizen involvement to policy formulation stating that in order for citizens to be involved in the policy formulation process, they must first have a reason and interest in politics, concern regarding public issues, a sense that their actions will make a difference and a sense of civic responsibility. They argue further that in addition to this psychological participation in the political process, the availability of certain resources may have profound effect on citizen involvement.

Countries across the world have engaged (through either involvement or participation) citizens in policy formulation. Our view is that a distinction between citizen involvement and citizen participation can be drawn notably since the process of 'involvement' often assumes a top-down approach whilst 'participation' is often instigated by the public itself. We however note that the ultimate goals of the two concepts (citizen involvement and participation) are the same. In either situation, it is critical that citizens are engaged at the initiation of any public policy for purposes of ownership and smooth policy formulation as well as implementation.

3. Theoretical Framework

3.1 Rationale for Public Involvement in Policy Formulation

Involving citizens in the formulation of public policy is necessary for modern-day governments. Whilst a plethora of reasons for citizen involvement in policy formulation have been captured in volumes of literature we mention just a few. Holmes (2011:1) argues that the theory and practice of public administration is increasingly concerned with placing the citizen at the centre of policy makers' considerations, not just as target, but also as agent. This he says, is a very key aspect in policy making because the policies made are for the people therefore they should be made with the people.

Further to this, it should be noted that citizen involvement educates the public and develops a sense of citizenship. Western experts in particular sometimes fail to appreciate that other countries are still in the midst of a historical process of 'state formation'. There is no state formation without equally historical development of the notion of citizenship (International Peace Bundling Advisory Team, 2015:3). Citizen involvement is equally important as it is needed in building commitment and capacity of the government and citizens. The Organisation for Economic Cooperation and Development (2001:1) recommends that governments invest adequate time, resources and commitment in building robust legal policy and institutional frameworks thereby developing appropriate tools and evaluating their own performance in engaging citizens in policy making.

3.2 Citizen Involvement is a Fundamental Component of the Planning System

Citizens, as well as various groups within societies, often remain in defence of their interests, they can assist in the (ex-ante) analysis of the effects of policies as this assists with putting the right policies into place and putting aside the wrong ones. Marzuki (2015:21) puts it that citizen interest allows involvement in the decision process from an early stage of related planning procedure, this will encourage citizens input in the planning process and present the views of the entire community on specific issues to ensure that the proposed plan mirrors their aspirations. This will consequently affect the citizen's ability to comprehend the decision making process (Marzuki, 2015:22).

A successful citizen participation program must be integral to the planning process. The program should also be focused on its unique needs, designed to function with available resources and responsive to the citizen participates. It is significant to involve citizens in public policy formulation so as to defuse tension and conflict over public decisions (Cogan, 1986:298). Equally, information should be availed to the public in the same way, government expects citizens to usher it with information. Poorly designed and inadequate measures for information, consultation and active participation in policy making can undermine government relations with the citizens (Organisation for Economic Cooperation and Development, 2001:1). The participation of public in policy formulation can be effective only when that decision can have an impact in their community. That policy should have an interest in the community demand otherwise there is a possibility of rejection by the citizens.

3.3 Increased Efficiency and Service

Linked to the discussion above, it is argued that citizen's involvement's efficiency and effectiveness are compromised by the difficulties faced by the citizen when it comes to understanding the technical reports and the complex planning issues (Jenkins, 1993:282). It is imperative that the citizen be more involved in the public policy formulation process and have a better understanding of the same process for instance, a truly responsible government will ensue that citizens understand and actively consider policy choices that are before the society (Graves, 1995:40). This is likely to increase the efficiency of the policy being formulated at implementation stage. According to Sidor (2012:88), the main goal of public authorities aimed at involvement of citizens is to improve the decision making process and the quality of service, therefore public authorities involve citizens in order to achieve better effects in government.

3.4 Opportunity for Citizens to Influence Public Decisions

Citizen involvement in policy formulation accords citizens an opportunity to influence public decisions. We argue that the denial of the public to participate in policy formulation is often linked to how government perceives a 'citizen'. To illustrate this, we derive our position from Abels' (2007) detailed description of a 'citizen' who states that a citizen

constitutes any resident of a certain country or location who may be a client or customer, public administrators, policy makers, public servants, expert stakeholders, public leaders such as chiefs and ministers, from the political stance; the voters, individual youth or elders and so on who receives the services from the government. In other words, the term 'citizen' includes just about anyone within a particular society or community regardless of their gender, social standing, ethnic group, vulnerability state (Gaventa & McGee, 2010) race and religion.

The contentious issue however is that a number of scholars seem to have a shared common shift to reduce a citizen to basically mere 'public members' who expect the government to meet or satisfy their individual basic needs, expectations and interests through the provision of public policy that is citizen inclusive (Innes & Booher, 2004; Berner, Amos & Morse, 2011). This is a thought most governments subscribe to. Innes & Booher (2004) and Berner, Amos & Morse (2011) further observe that despite this notion, some public administrators and academics insist that a citizen is instead the owner of the government and as such, citizens are not just the masses following the elites being the government. They possess power and can certainly control the government. As such, involving citizens at the policy formulation stage provides an opportunity to citizens to have their government make choices informed by their input.

3.5 Promote Good Governance

According to Devas & Grant (2003), in order for the government to correctly choose what to do, the citizens should be involved since they know and are sure of what they want from the government. Public participation is perceived as one of the milestones of democracy and local governance. Public participation in the making and implementation of policy as such is indispensable for sustaining democracy and promoting good local governance and administration (International Peace Bundling Advisory Team, 2015:7). Additionally, citizen participation strengthens government the relations with citizens and is a rigorous investment in better policy-making and a core component of good governance.

The Swedish International Development Cooperation Agency (2002:4) emphasises that participation is reflected as one of the marks of democratic government. This is because participatory democracy offers

a mechanism for including people to be involved in the governing procedures of government. Local government is the closest to the public for allowing participatory democracy to show, public participation further promotes democratic principles such as political equality, majority rule, popular sovereignty and popular consultation. Concurring with the above views is Davids (2005:19) who states that public participation denotes an inclusive process aimed at deepening democracy through formal participatory mechanisms. In South Africa, a strong view on public participation is taken into consideration in the local government during the Integrated Development Plan (IDP). The local authority must give the community an opportunity to make an input concerning the IDP which is a five-year plan. The local authorities cannot implement any program without getting the community input on the IDP. This is a normal process according to South African legislation, the community should be consulted. The South Africa constitution stipulates that the public or the community is to be encouraged to participate in policy making.

4. International Experiences on Citizen Involvement in the Formulation of Public Policy

In Canada, the country has various forums where communities and citizens can express their views on public policy issues and these include: attending public consultation groups on the policy issues in question; Government initiated referenda; Legislative hearings; Elections; Contacting media; Royal Commissions; Community meetings; Town hall meetings; Surveys and opinion polls; Policy round tables; Petitions, demonstrations, letter-writing campaigns or other advocacy strategies (Tehara, 2010:16; Motsi, 2009:7). In Switzerland, before any decision should be taken government always conducts a referendum, it shows that the people do have a say in any government decision (Treichsel & Sciarini, 1998:110, 111). An enabling advantage for this positive development is that the population of Switzerland is very low.

The Australian experience shows that government ministries and departments engage citizens in the policy formulation process. For instance, the Department of Industry, Tourism and Resources commits its officers to six aspects of a consultation process in relation to policy formulation and implementation. When developing policy advice, they consult widely; provide reasonable time frames

for its citizens to respond to policy proposals; explain the process; and ensure that the contribution to policies is balanced and relevant to the Government's broader economic and social objectives. After making policy decisions, they provide information to citizens about decisions that affect them; and citizens would then be consulted during the implementation of (Curtain, 2003:6).

In Brazil, despite experiencing challenges in citizen involvement, the municipal health councils are part of a movement that in which civil society and political actors have joined forces to institutionalize political spaces for citizen participation in policy-making (Coelho, Pozzoni & Cifuentes, 2005:182). The Brazilian experience shows that contrary to a widely held view of civil society as separate from the political realm, an emerging trend in Latin America shows that civil society, the state and political parties are closely linked. For example, the expansion of civil society has a significant effect on the political society. Civil society leaders reached out to, and closely worked with politicians to help elect candidates and influence public policy (Wampler, 2004:79,80). Neighborhood leaders and reformist politicians created political alliances based on the idea that citizens should be directly incorporated into the policymaking process (Wampler, 2004:80).

In an empirical study conducted by the Institute for Social Research in America, both quantitative and qualitative data were collected in 14 U.S. cities with populations greater than 100,000 (as of 1996). The objective was to find out the impact of citizen participation upon institutions and the life of those cities, the study revealed that there's a fairly strong relationship between the amount of and quality of citizen participation in these cities and quality of life and quality of decision-making (Markus, 2002:8-11). According to Obasi & Lekorwe (2014:3), in Britain, policy making spaces for citizen engagement involve platforms such as surveys. For instance, a survey of different forms of public participation in 216 local governments revealed that 92% of the local governments used service satisfaction surveys while 86% used complaints/suggestion schemes while in many local governments other forms of public participation are widely used.

4.1 Policy Formulation in Botswana

Consultative mechanisms and procedures for policy formulation in Botswana vary. The state determines

spaces for public involvement and participation. We will demonstrate this by citing examples from different sectors of the country's economy. Within what is evidently a centralised policy set-up, the state contributes to some notions of participation such as building public trust in government, raising the value of democracy and strengthening civic capacity. The state also allows government to tap new sources of policy-relevant ideas, information and resources when making decisions. The case of the Kgotla system in Botswana gives a good example that indicates the significance of citizen involvement in the public policy making process. According to Obasi & Lekorwe (2014:1) the Kgotla system is a consultative and democratic system of governance. The Kgotla system is known for various public activities that allow active citizen participation including open meeting discussions that seek to discuss issues of concern in the community such as criminal and delinquencies of the youth, administration issues relating to allocation of land, marriage or family conflict resolution, a place for informing and educating the public about any matter and the list goes on and on. Further, it is noted that the Kgotla encourages freedom of speech and invited all opinions irrespective of their substance or rational (Comaroff & Comaroff, 1997:123).

Siphambe (2003:22) acknowledges the existence of structures available for citizen engagement is meant to allow every Motswana to participate effectively in policy and implementation. These include the Kgotla, Village Development Committees (VDC) and freedom Squares. Members of Parliament, Ministers and Councillors use the Kgotla to provide regular feedback explained by government regarding policies and programs. Siphambe (2003:22) also raises a concern over the fact that the Kgotla system is limited partly because the capacity of some members of the community to understand the policy being proposed by government is very low. This he says, results in a tendency for the chief and government to publicise government proposed policies and programs while the community provides a passive, receptive and helpless audience.

4.2 Contemporary Citizen Involvement Experiences in Botswana

In the field of energy, the use of Kgotla has come to signify the embodiment of good governance measured by popular participation, consultation, accountability, transparency and rule of law. The

Ministry of Infrastructure, Science and Technology planned to construct a radioactive storage facility in Pilikwe village (Tshukudu & Garekwe, 2009). Pilikwe villagers mobilised to oppose this decision and unanimously thwarted the proposal at a Kgotla meeting held in July 2012 (Seretse, 2012). A closer look of the Pilikwe case reveals that those who led the protests were the village elite and professionals who are well informed in environmental issues and, therefore, fully appreciate the implications of the location of such a radioactive storage facility in their village. In their opposition to the facility, international standards stipulating that such facilities should be located where there was a keen host community were invoked. The group was well aware that, for legitimisation purposes, they had to seek support of the villagers through the institution of the Kgotla (Molebatsi, 2012:13).

A different case involved land allocation in Tlokweg, a peri-urban settlement east of Gaborone. The Tribal Land Act guides the allocation of land in the country's communal areas such as Tlokweg. The Act provides that any citizen of Botswana can be allocated land anywhere in the country. Citing Keoreng (2012), Molebatsi, (2012:13) provides that Tlokweg village has for some, time been experiencing an inflow of people looking for residential plots as well as rented accommodation due to its proximity to the city of Gaborone. Consequently, land became a scarce commodity in Tlokweg and other peri-urban areas around Gaborone. Among such scarcity, the Tlokweg Land Board advertised 285 residential plots for allocation. Approximately 20,000 people flooded the Land Board offices to collect the application forms, of which 19,000 were submitted to the Land Board for consideration. To deal with the applications, the Tlokweg Land Board decided to use a lottery to pick successful applicants. The Tlokweg community used a kgotla meeting to say their opposition to the lottery system used by the Land Board. In objecting to the Land Board decision, the community in Tlokweg resorted to differentiating between what they termed 'natives' and 'non-natives'. The complaint was that, of the 285 allocations made, only eight were to 'natives' or 'indigenous' residents of Tlokweg. Submitted to the Land Tribunal for decision, the Tribunal ruled that the Tlokweg Land Board should reconsider its decision. In return, the Land Board has appealed the ruling of the Land Tribunal (Morula, 2013:5). While the Tlokweg case is still to be resolved, it has led to proposals on

changes to the land-allocation practice (Lute 2012) and policy and in Botswana. A case in point is the 60/40 percent land allocation quota set by cabinet for areas in the periphery of Gaborone.

In the tourism sector, Mbaiwa (2005:164) argues that lack of initial citizen involvement by the government of Botswana regarding the tourism region of Okavango delta where all the relevant stakeholders had an equal opportunity to derive economic benefits from the resources that surround them brought about domination of foreigners in the market. Massyn (2008) adds that the local people lost trust in the government as the foreign companies dominated the Okavango Delta they lost access of decision making on the way their natural resources ought to be used. The local people indicated that they have since been excluded and their opinions disregarded. As such the economic benefits reaped more by non-citizens rather than the local people who continue to be unemployed and live in extreme poverty while they are in such a rich tourist area.

Mbaiwa (2005:159) further emphasizes that the booming of the tourism industry in the Okavango Delta was envisioned to providing social equity. That is, fairness and equal access by all stakeholders irrespective of gender, age, ethnic background and economic status, distribution of costs, decision making and management that promotes rural development and thus eventually alleviate poverty. The citizens and local people occupy unattractive, low paying and unskilled jobs such as drivers, cleaners, waiters and so on, while the foreigner occupy attractive managerial high salaried jobs. However, the author points out that later when the government realized the importance of the citizen's contribution towards the Okavango region the government tried to fund the local people through the Financial Assistance Policy (FAP).

4.3 Shortfalls and Opportunities for Improvement

An analysis of events shows that citizen involvement in Botswana has often times been relegated to one sided consultation. There have been several incidents where public officials refused to engage citizens at Kgotla meetings following their public address and this negates the intentions of the consultation exercise as communication in this instance was only one way. It is common knowledge

that the more literate members of any community migrate to urban centres in search of employment. Individual citizens remaining in villages often find out that the issues presented before them are much more complex and go beyond their level of understanding, expertise or experience. As Pitkin, (1972:61) and (Michels, 2011:280) observe, the most important challenge of citizen participation is how to ensure that there is an accurate representation of a variety of interests in society. Public consultations as such, are generally not representative and this may twist policy planning in unfavourable directions. To this effect, consulting village residents in rural areas alone and not providing a platform for their relatives in towns and cities on matters of their villages negates the ethos of citizen involvement as government is likely not to get universal views on policy issues under consultation.

Further to this, government ought to allocate sufficient time for consultation. The practice of a 'top down' approach in policy formulation approach results in conception of policies whose outcomes and effects often do not resonate well with the ordinary citizens. While we acknowledge that policy formulation is partially a political process, any analysis of political processes should identify realities and institutional relationships that are reflected in daily events. They need to be identified to assist in understanding where, who and how to lobby to achieve your objectives in policy development or reform (World Health organisation, 2005:7). Spot-announcement of public policy also denies a particular policy the requisite public policy formulation process that is necessary for conceptualising a well-conceived policy. In the past, Botswana has made significant strides in formulating sound public policy through citizen involvement (Obasi & Lekorwe, 2014:4-6) one of key consultation mechanisms used was the Kgotla system. It is imperative upon the government to reinvigorate the use spirit of Kgotla and ensure that it is effectively used as a space for public policy formulation involvement arena as previously practiced. The government should as well, utilise vigorously additional existing government consultative structures in engaging citizens in policy formulation. This will inhibit formulation of public policy that fails at implementation stage or worse, cost government significant amount of money at both inception and cessation. The utilization of existing structures should include where necessary, delegation at local authority level.

4.4 Lessons Learnt

The lessons learnt documented below are derived from various experiences documented in literature used in this study. The lessons are as stated below.

- Looking at citizen involvement, there are prominent challenges of citizen involvement. These include relating to employing multiple techniques of citizen engagement as it can become burdensome and time consuming; it can even cause a lot of delay in reaching a common decision if a wider community is indulged in the policy formulation process (Bryson & Crosby, 1993).
- Furthermore, citizen involvement in the formulation of public policy enhances democratic practice. Public consultation allows and promotes participation, hence managing issues that can arise when the public is excluded from a decision-making process.
- Participation of citizens through consultation improves the quality of policy being developed, making it more practical and relevant, and helping to ensure that services and products are delivered in a more effective and efficient manner. As Holmes (2011: 39) observes, participation by citizens in the governance of their society is the bedrock of democracy.
- There are valuable lessons to be learnt on citizen enrolment from traditional consultative mechanisms such as the Kgotla system of Botswana. The systems provided the framework within which citizen engagement in the policy process was actively promoted, consequently, the engagement of citizens in Botswana has become part and parcel of the public policy making process (Obasi & Lekorwe, 2014:7). However, there should be a reconstruction of new relationships between state and citizens where decision-making is a collaborative process (Gaventa, 2004:25) as citizen participation can legitimize a policy, programme, its plans, actions and leadership Cook (1975).
- Citizen involvement is a much broader issue that is a work in progress, a continuous approach; hence it needs all stakeholders to continuously inform themselves in order to promote modernized, up to date effective participation.

5. Conclusion

In conclusion, we argue that citizen involvement is imperative to the existence of any democratic system or government. In order to strengthen and maintain good relations amongst the citizen and the government effective 'communicative-involvement' must take place. Additionally, citizen involvement provides a two-way learning process where the government learns from the consultative feedback from citizens and citizens also acquire knowledge on how the government operates. This shared education is critical for both parties in contributing towards high quality public policy formulation as it would minimise unnecessary manipulation and conflict caused by lack of knowledge, accountability and transparency, understanding of one party's needs, circumstances, expectations, and inability of the government to deliberate accordingly without leaving any group unrepresented. This study further concludes that citizen inclusion in policy formulation ensures that the social equalities are addressed. This compels government to strive to bridge such differences through implementing social equity policies and as such, it is vital for the citizen to be part of the public policy formulation and should not be perceived as the mere spectators or targets waiting for the government to deliver the public services to them (Abels, 2007: 106,107). Instead, citizens are an integral part of the government. They are the experts of their own predicament and the government can only access such facts when citizens are actively involved as agents of change in the public policy making process.

References

- Abels, G. 2007. Citizen involvement in public policy-making: Does it improve democratic legitimacy and accountability? The case of PTA. *Interdisciplinary Information Sciences*, Vol. 13(1):106,107.
- Anderson, J.E. 2015. *Public Policy Making: An Introduction*. Boston: Houghton Mifflin
- Berner, M.M., Amos, J.M. & Morse, R.S. 2011. What constitutes effective citizen participation in local government? Views from city stakeholders. *Public Administration Quarterly*, (35):128-163.
- Brady, H.E., Verba, S. & Schlozman, K.L. 1995. Beyond SES: A Resource Model of Political Participation, *American Political Science Review*, 89(2):271-294.
- Bryson, J.M. & Crosby, B.C. 1993. Policy planning and the design and use of forums, arenas, and courts. *Environment and Planning B: Planning and Design*, 20(2):175-194.
- Campbell, H. & Marshall, R. 2000. Public involvement and planning: looking beyond the one to the many. *International Planning Studies*, 5(3):321-344.
- Coelho, V.S.P., Pozzoni, B. & Cifuentes, M. 2005. Participation and Public Policies in Brazil, *The Deliberative Democracy Handbook: Strategies For Effective Civic Engagement In The Twenty-First Century*. Gastil, J. & Levine, P. (eds.), San Francisco: Jossey-Bass, p.182.
- Cogan & Sharpe. 1986. The Theory of Citizen Involvement in Planning Analysis: The Theory of Citizen Participation, University of Oregon, pp. 284,298. Available at: www.uoregon.edu/~rgp/PPPM613/class10theory.htm. Accessed on 16 January 2018.
- Comaroff, J.L. & Comaroff, J. 1997. Postcolonial politics and discourses of democracy in southern Africa: An anthropological reflection on African political modernities. *Journal of Anthropological Research*, 53(2):123-146.
- Cook, J.B. 1975. *Citizen Participation: A Concepts Battery*. Columbia: Columbia University of Missouri.
- Curtain, R. 2003. What Role for citizens in Developing and Implementing Public Policy? Forthcoming in Canberra Bulletin of Public Administration: Australian Public Policy Research Network, p.6.
- Dauids, I. 2005. Voices from Below, Reflections on Ten Years of Public Participation: *The Case of Local Government in the Western Cape Province*. Cape Town: Foundation for Contemporary Research.
- Devas, N. & Grant, U. 2003. Local Government Decision Making – Citizen Participation and Local Accountability: Some evidence from Kenya and Uganda. *Public Administration and Development*, 23(4):307-16.
- Fox & Meyer. 1995. *Public and Development Management*. Bellville: Stellenbosch University, p. 13.
- Gaventa, J. 2004. Strengthening participatory approaches to local governance: assessing the transformative possibilities, in (eds) Hickey, S. & Mohan, G. *Participation: From Tyranny to Transformation*. Zed Books, p.25.
- Gaventa, J. & McGee, R. 2010. *Citizen action and national policy reform: Making change happen*. Chicago: Zed Books.
- Graves, A. 1995. Local Officials Explore Ways to engage Citizens. *Nations Cities Weekly*. 18(13):40.
- Holmes, B. 2011. *Citizens' engagement in policymaking and the design of public services*, Research Paper No.1, Parliamentary Library, Parliament of Australia, pp. 1,16,39.
- Innes, J.E. & Booher, D.E. 2004. Reframing public participation: strategies for the 21st century. *Planning Theory & Practice*, 5(4):419-436.
- International Peacebuilding Advisory Team. 2015. Public Participation and Citizen Engagement: Effective Advising State Building Contexts – How, Geneva, an Initiative inter-peace, pp. 3, 7.
- Irvin, R.A. & Stansbury, J. 2004. Citizen Participation in Decision Making: Is It Worth the Effort? *Public Administration Review*, 64(1):58.

- Jenkins, J. 1993. Tourism Policy in rural New South Wales, Policies and Research Priorities. *Geo-Journal*, 29(1):281-290.
- Keoreng, E. 2012. Tlokwen: A maelstrom of politics, poverty and tribalism in the land question. Mmegi online newspaper, Available at: <http://www.mmegi.bw/index.php?sid=1&aid=1083&dir=2012/June/Friday15//>. Accessed on 4 February 2018.
- Lekorwe, M. 1989. The Kgotla and Freedom Square: One-way or two-way communication? In *Democracy in Botswana*, Holm, P. and Molutsi, P. (eds). The Proceedings of a Symposium held in Gaborone, 1-5 August 1989, Gaborone, McMillan Botswana, p.217.
- Lekowe, M.H. 1998. Local Government, Interest Groups and Civil Society: In *Public Administration and Policy in Botswana*, Somolekae, G. & Hope, K.R. (eds.). Cape Town: Juta & Co. Ltd
- Lute, A. 2013. Ntuane counters Khama's land move. Weekend Post, 7 June, p.2.
- Maipose, G.S. 2008. Institutional Dynamics of Sustained Rapid Economic Growth with Limited Impact on Poverty Reduction, United Nations Research Institute For Social Development, prepared for the UNRISD project on Poverty Reduction and Policy Regimes, Geneva, pp. 4,39.
- Markus, G.B. 2002. February. Civic participation in American cities. In *Annual Meeting of the American Political Science Association, San Francisco, CA.*, pp.8-11.
- Marzuki, A. 2015. *Challenges in the Public Participation and Decision Making Process*, Australia, pp. 21,22.
- Massyn, P.J. 2008. Citizen participation in the lodge sector of the Okavango Delta. *Responsible tourism: Critical issues for conservation and development*, pp.225-238.
- Mbaiwa, J.E. 2005. Enclave tourism and its socio-economic impacts in the Okavango Delta, Botswana. *Tourism Management*, 26(2):159-164.
- Michels, A. 2011. Innovations in democratic governance: how does citizen participation contribute to a better democracy? *International Review of Administrative Article Sciences*, 77(2):280-289.
- Mize, C.E. 1972. Citizen participation in public decision-making: A study of the Willamette National Forest. Oregon: University of Oregon.
- Molebatsi, C. 2012. Participatory Development Planning in Botswana: Exploring the Utilization of spaces for Participation. *Wetenskaplike artikels. Scientific Articles*, (62):9-13.
- Morula, M. 2013. Tlokwen Land Board appeals. Sunday Standard, 9 June, p.5.
- Motsi, G. 2009. *Evaluating Citizen Engagement in Policy Making*. Institute on Governance: Ottawa, pp.7-12.
- Obasi, I. & Lekworwe, H.M. 2014. Citizen Involvement in Public Policy Making Process in Africa: the case of Botswana. *Public Administration Research*, 3(4):1-11.
- Organisation for Economic Cooperation and Development. 2001. Engaging Citizens in Policy Making: Information Consultation and Public Participation, *OECD Public Management Policy Brief*, Puma Policy Brief No. 10, p.1.
- Parker, B. 2002. *Planning Analysis: The Theory of Citizen Participation*. Available at: <http://pages.uoregon.edu/rgp/PPPM613/class10theory.htm>. Accessed on 25 January 2018.
- Pitkin, H.F. 1972. Wittgenstein and Justice: on the significance of Ludwig Wittgenstein for Social and Political Thought. Berkeley: University of California Press, pp.61-62.
- Seretse, G. 2012. Pilikwe unanimously rejects proposed storage facility. Mmegi online. Available at: <http://www.mmegi.bw>. Accessed on 5 December 2017.
- Sidor, M. 2012. The Process of Enhancing Participation in Local government in Poland. *Department of Local Government and Policy*, 3(28):88.
- Siphambe, H.K. 2003. Dimensions and Measures to Reduce Poverty in Botswana. *Pula, Botswana Journal of African Studies*, 17(2):22.
- South Africa. 1996. The constitution of the Republic of South Africa. Pretoria: Government Printer
- Swedish International Development Cooperation Agency. 2002. *Participation in Democratic Governance*, Division for Democratic Governance, Stockholm Sweden, pp. 4-6.
- Tehara, A. 2010. *Government 101: Why Understanding Government Matters in the Policy Process*, Innoversity –Roadmap 2030, p.16. Available at: http://www.innoversity.com/RMfiles/Government_101.pdf. Accessed on 2 February 2018.
- Trechsel, A.H. & Sciarini, P. 1998. Direct Democracy in Switzerland: Do Elites Matter? *European Journal of Political Research*, 33(1):110-111.
- Tshukudu, K. & Garekwe, M. 2009. Proposed radioactive waste facility at Pilikwe: A response. Mmegi online: Gaborone.
- Wampler, B. 2004. Expanding Accountability Through Participatory Institutions: Mayors, Cities, and Budgeting in Three Brazilian Municipalities, *Latin American Politics and Society*, 6(2):79-80.
- World Health Organization. 2005. *Health service planning and policy making: A toolkit for nurses and midwives* Module 4 policy development process, Western Pacific Region, Geneva, United Nations, p.7.

The Relevancy and Demand of Public Administration Today: The Case of Botswana

S Balisi

Botswana Open University, Botswana

Abstract: This paper draws from a needs assessment survey for a Bachelor's Degree in Public Administration that was carried out in Botswana during the academic year 2016/17. The main purpose of the survey was to determine the relevancy of a degree in Public Administration in Botswana through ascertaining its demand by prospective learners and the demand of graduates of the programme by prospective employers. The survey was prompted by a tertiary programme design process that requires development of programme proposal. One of the integral parts of that proposal is an empirically grounded justification of the programme demonstrating whether it is needed by the potential participants (prospective learners and employers) or not. Thus, specific objectives of the study centred on relevancy and the demand of the programme in Botswana. The survey targeted respondents employed by government ministries and departments at both central and local levels of government. It also included employees of local authorities and relevant parastatal organizations. Targeted respondents included junior officers, senior officers and top management officers holding administrative and management positions within these establishments. A total number of 109 respondents out of a total target of 150 respondents across the country were able to complete and return the study questionnaires. This was a cross-sectional study which used quantitative research approach. The survey results were analysed using the IBM Statistical Package for the Social Sciences (SPSS) software. The study found that a degree in Public Administration is relevant to Botswana due to a high demand for the programme by prospective learners in the country. In addition, the study found that there is moderate to high demand of Public Administration graduates by prospective employers in Botswana. Finally, the study recommended that a degree in Public Administration be introduced by the Botswana Open University.

Keywords: Botswana, Demand, Public Administration, Relevancy

1. Introduction

This paper is drawn from the Needs Assessment Survey for a Bachelor's Degree in Public Administration that was carried out in Botswana during the academic year 2016/17. The emphasis of this paper is on the relevancy and demand of public administration as a discipline and a field of study in Botswana. The transformation process from the Botswana College of Distance and Open Learning (BOCODOL) to Botswana Open University (BOU) involved a lot of change management processes which included but not limited to the establishment of Schools with fully fledged departments and programmes of study. Amongst other schools, BOU has established the School of Social Sciences with three departments, namely; Public Administration, Environmental Sciences and Community Development Psychosocial and Behavioural Sciences. Each department must to develop its own programmes. Given this, the Department of Public Administration proposed to offer a Degree in Public Administration which will be offered through open and distance learning mode.

The Academic Quality Assurance Enhancement Policy and Processes for BOCODOL (2011) requires that before a programme can be offered by the institution, a thorough needs assessment survey should be done with all relevant stakeholders to determine the relevancy and the demand for the programme. The main purpose of the study was to determine the relevancy of a degree in Public Administration in Botswana through ascertaining its demand by prospective learners and the demand of graduates of the programme by prospective employers. The survey was prompted by a tertiary programme design process that requires development of programme proposal. One of the integral parts of that proposal is an empirically grounded justification of the programme demonstrating whether it is needed by the potential participants (prospective learners and employers) or not. Thus, specific objectives of the study are centred on relevancy and the demand of the programme in Botswana. The paper intends to assess the relevance of the Bachelor's Degree in Public Administration in Botswana, to establish the demand for the programme by prospective learners

and to determine the extent of demand for graduates of the programme by prospective employers in Botswana

2. Contextualising the Discipline of Public Administration

Public administration is a discipline and a field of study associated with government affairs. Its major emphasis is on public service delivery through the implementation of public policies, government programmes and initiatives. A narrow approach to public administration views the discipline as concerned with the executive arm of government. That is, the formulation and implementation of public policies. A broad approach defines public administration as a field of study that is concerned with the three arms of government (Executive, Legislature and the Judiciary). Here the emphasis is on studying the governance structures among these arms of government in terms of how they relate to each other, the checks and balances amongst each other, how their powers and responsibilities are separated as well as the functions and responsibilities of each arm of government. There are many scholarly definitions of public administration which can be dated back to the origin of the discipline itself. Hughes (2003:17) stated that public administration as both theory and practice began in the late nineteenth century and became formalized somewhere between 1900 and 1920 and that its theoretical foundations mainly derive from Woodrow Wilson (politics and administration dichotomy), Max Weber (theory of bureaucracy) and Frederick Taylor (theory of scientific management).

The classical and many contesting definitions of public administration include but not limited to; Pfiffer & Presthus (1967) who described public administration as a field mainly concerned with the means for implementing political values. Presthus (1975) argued that public administration deals with the study of the institutional framework of government, its socio-economic and political environment and the behavioural inclination of those who man the bureaucratic machine. Waldo (1980) describes it as the continuously active business part of government concerned with carrying out the law, as made by legislative bodies or other authoritative agents and interpreted by courts, through the process of organization and management while Wilson (1887) argued that public administration is the most

obvious part of government and, is the government in action.

Akindele, Obiyan & Olaopa (2002) argued that public administration, whichever way one looks at it, deals with the translation of policy decisions into practical and physical reality through the action efforts of bureaucrats who are expected to be politically neutral. Fenwick (2017) asserted that "public administration is a subject derived from a tradition of descriptive and largely institutional study rooted in law rather than in the social sciences or business. He further argued that in practice, its remit has changed so much that it is hardly recognizable and that public administration (as a term and as an area of both study and practice) has developed into public management". Given the definitions above, a conclusion can be made that public administration is all about governing the society, the provision of services to the citizens, the maintenance of law and order in the society and the implementation of public policies and government programmes to serve the public. Public Administration is at the core of governance and development. It is through public administration machinery that policies and plans are translated into development. National capacity building and establishing capacity needs is done through public administration. The rate at which nations develop, amongst other things, is dependent upon the strength of public administration machinery.

2.1 The New Public Management (NPM)

According to Hughes (2003:1), the traditional model of public administration, which pre-dominated for most of the twentieth century, has changed since the mid-1980s to a flexible, market-based form of public management, the New Public Management (NPM). Fenwick (2017) argued that public administration (as a term, and as an area of both study and practice) has developed into public management, which may or may not be the same thing. This change has been brought about by the shortfalls of the traditional model of public administration in service delivery and the attacks on government considering its size, scope, scale and its service delivery and operational methods (Hulme & Turner, 1997; Vigoda, 2002; Hughes, 2003; Tangri, 2005). The argument is that the size and scope of government is too big and it consumes more resources than it can generate hence it needs to be reduced (Hulme & Turner, 1997). The other argument is that the

provision of public service by bureaucratic means is increasingly regarded as guaranteeing mediocrity and inefficiency (Hughes, 2003:9). Thus, the New Public Management paradigm is a direct response to the inadequacies of the traditional public administration, particularly the inadequacies of public bureaucracies (Hope 2002; Hughes, 2003:5). The focus of the New Public Management paradigm is on results, a focus on clients outputs and outcomes, use of management by objectives and performance measurement, the use of markets and markets type mechanisms in place of centralized command and control style regulation, competition and choice and devolution with a better matching authority, responsibility and accountability (OECD, 1998:5; Hughes, 2003:5) while the traditional model of public administration is based on bureaucracy. The NPM is held to promote the efficient and effective provision of public services, while promoting responsiveness to individual need and user choice in service provision (OECD, 1998; Behn, 200; Hope, 2002; Vigoda, 2002; Hughes, 2003).

2.2 The New Public Governance (NPG)

"Public Administration has passed through three dominant modes, a longer, pre-eminent one of Public Administration, from the late nineteenth century through to the late 1970/early 1980s, a second mode, of the New Public Management, through to the start of the twenty-first century and an emergent third one, of the New Public Governance, since then" (Osborne, 2006:1; Gellen, 2013). After the emergence of "the New Public Management", "the New Public Governance" was a theoretical paradigm that more adapted to the contemporary government public administration (Runya, Qigui & Wei, 2015). New public governance (NPG) has come to the fore to describe the plural nature of the contemporary state, where multiple different actors contribute to the delivery of public services and the policymaking system (Dickinson, 2016). The New Public Management focused too much on the market power in the allocation of social resources and solving the problem of public, but it ignored the effect of other organizations in the public administration. "The New Public Governance", as the new paradigm of public administration science, emphasized pluralism, attached great importance to the links between internal and external organizations, and paid attention to organizational governance (Modell & Wisel, 2014; Runya, Qigui & Wei, 2015: 2). Rhodes (1996) emphasized that

"governance" was a process that market and third sectors participated in public products and services with government. Osborne (2009) argued that the "New Public Governance" was based on organizational sociology and social network theory, had the characteristics of pluralism, paid attention to the management of organizations, emphasized the process and results of service, used trust as governance mechanism, and had value of neo-corporatism.

As public services started to be delivered, not just by the public sector, but also by commercial and community organisations on the basis of contracts, government started to become more fragmented. Stoker (1999) argued that government was not the only power centre. Various public and private institutions as long as their authority of power were recognized by the public, they can be power centres on different levels. Public administration main bodies depended on each other. This power dependency must form a self-organization network. The governments needed to pass new tools to coordinate and integrate social resources, instead of using the authority and command (Runya, Qigui & Wei, 2015; Dickinson, 2016). The NPG as a shift towards networked forms of governance has a strong focus on collaboration and horizontal ties between individuals and agencies. "The New Public Governance is a conclusion to the Traditional Administration and the New Public Management. It not only focuses on the organization operation mechanism, but also pays more attention to the efficiency of the public administration and citizens' participation in governance issues." (Runya, Qigui & Wei, 2015:10).

2.3 Degree in Public Administration Areas of Specialisation

There are many areas of specialization in this discipline depending on the country and the university offering this programme. Areas of specialization are meant to cater for the country's economic and human resource needs as well as for global human resource needs. In most African countries, particularly countries in the SADC region a degree in Public Administration has the following areas of specialization; human resource management, public policy, administration, public health, public affairs, commerce and criminal justice. In other countries like the United States, Canada, United Kingdom and European countries areas of

specialization may include the above special focus areas and also including but not limited to cultural policy, environmental policy, transportation, information technology, community development, urban management, economic development, emergency management and urban planning (He & Wu, 2009; Jabeen & Muhammad, 2010; Kretzschmar, 2010).

2.4 Public Administration Degree Programmes and Core Courses

Public Administration degree programmes are named differently by universities and other tertiary education institutions throughout the world. The names are usually associated with the three dominant modes or phases of public administration named above. That is, the traditional model of Public Administration, the New Public Management and the New Public Governance. For instance under the traditional model of Public Administration we have, Bachelor of Administration, Bachelor of Arts in Public Administration, under the New Public Management we have, Public Administration and Management, Public Sector Management, Public and Development Management, Public Development and Management, Public Management and Administration and under the New Public Governance we have, Degree in Governance and Public Leadership, Degree in Public Sector Management and Governance as well as a Degree in Governance.

The core courses of the programme are also slightly different in these modes as each mode has added core courses that are relevant to its characteristics. Public Administration is a multi-disciplinary field which includes courses from political science, law, management, economics, sociology, information technologies and other social sciences programmes. Table 1 on the following page shows some of the core modules in Public Administration arranged according to the phases in Public Administration.

3. Significance of Public Administration

Public Administration serves to address the needs of the public sector and the particular challenges faced in this sector, and therefore aim to equip students with the skills, knowledge and attitudes needed to manage the public sector professionally (Williams & Vanderleeuw, 2015). The Programme

prepares students to assume public sector managerial roles in the knowledge-based society; it provides them with exposure to administrative concepts, tools and practice, yet keeps them firmly grounded in the understanding of emerging public issues. Depending on the options for specialisation for degree purposes, students can also pursue careers in the private sector (Runya, Qigui & Wei, 2015). Public Administration prepares students for entry into a career in the public sector, either in non-profit organizations, central government or local government, international development agencies, tertiary institutions and public enterprises.

Arap & Yucebas (2017) argued that programme is designed to equip the students with both knowledge as well as practical and academic skills. These skills include, among others, the following; public policy analysis and decision-making skills, public management and organising skills, public human resource management skills, public financial management skills, project management skills, Interpersonal skills in the public sector, communication skills in the public sector, problem-solving skills in the public sector and research skills. Williams & Vanderleeuw (2015:1) argued that in Texas City "their findings revealed that an advanced degree in public administration is valued more than other educational backgrounds by city councils, and this value is independent of social and economic characteristics of cities and traits of individual managers". This, they argued that, "offers support for the presence of an isomorphic process, a process that points to the importance of professional associations such as the Network of Schools of Public Policy, Affairs, and Administration (NASPAA), the International City/County Managers Association (ICMA), and the American Society of Public Administration (ASPA) in promoting a field standard in which professional training in public service is highly valued". Therefore, Public Administration plays an essential role in capacitating both public service professionals and general professionals involved in the supervision, management and administration of public business.

4. Research Methods

The study used a cross-sectional survey as an instrument to collect data in which a quantitative research approach was adopted. The survey results were analysed using the IBM Statistical Package for the Social Sciences (SPSS) software. The survey targeted

Table 1: Core Courses Based on Public Administration Phases

Public Administration Phase	Core Courses
Traditional Model of Public Administration	Evolution of Public Administration Political Context of Public Administration Organization Theory and Behaviour Public Financial Administration Personnel Administration Public Policy Analysis Intergovernmental Relations Comparative Public Administration Introduction to Public Administration Administrative Law Constitutional Law Development Administration Local Government Administration Introduction to Political Science Social Science Research Methods
New Public Management	Strategic Management Human Resource Management Performance Management Public Financial Management Management Analysis Managerial Economics Local Government Management Human Resource Development Public Enterprise Management Ethics and Accountability in the Public Sector
New Public Governance	Democracy, Governance and Development Leadership and Governance Democracy and Human Rights Theories of International Relations Industrial Relations Network Governance Civil society/NGOs in Development Citizen Participation Governance, Public Policy & Institutional Reform Project Management Organizational Development & Change

Source: University of Botswana, (2018)

respondents employed by government ministries and departments at both central and local levels of government. It also included employees of local authorities and relevant parastatal organizations. Targeted respondents included junior officers, senior officers and top management officers holding administrative and management positions within these establishments. In each organization, 10 respondents were chosen and the 10 selected were made to toss between "yes" and "no". Those who picked "yes" were given the questionnaires to complete. A total number of 109 respondents out of a total target of 150 respondents across the country were able to complete and return the study questionnaires.

5. Data Presentation Analysis and Discussion

Data presented here was collected from twenty-five (25) organizations which included government ministries, government departments, semi-autonomous government agencies, local authorities and parastatal organizations. The survey was conducted during 2016/2017 academic year in Botswana.

5.1 Relevancy of a Degree in Public Administration for Botswana

The survey sought to determine whether a BA in Public Administration is relevant for Botswana.

Table 2: Data Collection Sites

Number	Organisation	Place	No. of Respondents
1	Ministry of Agriculture (MOA)	Gaborone	6
2	Ministry of Education and Skills Development	Gaborone	5
3	Ministry of Environment, Wildlife and Tourism (MEWT)	Gaborone	4
4	Ministry of Finance and Development Planning(MFDP)	Gaborone	5
5	Directorate of Public Service Management (DPSM)	Gaborone	5
6	Ministry of Infrastructure Science and Technology (MIST)	Gaborone	4
7	Ministry of Labour & Home Affairs (MLHA)	Gaborone	5
8	Ministry of Lands and Housing	Gaborone	4
9	Ministry of Local Government and Rural Development (MLG)	Gaborone	5
10	Ministry of Health (MOH)	Gaborone	4
11	Ministry of Transport and Communications (MTC)	Gaborone	5
12	Ministry Of Defence Justice and Security (MDJS)	Gaborone	4
13	Ministry of Minerals, Energy and Water Resources (MMEWR)	Gaborone	4
14	Ministry of Trade and Industry (MTI)	Gaborone	5
15	Ministry of Youth, Sport and Culture	Gaborone	5
16	Independent Electoral Commission (IEC)	Gaborone	3
17	Office Of The Auditor General (OAG)	Gaborone	3
18	Office of the Ombudsman (OMB)	Gaborone	4
19	Parliament of Botswana	Gaborone	2
20	Tati Land Board	Masunga	3
21	Central District Council	Serowe	5
22	Tribal Administration	Francistown	3
23	Palapye Administrative Authority	Palapye	5
24	North East District Council	Masunga	6
25	City of Francistown	Francistown	5
Total			109

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

Table 3: Is a Degree in Public Administration Relevant for Botswana?

	Frequency	Percent
Yes	102	93.6
No	7	6.4
Total	109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

Respondents were asked to state whether the programme is relevant by answering either "yes" or "no" to the question which read "*Is a degree in Public Administration relevant for Botswana?*" Answers to this question are summarised in Table 3 above.

Out of 109 respondents, 93.6% of them indicated that a BA in Public Administration is relevant for Botswana while 6.4% of the respondents stated that the programme is not relevant for

Botswana. Survey results shows that the majority of respondents are of the view that a BA in Public Administration is relevant for Botswana. It is then safe to conclude that this is a relevant programme for Botswana. A cross-check statement reading "*A Degree in Public Administration programme is relevant for Botswana's context*" was placed on a likert answer scale to cross-examine the above assertion in Table 3 that a Degree in Public Administration is relevant for Botswana.

Table 4: A Degree in Public Administration Programme is Relevant for Botswana's Context

	Frequency	Percent
Strongly Agree	49	45.0
Agree	46	42.2
Neutral	12	11.0
Strongly Disagree	1	.9
Disagree	1	.9
Total	109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

Table 5: There is a High Demand for Public Administration Degree Holders in Botswana

	Frequency	Percent
Strongly Agree	24	22.0
Agree	31	28.4
Neutral	32	29.4
Strongly Disagree	7	6.4
Disagree	15	13.8
Total	109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

The respondents' opinions about this statement are summarised in Table 4 above.

Results shows that 45% of the respondents strongly agree that a degree in public administration is relevant for Botswana, 42.2% of the respondents agree with the statement, 11% of the respondents are neutral to the statement while 9% of the respondents strongly disagree and 9% of the respondents disagree with the statement. The combined percentage of those who answered either "strongly agree" or "agree" is 87.2% which is near 93.6% of the respondents who answered "yes" in Table 3. Similarly those who answered either "strongly disagree" or "disagree" amounts to 18% of the respondents, a low figure, as also indicated by those who answered "no" (6.4%) in Table 3. This largely confirms the extent to which this programme is relevant for Botswana.

5.2 The Demand for Public Administration Graduates in Botswana

On the question of demand for the programme by the country (Botswana) a statement reading "there is a high demand for public administration degree holders in Botswana" was also placed in a likert scale to sought opinions from the respondents. Responses to this statement are summarised in Table 5.

Out of 109 respondents, 22% strongly agree that there is a high demand for public administration degree holders, 28.4% agree with the statement, 29.4% are neutral while 6.4% strongly disagree and 13.8% disagree. Thus, 50.4% of the respondents either answered "strongly agree" or "agree" while 20.2% of the respondents either answered "strongly disagree" or "disagree". Given this statistics, a conclusion can be made that there is a demand for public administration degree holders by the Botswana public sector.

5.3 The Demand for a Degree in Public Administration by Prospective Learners

Having established the demand for the programme by the country, another statement reading "there is a high demand for a degree in public administration by prospective learners in Botswana" was placed in a likert scale for respondents to state their opinion about the statement. Table 6 on the following page shows a summary of the survey results regarding the demand of the programme by prospective learners in Botswana.

Results indicate that 25.7% of the respondents answered "strongly agree" and 32.1% of the respondents answered "agree" to the statement. Thus, a combined 57.8% of the respondents who either answered "strongly agree" or "agree" are of the view

Table 6: There is a High Demand for a Degree in Public Administration by Prospective Learners in Botswana

	Frequency	Percent
Strongly Agree	28	25.7
Agree	35	32.1
Neutral	36	33.0
Strongly Disagree	3	2.8
Disagree	7	6.4
Total	109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data (2016)

Table 7: Who Would be Interested in Enrolling for the Programme?

		Frequency	Percent
	Public Servants	87	79.8
	Private Sector Employees	7	6.4
	Other	8	7.3
	Total	102	93.6
Missing	System	7	6.4
Total		109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

that there is a high demand for the programme by prospective learners in Botswana. On the other hand 33% of the respondents answered "neutral" while 2.8% answered "strongly disagree" and 6.4% chose "disagree" as their answer. This means a combined 9.2% of respondents who either answered "strongly disagree" or "disagree" are of the view that there is no demand for the programme by prospective learners in Botswana. Considering this results, one may conclude that there is a high demand for a BA in Public Administration programme by prospective learners in Botswana.

5.4 Categories of Employees Who Would be Interested in Enrolling for the Programme

An opinion was also sought from the respondents to state which employees would be interested in enrolling for a BA in Public Administration if introduced. The respondents were required to choose between Public Sector Employees (Public Servants), Private Sector Employees or identify any other sector of employment in whose employees would be interested in enrolling for the programme. The survey results for this question can be ascertained from the Table 7.

The sum of 79.8% of 109 respondents chose public servants, 7.3% of the respondents chose

other sectors employees, 6.4% of the respondents chose private sector employees while 6.4% of them did not answer the question. Thus, the majority of the respondents were of the view that public servants will be interested in enrolling for the programme.

5.5 Preferred Area of Specialisation

Respondents were asked to indicate their preferred area of specialization by stating their level of interest in either Bachelor of Public Administration with specialization in Administration or Bachelor of Public Administration with specialization Human Resources Management. Their responses are shown in the tables on the following pages.

Respondents were asked to indicate their level of interest on the areas of specialization in Public Administration degree. 78.9% of 109 respondents answered this question, while 21% of 109 respondents did not answer this question. From those who answered this question, the results of the survey indicate that 47.8% of the respondents showed interest in a BA degree in Public Administration with specialization in Administration while 31.2% showed no interest in the programme. The 47.8% indicated above shows a combined percentage of those who answered "very interested" (23.9%) and

Table 8: Bachelor of Public Administration with Specialization in Administration (BPA-ADMN)

		Frequency	Percent
	Very Interested	26	23.9
	Interested	26	23.9
	Not Interested	34	31.2
	Total	86	78.9
Missing	System	23	21.1
Total		109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data (2016)

Table 9: Bachelor of Public Administration with Specialisation in Human Resources Management (BPA-HRM)

		Frequency	Percent
	Very Interested	54	49.5
	Interested	31	28.4
	Not Interested	12	11.0
	Total	97	89.0
Missing	System	12	11.0
Total		109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

those who answered "interested" (23.9%). Table 8 also indicates that from the 86 respondents who answered this question, 52 of them showed interest in the programme by either answering "very interested" or "interested" while 34 of them indicated that there are not interested in the programme. Looking at the statistics presented above, a conclusion can be made that there is generally an interest in the programme.

Table 9 shows level of interest in a BA degree in Public Administration with specialization in Human Resources Management.

The survey results as shown in Table 9 represents responses to a question which asked respondents to indicate their level of interest in a BA in Public Administration with a specialization in Human Resources Management. Out of 109 respondents, 12 of them did not answer this question while 97 of them answered this question. From those who answered this question 49.5% of the respondents indicated that they are very interested in the programme while 28.4% indicated that they are interested in the programme. Overall, 77.9% of the respondents showed interest in a BA in Public Administration with specialization in Human Resources Management. 11% of the respondents

showed no interest in the programme by answering "not interested". The majority of the respondents are interested in human resource management major.

5.6 Most Preferred Area of Specialisation

Respondents were then asked to indicate their most preferred area of specialization as a cross-check question to responses presented in both Tables 8 and 9. The question wanted the respondents to choose between a Degree in Public Administration with a specialisation in Administration and a Degree in Public Administration with a specialization in Human Resources Management. The responses are shown in Table 10.

The survey results shown in Table 10 on the following page are that 72.5% of the respondents prefers a Degree in Public Administration with a specialization in Human Resources Management while 21.1% prefers a Degree in Public Administration with specialization in Administration. This is a clear indication that respondents prefer a Degree in Public Administration with specialization in Human Resources Management as compared to a Degree in Public Administration with a specialization in Administration.

Table 10: Most Preferred Area of Specialisation

		Frequency	Percent
	BPA-HRM	79	72.5
	BPA-ADMN	23	21.1
	Total	102	93.6
Missing	System	7	6.4
Total		109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

Table 11: Willingness to Enrol with BOU

		Frequency	Percent
	YES	81	74.3
	NO	22	20.2
	Total	103	94.5
Missing	System	6	5.5
Total		109	100.0

Source: Bachelor of Public Administration Needs Assessment Survey Data, 2016

Table 12: Preferred Mode of Delivery

		Frequency	Percent
	Distance Learning	37	33.9
	E-Learning	20	18.3
	Blended Learning	10	9.2
	Traditional (Face-to-Face) Learning	15	13.8
	Total	82	75.2
Missing	System	27	24.8
Total		109	100

Source: Bachelor of Public Administration Needs Assessment Survey Data (2016)

5.7 Willingness to Enrol with the Botswana Open University (BOU)

Having established interests of respondents in this programme, the next question was to determine their willingness to enrol for the programme with the Botswana Open University (BOU) if offered. Respondents were asked if there would like to enrol for a BA in Public Administration with BOU. Their responses are summarised in Table 11.

The study shows that 94.5% of 109 respondents answered this question while 5.5% of the respondents did not answer this question. 74.3% of the respondents showed their willingness to enrol with BOU for the programme by answering "YES" while 20.2% of the respondents indicated their unwillingness to enrol for the programme with BOU by providing a "NO" answer. Survey results for this question indicate that majority of respondents are

willing to enrol for the programme with BOU. The willingness to enrol with BOU can be attributed to the advantages of open and distance learning mode of delivery. That is, BOU is an open and distance learning Education and Training Provider (ETP).

5.8 Preferred Mode of Delivery

Respondents were then asked to identify their preferred mode of delivery by ticking against provided answers. Survey results for this question are summarised in Table 12.

Distance Learning as a mode of delivery scored the highest percentage of 33.9%, followed by E-learning with 18.3%, then Traditional (Face-to-Face) Learning with 13.8% while Blended Learning scored the least percentage of 9.2%. Out of 109 respondents, 82 (75.2%) answered this question while 27 (24.8%) did not answer this question. It is evident from the

survey findings that majority of the respondents prefer Distance Learning and E-learning as compared to other modes of delivery. It is worth noting that Distance Learning can be delivered through E-learning and Blended Learning with Face-to-Face tutorial support. Although these modes of delivery complement each other, the survey was interested in establishing the preferred mode of delivery which in this case is Distance Learning. The reason why many respondents preferred distance learning is because they are already employed and distance education will help them further their studies while continuing with their jobs.

6. DISCUSSIONS

6.1 Relevancy of a Degree in Public Administration in Botswana

It is evident from the research findings that a BA in Public Administration is relevant for Botswana. These results are not surprising as in Botswana the public sector and/or government is the largest employer followed by the private sector. A formal sector employment survey conducted by Statistics Botswana in June 2017 also shows that the public sector is the largest employer. Statistics Botswana (2017) indicated that the public sector has the largest share (52%) of formal employment followed by the private sector with 48% share of the formal sector employment. It is also imperative to note that the majority of BA in Public Administration graduates gets employed by the public sector as compared to finding employment in the private sector. This is because of the relevancy of the programme in public service delivery. Also notable, just like many African and/or developing countries, the size of the Botswana public sector is huge as compared to the size of the private sector (Tangri, 2005), hence the relevancy of this programme.

6.2 The Demand for Public Administration Degree holders by Prospective Employers in Botswana

Given the results of the study a conclusion can be made that there is a demand for public administration degree holders by the Botswana public sector. The demand is exacerbated by reasons mentioned above, that is, the size of Botswana public sector is huge and the relevancy of the programme to public service delivery. In many cases public administration degree holders are employed in the public

sector as Administration Officers, Human Resource Officers, Management Analysts, Strategy Officers and Performance Management specialists. These officers will then climb the ladder to most senior positions within their areas of specialisation. For instance, to positions like Chief Administration Officer, Principal Administration Officer, Human Resources Manager or Performance Improvement Coordinator.

6.3 The Demand for a Degree in Public Administration by Prospective Learners

Considering research findings of this survey, one may conclude that there is a high demand for a BA in Public Administration programme by prospective learners in Botswana. This demand can be explained by the fact that the government is the largest employer in Botswana and it is easy to find a job in the public sector as compared to finding a job in the private sector. Hence learners will rather choose a programme in which it will be easier for them to find employment opportunities. In addition, respondents were asked to state which categories of employees would be interested in enrolling for a BA in Public Administration if introduced by BOU. The majority (79.8%) of the respondents were of the view that public servants will be interested in enrolling for the programme, followed by other sectors employees (7.3%) and private sector employees at 6.4%. Although this is the case, it does not necessarily mean that Public Administration degree holders cannot be absorbed by the private sector when it comes to employment opportunities.

6.4 Preferred Area of Specialization

Research results indicate that the majority of respondents prefer to specialize in over specialization in general administration. Respondents stated that in many cases Public Administration degree holders are given human resource responsibilities to carry out in the public service hence this will help capacitate their knowledge, skills and attitudes towards accomplishing their tasks. This may also have attributed to the fact that with a specialization in human resource management one may also find employment in the private sector.

6.5 Willingness to Enrol with BOU and Preferred Mode of Delivery

Survey results show that majority (74.3%) of respondents are willing to enrol with BOU if the programme

can be offered, while 20.2% of the respondents stated that they are not willing to enrol with BOU. Majority of respondents are willing to enrol with BOU because of the flexibility of open and distance learning mode of delivery. Similarly, when respondents were asked to choose their preferred mode of delivery, majority (33.9%) of them preferred distance learning over traditional face-to-face learning (13.8%) and 18.3% preferred e-learning while 9.2% preferred blended learning. The reason why many respondents preferred distance learning is because they are already employed and distance education will help them further their studies while continuing with their jobs.

6.6. Implications of Theory to Practice

This paper has covered three phases of Public Administration being the Traditional Model of Public Administration, the New Public Management and the New Public Governance paradigms. The paper further looked at the menu of core courses under Public Administration relevant to these paradigms and programme naming in accordance with existing paradigms. The development and introduction of a degree in Public Administration should take into consideration trends in this discipline by offering courses that are relevant to the new paradigm in this field of study. This does not mean that courses in the old dispensation may not be included in the programme. Many courses in the traditional approach to Public Administration are still relevant today. The menu of courses is dependent upon human resource needs of the country. When developing this programme, the university should consult with curriculum development advisory bodies and accreditation bodies in Botswana like the Human Resource Development Council (HRDC) and the Botswana Qualifications Authority (BQA). BQA is responsible for quality assurance. It ensures the maintenance and enhancement of quality in education by registering qualifications and accrediting learning programmes, by registering and accrediting assessors and moderators responsible for programme delivery and monitoring of the Education and Training Providers. The Human Resource Development Council is responsible for providing advice on all matters of the national human resource needs and development. The programme must be registered and accredited by BQA before it can be offered for quality purposes. The programme must also be subjected to periodic reviews for it to be relevant to the changing environment.

7. Conclusion and Recommendations

The study has looked at the relevancy of a degree in public administration by ascertaining its demand by prospective learners and through establishing the demand of graduates of the programme by prospective employers in Botswana. Considering findings of the study, a conclusion can be made that the programme is relevant to Botswana, there is a demand for the programme by prospective learners and there is also a demand for graduates of the programme by prospective employers in Botswana. It is worth noting that respondents preferred a degree in public administration with specialisation in human resource management over a generic degree in public administration. This is in line with the reforms in the public service and the new public management paradigm which emphasises managerialism or entrepreneurial government. Given the results, the study recommends that the Botswana Open University (BOU) introduce a degree in public administration with a special focus on human resource management. The university may also consider introducing a degree in public sector management and governance or a degree in governance and public leadership to cater for the New Public Governance paradigm. A strong emphasis in curriculum development should address public administration paradigms and the inclusion of African and indigenous system knowledge in the curriculum.

References

- Akindede, S.T., Obiyan, A.S. & Olaopa, O.R. 2002. The Theory of Public Administration and Its Relevance to Nigerian Administrative Ecology: *Journal of Social Sciences*, 6(4):247-256.
- Behn, R.D. 2001. *Rethinking Democratic Accountability*, Brookings Institution Press, Washington DC.
- Botswana College of Open and Distance Learning. 2011. *Academic Quality Assurance Enhancement Policy and Processes*. Gaborone.
- Dickinson, H. 2016. From New Public Management to New Public Governance: The implications for a 'new public service' in John Butcher and David Gilchrist (2016) *The Three Sector Solution: Delivering public policy in collaboration with not-for-profits and business*. The Australian National University: ANU Press.
- Fenwick, J. 2017. Teaching public administration: Key themes 1996-2016. *Teaching Public Administration*, 36(1):6-13.
- Gellén, M. 2013. Public administration education in a legalistic setting: New tendencies in hungarian public administration and training. Network of Institutes and Schools of Public Administration in Central and Eastern Europe. *The NISPAcee Journal of Public Administration and Policy*, 6(2):53-67.

- Hope, R.K. 2002. The New Public Management: a perspective from Africa. In Ferlie, E., Osborne, P. and Mclaughlin, K. (eds): *New Public Management: Current trends and future prospects*. London: Routledge.
- Hughes, O.E. (eds) 2003. *Public Management and Administration: an Introduction*. Macmillan, Palgrave: New York.
- Hulme, D. & Turner, M. 1997. *Governance Administration and development: Making the State Work*, New York, Palgrave.
- Kretschmar, B. 2010. Differentiated Degrees: are MPA and MPP Programs Really that different? *Perspectives in Public Affairs*, (7):42-67.
- Muhammad Z.I.J. & Jabeen N. 2010. Public Administration Education in Pakistan: Issues, Challenges and Opportunities. *Journal of the Research Society of Pakistan*, 11(1):120-141.
- OECD. 1998. *Public management Reform and Economic and Social Development*. PUMA: Paris.
- Osborne, S.P. 2006. The new public governance? *Public Management Review*, 8(3):377-387.
- Pfiffer, J.M. & Presthus, R. 1967. *Public Administration*. New York: Ronald Press.
- Presthus, R. 1975. *Public Administration*. New York: The Ronald Press Company.
- Rhodes, R.A.W. 1996. The new governance: Governing without government. *Political Studies*, 44(4):652-667.
- Statistics Botswana. 2017. *Formal Sector Employment Survey*. Gaborone: Government Printer.
- Stoker, G. 1998. Governance as theory: Five propositions. *International Social Science Journal*, 50(155):17-28.
- Tangri, R. 2005. *The Politics of Patronage in Africa*. New York: Africa World Press.
- Vanderleeuw, J., Sides J. & Williams, B. 2015. An Advanced Degree In Public Administration, Is It Valued by City Councils? *Public Administration Quarterly*, 39(3):453-483.
- Vigoda, E. 2002. From Responsiveness to Collaboration: Governance, Citizens, and the Next Generation of Public Administration. *Public Administration Review*, 62(5):527-540.
- Waldo, D. 1980. The study of public Administration *Journal of Social Sciences*, 6(4):247-256.
- Wiesel, F. & Modell, S. 2014. From New Public Management to New Public Governance? Hybridization and Implications for Public Sector Consumerism *Financial Accountability & Management*, 30(2):267-4424.
- Wu, X. & He, J. 2009. Paradigm shift in public administration: Implications for teaching in professional training programs. *Public Administration Review*, 69:S21-S28.
- Xu, R., Sun, Q. & Si, W. 2015. The Third Wave of Public Administration: The New Public Governance. *Canadian Social Science*, 11(7):11-21.
- Yucebas, E. & Arap, S.K. 2017. An Analysis on Local Administrations Programs in Turkey. Paper presented at the 23rd International Scientific Conference on Economic and Social Development, Madrid, 15-16 September 2017. Available at: <https://search.proquest.com/docview/2071307104?accountid=166860>.

Political Consciousness Contribution to Public Participation on Socio-Economic Issues in South Africa

MG Makgamatha and KK Moikanyane
University of Limpopo, South Africa

Abstract: Socio-economic issues are affecting a high number of individuals and households across the globe, more especially in South Africa. The post-apartheid era in South Africa introduced democracy which led to the formulation of mechanisms of public participation that allowed people to voice out their views regarding socio-economic issues such as unemployment, illiteracy, corruption, poverty and inequality. The participation strategy has been active for quite a period after the apartheid era and they have collapsed recently due to people's loss of confidence in the ruling government because of inadequate consideration of the public's needs and ideas. Therefore, this has led to the opening of opportunities for multiple political parties to exist in South Africa to which they have come to positively contribute in the increase of people's political consciousness regarding socio-economic issues. This paper posits that politics in South Africa have been an eye opener for many people in terms of social and economic aspects, which has led to their eagerness to participate in social and economic issues. The state has a mandate to serve its citizens and be accountable for any decisions that will affect the public and the economy. The lack of transparency, accountability, responsiveness and corruption in South Africa has caused political instability and the public began to realise how politics affect them both at national, provincial and local level. Problems such as poverty, unemployment and illiteracy that have been existing for many years, will continue increasing in the presence of a government that is negligent, abuses power, incompetent, ineffective and unethical towards public prioritisation. When people become conscious about socio-economic issues, the government should provide them with a platform to participate in socio-economic development and their views should be taken into consideration.

Keywords: Consciousness, Corruption, Politics, Public participation, Socio-economic issues

1. Introduction

In the past, many people in South Africa were just living their lives without the political consciousness and the government was making social, economic and political decisions on their own even though some of them should have been shared with the ordinary citizens (Maphunye, 2001; Kesselman, Kreiger & Joseph, 2018). Majority of the people were not engaging and taking part in developmental debates about issues that were affecting their lives while few were taking part. People always willed to participate in socio-economic issues that were affecting their lives, but however, their voices were being ignored (Bardill, 2000). People's opinions were being ignored and their contributions that were not taken into consideration, made citizens to lose hope in the government, which generated anger and frustrations (Besdziek, 2006). That has led to the establishment of many political parties in South Africa to challenge the government in ensuring that people's needs are taken into consideration.

The argument of the study put an emphasis on the idea that participation in socio-economic

issues is insufficient due to lack of public awareness. Therefore, the state of political consciousness provides opportunity to participate in matters concerning issues of the country (Serrano & Xhafa, 2012; Johnson, 2013; Ahmed-Gamgum, 2018). This tends to awaken an individual's political role, to allow an opportunity to engage and contribute in the development strategies and decisions (Hussein, 2003; Ahmed-Gamgum, 2018). When people became politically aware they have the eager, the courage, the confidence to participate in development and socio-economic issues (Wolf, 2017). When people are politically aware they begin to realize their economic and social problems, with that they can push the government to be more responsible and accountable in terms of their development. The argument of the study emphasizes on the idea that participation in socio-economic issues is insufficient due to lack of awareness.

2. The State of Political Consciousness

Politics remain a major key informant to the public in terms of the issues that exist around the community,

country and the world in general (Dinello & Popov, 2007; Kesselman *et al.*, 2018). They have also played a critical role to make people aware about their constitutional rights in the country. People are informed through mechanisms of politics that aims at addressing socio-economic issues (Dinello & Popov, 2007; Serrano & Xhafa, 2012). This can be a very reliable source of information to those who choose to be ignorant to the conditions of a country. Today people's opinions count more as compared to the past (Fuo, 2015). Political consciousness is not about the ruling party having more power to do whatever they want without people's concern but is about the government being committed to bring justice and human dignity to all people (Maphunye, 2001; Ismail, Theron & Maphunye, 2009; Ahmed-Gamgum, 2018).

Socio-economic issues can be considered as the main topics around political debates and it is significantly important that multiple sectors and spheres engage in these debates and discussions (Dinello & Popov, 2007; Serrano & Xhafa, 2012). Therefore, this will improve the effectiveness of the decision-making process (Swanepoel & De Beer, 2006). This will allow for contribution of information and resources from multiple and relevant sources. The lack of political consciousness from some individuals and organisations limits the ability to effectively address issues that involve them (Rahman, 1993; Kesselman *et al.*, 2018). The post-apartheid government of South Africa has opened opportunities for public participation in socio-economic development, where those who are politically conscious are able to engage on their thoughts, ideas and knowledge (Maphunye, 2001; Mhome & Edighenji, 2003).

South Africa has introduced a democratic system that allows the public to voice out their concerns and needs (Maphunye, 2001). Those at the top have the power and resources to utilize towards addressing the socio-economic issues. The moment the country suffers from such conditions it is the duty of the government to come up with the solutions with the help of the public (Rahman, 1993; Ismail, Theron & Maphunye, 2009). Despite, the policies and legislations that have been put forward to ensure accountability and responsibility in the system (Mhome & Edighenji, 2003), the country still struggles to effectively execute the strategies that have been initiated to assist in development (Dinello & Popov, 2007). The mere reason can be because of multiple factors such as high levels of

corruption within the system and lack of accountability. Corruption has been a major disease hindering effective development. The case of corruption only benefits those at the top with resources at their disposal (Bhorat, Buthelezi, Chipkin, Duma, Mondli, Peter & Swilling, 2017).

Those at the grassroots on the other hand are disadvantaged by such actions. This is resulting in a national crisis of socio-economic problems and creating a slow pace in development. The possible reasons for such unfortunate acts by the government may be a result of having a state run by some individuals who are considered to be illiterate, incompetent, negligent and selfish (Vally & Motala, 2014). The notion of 'knowledge is power' comes to effect, but the lack of opportunity to exercise the knowledge (power) becomes ineffective and useless (Murphy, Mufti & Kassen, 2011; Vally & Motala, 2014). This situation gives light to Plato's famous quote that "those who are too smart to engage in politics are punished by being governed by those who are dumber". The country has shifted towards a knowledge-based economy since the beginning of the twentieth century and the public and the youth in the early post-apartheid era have been well informed in international affairs, but less-informed in the national affairs (Diao & McMillan, 2017). Despite, all the exposure and opportunities presented to them to participate in the national affairs. The political ignorance in the early democratic South Africa has resulted in slow growth in improving the socio-economic conditions (Udjo, Simelane & Booyesen, 2000).

Political consciousness has led to major discussions on socio-economic issues in multiple platforms such as the media, academia and other sources (Dinello & Popov, 2007). The political system has opened opportunities for discussion on the matters, allowing participation from the general public who are the victims of such issues (Kesselman *et al.*, 2018). This process increased the level of political awareness among the communities (Johnson, 2003; Ismail, Theron & Maphunye, 2009). People started to contribute and engage in the decision-making processes, using the resources that are at their disposal such as education where they are able to learn and acquire sufficient information (Hanushek, 2013; Vally & Motala, 2014). The public have the potential and capacity to solve their own problems and assist the state in coming up with effective strategies and solutions to national problems. This is achieved only

if the government works together with the public and understands the operations or systems of both parties (Serrano & Xhafa, 2012); because the root of all problems is lack of awareness, information and collaboration (Rahman, 1993).

Development is about bringing change to the lives of people and improving the human conditions through projects and quality services (Bardill, 2000; Ismail *et al.*, 2009). Therefore, for people's lives to be improved it does not take the community members only but it is a collective action that need public, private and the people which are the beneficiaries. Political consciousness is about the government creating an inclusive environment where people with different races, religions, cultures are included in development to improve their standard of living (Dinello & Popov, 2007; Kesselman *et al.*, 2018). The apartheid government focused on the development of urban areas where white people resides, but the black people were living under the cloud of poverty, few access to better services such as quality education, quality water, houses, electricity and many more (Amir, 2003). Even the ruling government recently should focus on balancing development between people and between rural and urban areas. Political consciousness is not there to cause violence but it is there to bring people together to have common goals in development and transform the country in a better place for everyone to live on. Political consciousness in South Africa is also about correcting the mistakes done by the apartheid government and the ruling government that suppress the people and deny them their access to services and rights (Amir, 2003; Serrano & Xhafa, 2012). The government needs to ensure that people are treated with fairness, respect, dignity, and ensuring that people are also freed economically and socially. The building blocks of public participation such as participation, social learning and empowerment of which are crucial stimulating political consciousness.

3. Public Participation

The role of public participation has been a major influence in development strategies of many countries for quite a period. However, public participation in South Africa became dominant and a key strategy for addressing socio-economic issues during the post-apartheid era (Davids, 2005; Fuo, 2015). The first general mass participation in South Africa was seen in April 1994 during the general

elections of the new ruling government (Davids, 2005). The newly elected democratic government strived to address the imbalances, injustices and problems of the past, by introducing a platform of public participation.

According to Simon (2006), participation is a process whereby people are engaging with one-another in decision making, anticipating and being active in the planning, implementation and operation of the services that affect their lives. People can only participate if they are aware of the opportunities that are presented to them (Fuo, 2015). The opportunity can come in a form of an idea, a need or even a problem (Swanepoel & De Beer, 2006). According to Vally & Motala (2014) one of the major contributors of South Africa's socio-economic problems has to do with lack of participation in decision making processes.

Development is about bringing change and improvement of every community by ensuring that people's lives are improved on daily basis. It is difficult for the government to develop people or an area without involving the beneficiaries of that development which are the people (Ahmed-Gamgum, 2018). Political consciousness played a huge role that has led to the introduction of the building blocks of participation, types and mechanisms of participation (Swanepoel & De Beer, 2006). When people became aware and saw that they have a role to play in building the country through their contributions by providing their own views, development preferences and inputs regarding decision making (Simon, 2006). The contributions made by the community members should be taken into considerations in that way it will also make people to gain more confidence in their leaders (Ahmed-Gamgum, 2018). Public participation is when people exercise their power, acting and controlling their resources in a collective manner (Rahman, 1993). During the apartheid era, not all people were given the chance to exercise their power through participation by the government (Amir, 2003).

The government through participation should enhance the strategy and the policy that focus on improving the welfare of all people especially the poor by establishing more patterns that address inequality (Mhone & Edigheji, 2003). Transparency is important, because, the leading and elected political representatives they represent the public in parliament and they should keep on updating the South

African people who voted for them (Ismail *et al.*, 2009). The lack of transparency and accountability by the government is one of the major reasons of the breakout of new political parties in South Africa (Ismail *et al.*, 2009). Many government officials usually go to rural areas and urban areas making community meetings and gatherings to hear the needs of the people. While other scholars have argued that most of the government officials only visit community members during the time of voting to secure votes from people (Johnson, 2003; Ahmed-Gamgum, 2018).

But the government needs to keep on visiting community members daily and hear their needs, which is consulting participation. The people in South Africa, lost hope in the ruling party because of their approach of being active politically during the elected time (Long, 2001). The political debates taking place on various social media and television that has also impacted and increased the desire for people to join political structures in as their constitutional rights and participate in the affairs of South Africa (Mhome & Edighenji, 2003). Participation is a process that takes time and place through openness that involve and allow community members, individuals to share views, exchange and making influential and major decisions together (Theron & Ceasar, 2008; Ahmed-Gamgum, 2018). The debates in parliament by various political parties that has been influential to many African people, more especially the youth, has been a positive impact and reduced the ignorance of many African people (Pieterse, 2002).

4. Types of Public Participation

There are many types of public participation. For purposes of this paper focus on the three types which are passive, information giving and consultative participation.

4.1 Passive Participation

Passive participation is mostly used in the form of top-down approach inconsiderate of peoples' opinion. In development, the top-down approach not many people or beneficiaries are given the chance to voice out their views. In passive participation, the people are informed about what is going to happen or what has happened without their inputs (Ismail *et al.*, 2009). During the apartheid era most blacks, Indians and coloreds were included regarding

socio-economic issues that were affecting them, but they were only informed about developmental issues. When people are not involved in solving socio-economic issues they end up lacking proper information that they can use to articulate the social and economic issues that hold their lives back (Mhone & Edigheji, 2003; Fuo, 2015). That has fueled the many black people and challenged the ruling government because they were denied the right to participate in development projects within their country. After the apartheid, recently the people started being ignorant. Development is all about empowering the people, yet the passive participation makes people powerless even while they have resources in their communities. The passive participation was encouraged by the political elites as a silent strategy to exclude people from participating in socio-economic issues (Fuo, 2015). The political consciousness also played a role to collapse the passive participation since it was promoted to avoid people influencing and challenging government decisions that were not favoring them.

4.2 Participation by Information Giving

This kind of participation model does not differ much from passive participation because people participate by being given information and answering questionnaires (survey forms), (Johnson, 2003). People still have less power to take control over their resources because of the change agents which the government is keep on, providing the people with services that they do not need at that time (Fuo, 2015). Prioritization is very important towards the development of different communities; the government needs to prioritize the needs of the people and deal with issues of emergency. People being participants by giving information it is not enough but also this kind of participation was not effective in terms of most black people. People in South Africa were not conscious about the socio-economic issues of which were affecting them in a negative way because they did not have access to proper information. Studies show that majority of the people in South Africa were ignorant, recently the people of South Africa politics opened their eyes regarding the socio-economic issues that need their attention (Swanepoel & De Beer, 2006). The government cannot use the information in addressing unemployment because that will require more people to be involved in direct manner to have the chance to voice out their concerns. The concerns also regarding the participation by information giving is that the information given

to people might not be accurate but misleading, while some information may be hidden to ordinary citizens.

4.3 Consultative Participation

Public participation was not received well by numerous governments in the less developed countries because it was a threat to their governance and existence (Ismail *et al.*, 2009). Public participation through consultation it shows commitment of the government to involve people in any developmental projects of which it was very rare in the past in South Africa. The political consciousness it states that consultation should take place without marginalizing people regarding their races, religions, cultures and culture. It is what delayed the development of South Africa, because when the government focus on specific race or urban areas more than developing rural areas they are not fair because there should be a balance between development in rural and urban areas and equal consultation between all races. Consultation is very crucial in the development of people, then the ordinary citizens they feel like they have ownership and control over their country (Oldfield, 2008). Participation in South Africa included the marginalized people who stay towards the periphery of towns and cities to participate in the implementation of projects in their areas.

The government of South Africa realised that the people who are affected by extreme poverty, illiteracy and unemployment are mostly those in rural areas (Diao & McMillan, 2017). Therefore, through participation by such people and the support of the government the people can really see that there are efforts being made to relief from poverty. Poverty, unemployment, illiteracy are macro socio-economic issues that affect all people majority youth, while others are graduates while others are not graduates that they also crucial and of value towards the development of this country (Cloet & Wissink, 2000). In South Africa, many young people were not interested in the politics while studies show that most were ignorant but since poverty and unemployment were escalating it became a wake call to many people (De Swardt & Theron, 2004). Then people saw that it is their responsibility also to assist the government through their inputs and intake regarding many socio-economic issues. Even though people are consulted through municipal meetings it is more often that other people in other communities do not attend such gatherings.

5. The Building Blocks of Participation

Participation is a process that emphasizes on social learning, empowerment and sustainability which promote the bottom-up approach in the planning and implementation process of development strategies (Maphunye, 2001). This participative process creates a learning environment that provides the people with the capacity to engage in socio-economic issues affecting them.

5.1 Social Learning

The high rate of unemployment, poverty and illiteracy has been a problem in South Africa and it persist, but social learning can play a role in ensuring that skills are transferred to people when a certain project takes place (Roemer, 2014). Participation is not only about the citizens voicing their views but the importance of social learning, those who are unemployed can be hired in a project to work and that is participation and empowerment. The elected representatives in parliament should raise this issue and let the people know that when a project takes place, the people who reside in that community are the ones who know their place and the needs that they need as a community. South Africa is a very competitive country with large skilled labor force of which it has led to unemployment of many people due to lack of skills, education, and experience. The change agents should provide people with skills and employ community members as a way of empowering them and having access to income and fight unemployment, malnutrition, and food insecurities (Monaheng, 2008).

5.2 Empowerment

Political consciousness gave people the sense to participate in their country's affairs and empowerment is one of the building blocks that people would like to have. The issues of unemployment amongst graduate youth people, the government of South Africa assisted by providing government employment opportunities (De Swardt & Theron, 2004). That is empowerment by providing young people the skills and experience so that they can be independent and be able to compete in the labor market. Political consciousness made people to fight for their rights to be empowered not only to be beneficiaries of development but as actors in their own development.

5.3 Sustainability

Sustainability is meeting the needs of the present generation without compromising the ability of future generations to meet their own needs (World Commission on Environment and Development, 1987). Poor governance leads the programs of addressing poverty to be mean less, make employment strategies to fail because of corruption and lack of promoting public participation by the beneficiaries (Ismail, 2001). To secure effective participation, the public must be involved as the experts and they should also have access to the decentralized institutions that will honor their priorities (Smith, 2002).

5.4 Socio-Economic Issues

South Africa's economy has been experiencing a slow growth over the past few years, mainly because of rising socio-economic issues which have affected the structural change in the domestic economy (The World Bank, 2014). Nonetheless, the current economic performance of South Africa can be celebrated as it has shifted significantly towards a positive direction (Rodrick, 2016). The standard of living has improved over the past few years, and is continuing to improve (Diao & McMillan, 2017). The new systems put in place by the government, together with the public, has resulted in growth (Mhome & Edighenji, 2003). Politics have been an eye opener in the current changes and practices. Socio-economic issues such as unemployment as well as income inequality is a major issue affecting a high number of individuals and communities across the globe, more especially in South Africa (Swanepoel & De Beer, 2006; Hanushek, 2013; Diao & McMillan, 2017). The lack of adequate knowledge to overcome socio-economic problems has a great impact on the development of the country (Vally & Motala, 2014). Some individuals in South Africa are economically inactive due to the lack of awareness and opportunities within the communities (Loewer, 2012). Therefore, there is a need for people to acquire the necessary information and knowledge to address the country's socio-economic development.

Socio-economic development emphasizes on the change in the social and economic aspects of society (Swanepoel & De Beer, 2006; Roemer, 2014; Diao & McMillan, 2017). Socio-economic development indicators have been identified by international

organisations in assisting the measurement of development progress and performance across the globe (Udjo, Simelane & Booysen, 2000). Hence developing countries managed to take into consideration of the proposed international indicators of socio-economic development by developing initiatives that come up with specific indicators for addressing their country's needs (Udjo *et al.*, 2000; OECD, 2010). The indicators of socio-economic development measure the progress of households looking at the social and economic factors such as the Gross Domestic Product (GDP), poverty and inequality, educational background, employment, economic growth, health, childhood mortality, safety and security, social cohesion, household and community assets (Udjo *et al.*, 2000; Roemer, 2014). Despite the improvement of the economy there exist issues that come with the evolution of the economies including 'corruption, infrastructure bottleneck, skills mismatches, social exclusion, regulations that stifle competition and entrepreneurship and keep that one third of the labour force unemployed or too discouraged to seek work' (World Bank, 2014; Diao & McMillan, 2017).

Corruption is one of the most severe issues when coming to the governance of South Africa. The level of corruption affects distribution and development in the country, as the system is manipulated in the favour of only those who are in power. According to the National Planning Commission, it has been discussed and realised that corruption involves both the public and the private sectors (internal and external) (National Planning Commission, 2012). This in turn enforces the dynamics of exclusion by the government. The governance of South Africa currently has been undergoing investigation of state capture. This examines the controversial conundrum emanating within the state governments because of political and economic influence from external sources. The constitutional systems and laws of government are manipulated to benefit the individual and personal interests of both the involved public officials and these external private sources (Bhorat *et al.*, 2017; Wolf, 2017). Many states fall victim of a plethora of political corruption that exercises unethical decision making in the processes of the state (Dinello & Popov, 2007; Bhorat *et al.*, 2017). This creates a problematic situation in the system and structure of the state. The state as the leadership of the public should aim at serving the community and their citizens interest on an ethical basis without the abuse of power,

privileged information and resources vested upon them (Mhome & Edighenji, 2003; Wolf, 2017).

The most recent public issue involves the former president Jacob Zuma and his external associates the 'Guptas', who have been collaborating in abusing the states resources (Wolf, 2017). The 'Guptas', are a wealthy Indian-born South African family and own a private business empire with enough money to manipulate the systems of government because of their ties with the former president (Bhorat *et al.*, 2017; Wolf, 2017). Has alienated the public from the government, causing a political awakening in the public to address and solve the matter. The issue is that the decision making has been influenced by the family which saw the public realising the power and control of the family in the public funds and resources (Wolf, 2017). Ever since the controversy of state capture being put forward and highlighted, politicians and the public have been in a frenzy regarding the issue, debating and fighting for redemption within the state institutions (Dinello & Popov, 2007; Bhorat *et al.*, 2017).

Developing countries including South Africa need to be aware of the risks emanating from social imbalances which can have a significant impact on the economic growth, which can contribute to the inability to address poverty, income inequality and mortality rates, and to improve life expectancy (Roemer, 2014). Communities in South Africa are characterized by different socio-economic status that define their quality of life (Hanushek, 2013; Roemer, 2014). Empowerment and participation needs to be encouraged to strengthen the capacity of individuals and communities to enable themselves to improve their quality of life (Krugman, Wells & Graddy, 2014). The participation of the public in local issues requires individuals and communities to have a clear understanding of the civil rights, political systems and roles of the different spheres of government from local to national (Hussein, 2003, Swanepoel & De Beer, 2006).

Skills, training and human resource development are key aspects of economic life (Roemer, 2014). The education sector and employment sector are two different fields, but they have certain aspects that link them together. According to Murphy *et al.* (2011), the aim of education is considered to be a process to maintain and develop the economic well-being of the individual and society generally. The creation of employment opportunities which

allows an individual to earn a salary that can help them maintain a decent standard of living, depend upon the participation of an individual in the social and economic systems (Boehm, 2010; Hanushek, 2013; Krugman *et al.*, 2014).

References

- Ahmed-Gamgum, W.A. 2018. Political consciousness and effective participation as desirable aspect of political development: The predicaments of the people of Yangtu Special Development area, Nigeria. *Journal of Political Science and Leadership Research*, 4(1):11-37
- Amir, S. 2003. *Obsolescent capitalism: contemporary politics and global disorder*. London: Zed Books.
- Bardill, J.E. 2000. Towards a culture of good governance: the Presidential Review Commission and public service reform in South Africa, *Public Administration and Development*, 20(2):103-108.
- Besdziek, D. 2006. Provincial government in South Africa. In Venter A., & Landsberg C. *Government and politics in the new South Africa*. Pretoria: Van Schaik.
- Bhorat, H., Buthelezi, M., Chipkin, I., Duma, S., Mondli, L., Peter, C. & Swilling, M. 2017. Betrayal of the promise: how South Africa is being stolen. *State Capacity Research Project*.
- Cloete, F. & Wissink, H. (Eds). 2000. *Improving public policy*. Pretoria: Van Schaik.
- Dauids, I. 2005. *Voices from below. Reflecting on ten years of Public Participation: The case of Local Government in the Western Cape*. Western Cape: FCR.
- De Swardt, C. & Theron, F. 2004. Poverty and the African urban poor: money, hunger and morbidity in Cape Town. *Development Update*, 5(1):105-122
- Diao, X. & McMillan, M. 2017. Toward an understanding of economic growth in Africa: A reinterpretation of the Lewis model. *World Development: Article in Press*.
- Dinello, N. & Popov, V. 2007. *Political institutions and development*. Edward Elgar: Cheltenham
- Fuo, O.N. 2015. Public participation in decentralised governments in Africa: making ambitious constitutional guarantees more responsive, *African Human Rights Law Journal*, 15(1).
- Hanushek, E.A. 2013. Economic growth in developing countries: The role of human capital. *Economics of Education Review*, (37):204-212.
- Hussein, M.K. 2003. The role of Malawian local government in community development. *Development Southern Africa*, 20(2):271-282.
- Johnson, A. 2003. Politicians must be pushed. Civil participation starts at elections. Cape Town: Cape Times.
- Kesselman, M., Kreiger, J. & Joseph, W.A. 2018. *Introduction to comparative politics: political challenges and changing agendas*. Boston: Cengage Learning.

- Krugman, P., Wells, R. & Graddy, K. 2014. *Essentials of Economics*. New York: Worth.
- Long, C.M. 2001. *Participation of the poor in development initiatives: taking their rightful place*. London: Earthscan.
- Lindquist, J.H. 1964. Socioeconomic status and political participation. *The Western Political Quarterly*, 17(4):608-614.
- Loewer, O.J. 2012. Teaching the linkages among technology, economics and societal values to interdisciplinary graduate students. *International Journal of Science in Society*, 3(4):81-106.
- Maphunye, K.J. 2001. The South African senior public services: Roles and the structure in post-1994 departments. *South African Journal of Public Administration*, 36(4):312-323
- Mhome, G. & Edighenji, O. 2003. *Governance in new South Africa: Challenge of globalisation*. Cape Town: UCT Press.
- Monaheng, T. 2008. Community development and community organization: the role of change agent. In Theron, F. (Ed). *The development change agent: A micro-level approach to development*. Pretoria: Van Schaik Publishers.
- Murphy, L., Mufti, E. & Kassen, D. 2011. *Education Studies: An Introduction*. New York: University Press.
- National Planning Commission. 2012. *National development plan 2030: Our future –make it work*. Pretoria: National Planning Commission
- Oldfield, S. 2008. Participatory mechanisms and community politics: building consensus and conflict. In Van Donk, M., Swilling, M., Pieterse, E. & Parnell, S. (Eds). *Consolidating developmental local government. Lessons from the South African experiences*. Cape Town: University of Cape Town
- Organization for Economic Cooperation and Development. 2010. *Education at a glance 2010*. Paris: OECD.
- Pieterse, E. 2002. Participatory local governance in the making: opportunities, constraints and prospects. In Parnell, S., Pieterse, E., Swilling, M. & Wooldridge, D. (Eds), *Democratizing local government: The South African experiment*. Landowne: UCT.
- Rahman, M.A. 1993. *People's self-development: perspectives on participatory action research. A journey through experience*. London: Zed Books.
- Rodrick, D. 2016. An African growth miracle? *Journal of African Economies*. 1-18.
- Roemer, J.E. 2014. Economic development as opportunity equalization. *World Bank Economic Review*, 28(2):189-209.
- Serrano, M.R. & Xhafa, E. 2012. *The pursuit of alternatives. Stories of peoples economic and political struggles around the world*, Munchen, Mering, Rainer Hampp Verlag. Available at: <https://kobra.bibliothek.uni-kassel.de/bitstream/urn:nbn:de:hebis:34-2012092741860/1/SerranoXhafaPursuit.pdf>. Accessed on 28 March 2018.
- Simon, D. (Ed). 2006. *Fifty key thinkers on development*. London & New York: Routledge.
- Smith, B. 2002. Decentralisation. In Kirkpatrick, C., Clarke, R. and Polidano, C. (Eds), *Handbook on development policy and management*. Northampton: Edward Elgar Publishers.
- Swanepoel, H. & De Beer, F. 2006. *Community development*. Lansdowne: Juta.
- Theron, F. & Cesar, N. 2008. Participation: a grassroots strategy for development. In Theron, F. (Ed). *The development change agent: a micro-level approach to development*. Pretoria: Van Schaik Publishers.
- Udjo, E.O., Simelane, S. & Booysen, D. 2000. *Socio-economic indicators of development progress within the OECD framework in South Africa*. Millennium Conference of Commonwealth Statisticians. South Africa.
- Vally, S. & Motala, E. 2014. *Education, economy and society*. Pretoria: Unisa Press.
- Wolf, L. 2017. The remedial action of the "State of Capture" report in perspective. *Potchefstroomse Elektroniese Regsblad (PER)*, 20(1):1-45.
- World Bank. 2014. *The World Bank annual report 2014*. Washington DC: World Bank.
- World Commission on Environment and Development. 1987. *Our common future*. Oxford: Oxford University Press.

Contribution of Small-Scale Fish Farming Subsector to Rural Income Generation in Thulamela Municipality, Limpopo Province, South Africa

MJ Phosa*

Department of Cooperative Governance, Human Settlement & Traditional Affairs, South Africa

MX Lethoko

University of Limpopo, South Africa

Abstract: The purpose of this study was to investigate the contribution of small-scale fish farming subsector to rural income generation in Thulamela Municipality in Limpopo Province, South Africa. The study applied a qualitative method to collect data from individual respondents using the semi-structured interview involving 15 small-scale fish farmers. The findings from the study revealed that in terms of gender, more men were participating in the fish farming sector than women. Seventy-three percent of the total participants were men as compared to 27 percent of women participating in fish farming. In terms of age, a large proportion of farmers were men and women within the age range of 41-50 years and above 50 years who participated more actively in fish farming than other age groups. The results revealed some challenges and constraints characterised by theft of fish by community members, fish-eating birds or predators, poor access to funding, expensive fish feed, unavailability of fish feed, shortage of land, lack of proper infrastructure, and insufficient water supply during the drought period. As part of recommendations, some interventions should be developed to address the constraints and challenges revealed in the study. Small-scale fish farmers should be assisted to have access to proper infrastructure, boreholes to supplement available water during the dry season, fish feed, the agricultural market, land and other resources for fish farming.

Keywords: Aquaculture, Fish farming, Income, Rural areas, Small-scale

1. Introduction

Fish may become an important commodity for income generation, food security and livelihood improvements of the rural population. Britz (2015) indicate that most small-scale fishers are poor, but their livelihood strategies are diverse, ranging from a primary livelihood of last resort, to being part of a commercial accumulation strategy. According to Britz (2015), small-scale fishing for livelihood purposes is widespread and growing in rural areas, with 77% of inland water bodies surveyed generating significant daily income covering family living costs. Sawada (2012:11) maintains that income generation activities targeting the poorest people could reduce rural poverty through new non-farm business entries and expansion of existing businesses in poverty-stricken areas. According to Britz, Hara, Weyl, Tapela & Rouhani (2015:1) in Africa the fishing sector is dominated by small-scale fisheries and provides income for over 10 million people engaged in fish production, processing and trade. According to Munguti & Ogello (2014:4) Tilapia contribute the

bulk of the fish, yielding about 3,400 tons (69.9%), followed by Catfish at 1,047 tons (21%), Common Carp at 373 tons, and Trout at 51 tons.

Limpopo is one of the landlocked provinces within South Africa with its inhabitants having no access to marine fishing activities. Britz (2015) suggests that the development of inland fisheries policy needs to be realised in order to promote small-scale fish farming practices to enhance rural income generation. Britz (2015) expatiates that the fish farming subsector has the potential to become a sustainable endeavour towards the remarkable contribution to improve rural livelihoods through income generation. "The most pressing problem in Limpopo and many other predominantly rural provinces in the developing world is poverty" (Musyoki, 2012:3). According to Hossain (2012:36), the problem is that hungry people are trapped in severe poverty where they lack the money to buy enough food to nourish themselves. Chitiga-Mabugu *et al.* (2013:3) indicate that poor rural communities often experience lack of income opportunities. Sawada (2012:11) maintains that income

* The author is a Masters student at the Turfloop Graduate School of Leadership

generation activities targeting the poorest people could reduce rural poverty through new non-farm business entries. According to Lehane (2013:3), fish farming presents an opportunity to diversify income and protect against market fluctuations in the prices of agricultural products. Bostock, McAndrew, Richards, Jaucey, Telfer, Lorenzen, Little, Ross, Handisyde, Gatward & Corner (2010:2898) indicate that fresh-water fish farming is dominated by the three fish species, namely tilapia, catfish and carp that benefit poor rural inhabitants. The study has three objectives to answer the research questions which were (a) to determine the contribution of small-scale fish farming for income generation in Thulamela Municipality in Limpopo Province, (b) to determine the fish species that contribute to income generation, (c) to make recommendations on how small-scale fish farming can contribute to income generation in Thulamela Municipality in Limpopo Province.

2. Literature Review

2.1 Global Perspective

According to Rabo, Zarmai, Jwanya and Dikwahal (2014:21), more than 120 million people throughout the world are estimated to depend on fish for all or part of their income. FAO (2014:45) concurs with the statement by Rabo *et al.* (2014) that millions of people around the world find a source of income and livelihood in the fisheries and aquaculture sector. Sowman (2006:60) affirms the statement by Rabo *et al.* (2014) which shows that small-scale fish farming is the main income generator to improve the livelihoods of millions of people in Asia, Africa and Latin America. In support of this statement, Bondad-Reantaso and Prein (2009:3) point out that small-scale fish farming improves rural livelihoods and provides income opportunities to enhance the quality of life of rural poor communities. The statements above by different scholars confirm the contributions made by small-scale fish farming income generation to improve livelihoods particularly in rural areas. This indicates that in most of the developing countries, small-scale fish farming is considered as a direct contributor to the development of the local economy to provide people with income and employment opportunities. According to Asif *et al.* (2015:290), aquaculture is a significant socio-economic activity, especially for rural communities, contributing to livelihoods, food security and poverty reduction through such mechanisms as income generation, employment and diversified farming practices. Bostock, McAndrew, Richards, Jauncey, Telfer, Lorenzen, Little, Ross, Handisyde,

Gatward & Corner (2010:2897) emphasise that global fish farming has grown dramatically over the past 50 years to around 52.5 million tonnes in 2008 worth US\$98.5 billion and accounting for around 50 per cent of the world's fish food supply. This indicates that small-scale fish farming plays a very significant role towards the building up of the world economy to uplift human livelihoods. The development and promotion of fish farming practices contribute positively towards generating income for the poor marginalised rural communities and as well support local and national economies.

According to FAO (2014:36), fish farming is another option which has proved to be successful for some farmers in Siaya in Kenya to increase their sources of income and food security, diversifying their near subsistence livelihoods. The argument by Flores and Filho (2014:333) shows that several studies globally have demonstrated the feasibility of fish farming in generating income and nutritional quality of food. The statement by FAO (2014:1) also affirms that poor farmers in parts of Asia farm fish where it is traditional practice which they consume or sell to generate income. This is owed to the fact that selling fish for generating income is a very common practice at the level of small-scale farmers to improve livelihoods. This is self-evident that in many countries of the world, small-scale fish farming has potential and does exist to provide income to improve the lives

2.2 Continental Perspective

Solomon (2015:1) shows that catfish production indeed serves as a source of income in Nigeria by reducing the rate of unemployment in the country and increasing the country's Gross Domestic Product. Phiri *et al.* (2013:171) confirm that fish in Malawi acts as a source of income for the people, generating local revenue of about MK2.6 billion (US\$24 million) annually, and contributes about 4% to the GDP. According to Mathew (2013:50), small-scale fisheries contribute significantly to foreign exchange revenue in many developing countries. A significant number of them depend on small-scale fisheries as a source of full-time, seasonal, part-time, or occasional income (Béné *et al.*, 2010:934). It is also seen as a valuable provider of employment, cash income and foreign exchange, with developing countries contributing over 90% of the total global production.

According to Musuka and Musonda (2013:299), small-holder aquaculture in Zambia contributes significantly

to household food security through provision of cheap fish as food, nutrition (protein), income, diversification of rural livelihood and employment generation, thus stimulating the rural economy. This confirms the contributions made by the subsector which justifies that fish can be one of the major commodities to address the diverse issues within the rural poor communities in the developing countries. Solgaard and Yang (2011:1008) indicate that people belonging to higher income households are usually willing to pay extra money to buy farmed fish. This kind of contribution will really boost the small-scale fish farming sector to increase its income. Musuka and Musonda (2013:301) further highlighted the importance of families in adopting small-holder aquaculture to improve rural households' income to be able to pay school fees for their children with the disposable income from small-scale fish farming. Therefore, small-scale fish farming improves rural livelihoods by generating income that can provide cash for other household requirements. Jwatya (2010:10) indicated that aquaculture is often considered a source of animal protein for household consumption, with a high potential for cash income generation. Fisheries management in Ethiopia has made a great contribution to the economy because it provides employment, food and income, making it possible to evaluate over-exploitation of the fisheries (Janko, 2014:465). Furthermore, Oluwemimo and Damilola (2013:2) signified the fact that fish farming in Nigeria has the potential to help expand the resource base for food production and reduce the pressure on conventional sources of fish which are harvested faster than they can be regenerated. These resources can in future generate significant employment and enhance the socio-economic status of the farmer to generate foreign exchange.

Jimoh and Mohammed (2015:148) confirm the importance of small-scale fish farming to the world at large and the role it plays in improving various countries' economies. Animashaun, Fakayode and Ayinde (2015:72) point out that aquaculture and farm-raised catfish have been identified as a growing source of income for farmers in Nigeria. This shows how the small-scale fish farming in Nigeria became very popular and important for the local people so much so that it generated millions in revenue, particularly at the farm level. According to Sanusi and Mohammed (2014:298), the contribution of the sub-sector to GDP at 2010 current factor cost rose from N350 billion to N473 billion in 2014. Asa and Solomon (2015:1) show that catfish production indeed serves as a source of income in Nigeria by reducing the rate of

unemployment in the country and increasing the country's Gross Domestic Product. This has further been confirmed by Ugwumba and Chuckwuji (2010:105) that in Nigeria, the small-scale fish farming is profitable so much that the sector achieved the mean gross margin of N734, 850.39, mean net farm income of N712, 659.89 and net return on investment of 0.61 percent. Grema, Geidam and Egevu (2011:226) affirm that fish farming alone has the potential to supply the national requirement for fish and produce excesses for export generation to earn foreign exchange.

Maina, Okaba, Mwangi and Waringa (2014:113) show that fish farming in Kenya was a preferred enterprise to diversify sources of income and improve the nutritional content of local diets. According to Ogundari and Ojo (2008:43), the Oyo area in Nigeria has 120 fish farms with high potential for generating income and investment in aquaculture farms to ensure sustainable income generation.

According to Nagoli, Chiwaula and Chaweza (2013:14), aquaculture in Malawi contributes at least 10% of aquaculture households' income. Phiri, Dzanja, Kakota and Hara (2013:171) confirm that fish in Malawi acts as a source of income for the people, generating beach price local revenue of about MK2.6 billion (US\$24 million) annually, and contributes about 4% to the GDP. Furthermore, Nagoli, Valeta and Kapute (2013:15) proved that in Malawi fish production in small-scale fish ponds not integrated with agriculture was found to be about 800kg/ha/yr while in integrated aquaculture-agriculture farms, it yielded over 1800kg/ha/yr. In simple terms, this means that Malawi is doing more on small-scale integrated aquaculture-agriculture than it is in fish farming alone without integrating with crops. According to Nagoli, Valeta and Kapute (2013:17), small-scale fishers mainly produce for their own consumption and for local markets, as such most of them remain poor and vulnerable to food insecurity. The importance of small-scale fish farming manifests itself in most of the African countries including Nigeria, Kenya, and Malawi for its significant role in sustaining rural livelihoods and alleviating poverty.

2.3 South African Perspective

Agbebi (2011:456) indicates that fish farming also generates income for all categories of people involved in it and alleviates poverty in the state by contributing to the national income. The Department of Agriculture, Forestry and Fisheries in South Africa (2010) indicate that the most suitable areas for the

production of freshwater fish species are in provinces such as Limpopo, Mpumalanga Lowveld and Northern KwaZulu-Natal. This is so because of the suitable climate and resources that prevail in these regions. Jwatya (2010:10) emphasises that even if the small-scale fish farming in South Africa is immature, it has immense potential in enhancing the country's economy with a high potential for cash income generation. Hara and Backeberg (2014:277) noted that in Africa, it is estimated that the fishing sector provides income for over 10 million people and contributes to the food security of over 200 million people. According to Béné, Hersoug and Allison (2010:326), many people see fish farming as an entry point for poverty reduction through its role in generating revenue, creating employment, and its contribution to food security and the Millennium Development Goals.

According to Ellender, Weyl and Winker (2009:681), fish farming does not only provide food security opportunities but also contributes to income generation. For rural poor and food-insecure communities, small-scale aquaculture has the potential for contributing towards improved food security, income and livelihoods (Isaacs & Hara, 2015:7). Okwukenye and Ikoyo-Eweto, (2016:2) support the above statement that the importance of fishes produced locally cannot be over emphasized because they generate income for the farmers, thus helping to reduce the poverty levels of the people. The fisheries sector provides food security in a number of developing countries through the nutritional benefits of fish and income generation for those in the fishing sector. Nkomo

(2015:20) maintains that food security has been stabilised both through catching fish for direct consumption and selling them for income.

Essentially, fish farming in South Africa has a dual purpose, with one being of providing food to the needy and the other being that of providing income for the families to buy household requirements.

3. Research Methodology

A qualitative research methodology has been employed using a semi-structured interview guide to collect information through interview process.

3.1 Study Area

According to Stats SA (2016) Thulamela Municipality has population of 657 982. The study was carried out in various rural villages among others Lwamondo, Dopeni, Phiphidi, Shanzha, Mandala, Mapate, Khalavha and Makwarela in Thulamela Municipality, Vhembe District. According to Maponya & Mpandeli (2015:1), climate conditions in Vhembe District are subtropical with mild, moist winter and wet warm summers and such kind of climate conditions are very much conducive for fish farming.

3.2 Sampling

Purposive sampling method was used to collect homogeneous data from individual small-scale fish farmers with same characteristics in various

Figure 1: Geographic Area of Thulamela Municipality



Source: The local government Handbook of South Africa, 2018

Table 1: Age of Farmers

Age Range of Respondents	Number of Respondents	Percentages
18-30 years	0	0%
30-40 years	3	20%
41-50 years	7	47%
50+ years	5	33%
Total	15	100%

Source: Authors

Table 2: Gender of Farmers

Gender	Number of Participants	Percentage
Males	11	73%
Females	4	27%
Total	15	100%

Source: Authors

villages within the study area in the Thulamela Municipality. Dudovski (2016) views purposive sampling as a judgemental, selective or subjective sampling technique in which the researcher relies on his or her own judgement when choosing members of the target population to participate in the study. Crossman (2016) defines purposive sampling as non-probability procedure that is selected based on characteristics of a particular population in relation to the objective of the study. The study took a sample size of fifteen individual small-scale fish farmers from the total research population of thirty farmers who operate within the Thulamela Municipality. A sample population of fifteen small-scale fish farmers was purposively selected and interviewed to collect primary data from the respondents.

4. Data Collection

The primary data were collected through semi-structured interview and captured with the aid of a tape recorder. Data collection process was done through the local Agricultural Extension officer who organised the chosen farmers to be available for data collection. Individual respondents were visited at their place of operation to capture data using videos and tape recorders. A number of questions were developed to allow the respondents to answer accordingly.

5. Findings and Discussions

The findings and the discussions of the results are hereunder presented. The study intended to answer

the research questions which were (a) to determine the contribution of small-scale fish farming for income generation in Thulamela Municipality in Limpopo Province, (b) to determine the fish species that contribute to income generation, (c) to make recommendations on how small-scale fish farming can contribute to income generation in Thulamela Municipality in Limpopo Province

5.1 Age of Farmers

Table 1 depicts demographic figures on the age group of the fifteen research respondents. Of the 15 respondents, zero (0%) or no respondent was there within the age range of 18 to 30 years. Only three (20%) respondents were within the age range of 30 to 40 years. There were seven (47%) respondents within the age range of 41 to 50 years whereas five (33%) were above 50 years of age.

5.2 Gender of Farmers

Table 2 depicts the results on the investigation with regard to gender. Of the 15 research respondents, eleven 11 were males and 4 were females. In terms of percentages, males were 73% whereas females were 27% from the total number of fifteen respondents. Jentoft, Chuenpagdee, Barragan-Paladines and Franz (2017:749) pointed out that gender differences in access to general education can impact the roles that women and men play in small-scale fisheries such that in Greenland, women attain higher levels of general education, while men are more likely to take vocational education training in fishing and hunting.

Table 3: How Small-Scale Fish Farming was Established in Thulamela Municipality

Respondent No	How Small-Scale Fish Farming was Established
1	I started with one pond and some fingerlings I bought from a certain fish farmer
2	I got inspired by respondent number 1 and started fish farming together with cash crops
3	I inherited from my father
4	I was inspired by fish farmers using aqua-dams and built 5 fish ponds
5	I have built one big pond for irrigation and later turned it for fish farming
6	I caught fingerlings from the river and put them in a pond and they multiplied
7	I started fish farming with 11 men and 11 women as a co-operative
8	I have built the fish pond and stocked some fingerlings
9	I built one pond, bought 100 fingerlings and stocked them in a pond and they multiplied
10	I have built one pond and stocked the fish
11	I have built some ponds and bought fingerlings from existing fish farmers
12	I have built small ponds and stocked fingerlings
13	I started with one pond
14	I have built two fish ponds and stocked them with fingerlings
15	I started with one fish pond

Source: Authors

Table 4: Impact of Fish Farming on Communities

Respondent No	Impact of Fish Farming on the Communities
1	The business is creating jobs for community members
2	I hired temporary workers who gain income
3	Community members get jobs
4	Communities will get fresh fish from my business
5	Community members get fresh fish from my business especially young men
6	Community members come and learn about fish farming
7	The business hires some temporary workers to assist with work
8	The community gets fresh fish from my business
9	My business is providing the local community with white meat
10	Community members get food
11	It has improved the lives of people because they come here when they need fish
12	People get fresh fish
13	Communities come and observe fish while others buy the fish
14	People dig ponds and get paid
15	It supplies communities with fish

Source: Authors

Eleven (73%) respondents indicated that they started with the digging of fish ponds on their own and stocked some fingerlings. Two (13%) respondents indicated that they were inspired by visiting some existing fish farmers operating within their areas whereas one (7%) respondent inherited the fish farming activities from his/her father. Another (7%) respondent showed that the business started as a cooperative with men and women working together. See Table 3.

According to the study respondents, the impacts of fish farming on the local communities are shown on Table 4. In responding, nine (60%) of the respondents indicated

that community members get fresh fish as food from fish farming. Five (33%) respondents showed that community members got employment opportunities from the business of fish farming. One (7%) respondent indicated that community members acquired more valuable information about fish production.

5.3 Opportunities Created by Fish Farming in Thulamela Municipality

Four (27%) respondents indicated that fish farming could create job opportunities whereas four (27%) respondents showed that fish farming could create businesses. Three (20%) respondents indicated that

Table 5: Opportunities Created by Fish Farming

Respondent No	Opportunities Created by Fish Farming
1	Fish farming will become a learning area for school children
2	Fish farming will create employment opportunities
3	It will create job opportunities
4	It creates opportunities by providing communities with fresh fish
5	It will create job opportunities for jobless people if we practise it in a large scale
6	It will create income opportunities
7	Fish farming creates job opportunities for the people to have work
8	It can generate income
9	It can create jobs
10	It will provide fresh fish to the local people
11	People come and get fish very easily
12	It will provide fresh fish
13	To sell fish to the people
14	To hire more people for jobs
15	It will create job opportunities and business that supplies retailers with fish

Source: Authors

Table 6: Opportunities Associated with Fish Farming

Respondent No	Opportunities Associated with Fish Farming
1	It will add value to the people's lives
2	It will promote fish farming
3	They bring income to operate fish farming as business
4	It will promote fish farming
5	The more fish farmers have more ponds, more people will have more jobs
6	Generation of income will make fish farming to reduce poverty
7	It will make fish farming to increase the world economy
8	Fish farming will reduce malnutrition
9	Fish farming will reduce malnutrition
10	It will promote fish farming
11	To promote fish farming
12	They will make fish farming to generate income
13	Fish farming to develop further
14	To increase fish farming
15	To make fish farming to increase the economy

Source: Authors

fish farming could generate income. Another three (20%) respondents indicated that it could create opportunities such as a food supplier whereas one (6%) respondent indicated that fish farming could serve as a centre for school children to learn science. See Table 5.

5.4 Opportunities Associated with Fish Farming

Four (27%) respondents indicated that the above opportunities would promote fish farming. Three (20%) respondents indicated that they would make fish farming to generate income whereas two (13%) respondents also indicated that they would make

fish farming to contribute to improve the local economy. Two (13%) respondents indicated that these opportunities would enable fish farming to address malnutrition. Two (13%) respondents indicated that these opportunities would help fish farming to add value to the lives of the ordinary people whereas two (13%) respondents also indicated that the opportunities would increase fish farming activities. See Table 6.

5.5 Good Aspects Related to Fish Farming

Five (33%) respondents indicated that the good aspects related to fish farming were that it generates income which improves the people's livelihoods. Three (20%) respondents showed that when community

Table 7: Good Aspects Related to Fish Farming

Respondent No	Good Aspects Related to Fish Farming
1	Fish farming generates income, creates jobs for local people, serve as a food base and as a business
2	Whenever I sell some fish I will have income
3	Fish farming serves as a business to generate income and it motivates people to live a healthy life by eating fish
4	Watching fish relieves community members from stress as they become happy
5	It provides food
6	Fish farming promotes water conservation and prevents fish extinction
7	People will be financially stable which will improve their health and livelihoods
8	Fish is good for people's health
9	Good health and good development of people's brains
10	Fish farming always keeps the ponds clean
11	My friends come and see fish and they go back home happy
12	Fish farming improved our lives because when we sell fish we get income
13	I developed very well in fish farming since I worked with the extension officer
14	To save water through fish farming
15	The change is that I'm able to provide people with food

Source: Authors

Table 8: Fish Species

Respondent No	Types of Fish Species Reared	Respondent No	Types of Fish Species Reared
1	I rear Tilapia and Catfish	9	I rear Tilapia and Catfish
2	I rear Tilapia	10	I rear Tilapia and Catfish
3	I rear Tilapia	11	I rear Tilapia and Catfish
4	I rear Tilapia	12	I rear Tilapia and Catfish
5	I rear Tilapia	13	I rear Tilapia
6	I rear Tilapia	14	I rear Tilapia and Catfish
7	I rear Tilapia	15	I rear Tilapia
8	I rear Tilapia		

Source: Authors

Table 9: Reasons for Keeping the Fish Species

Respondent No	Reasons for Farming Specific Fish Species
1	Tilapia is good for this province and can tolerate harsh conditions
2	The fish can tolerate the harsh conditions in our area
3	Tilapia can tolerate harsh conditions
4	I rear tilapia because they resist some diseases
5	It is available locally in rivers and dams
6	They can live in harsh conditions
7	It can live in local conditions and tolerate harsh conditions
8	They are locally available
9	Tilapia species make good production and resist cold and other aspects that can destroy fish farming
10	Tilapia species perform well in the local environment
11	They are suitable for the local environment
12	People prefer this type of fish
13	Most people prefer tilapia
14	Because these are the species I had access to
15	I realised that most people prefer tilapia

Source: Authors

Table 10: Dominating Fish Species

Name of Fish Species	Percentage of Fish Species in Domination
Tilapia	70%
Catfish	21%
Common Carp	8%
Trout	1%
Total	100%

Source: Authors

Table 11: Challenges in Fish Farming

Respondent No	Challenges Experienced by Farmers	Respondent No	Challenges Experienced by Farmers
1	Theft	9	Shortage of land or space
2	Fish-eating birds and predators	10	Fish-eating birds
3	No proper infrastructure (fish ponds)	11	Fish-eating birds
4	Unavailability of fish feed	12	Fish-eating birds
5	Fish-eating birds	13	Shortage of feed
6	Insufficient water during drought	14	Theft
7	Insufficient water during drought	15	Fish-eating birds
8	Fish-eating birds		

Source: Authors

members watch the fish in the ponds, they get relieved of stress and become happy. Three (20%) respondents indicated that fish farming promotes water conservation since people usually conserve water to perform fish farming activities. Two (13%) respondents indicated that eating fish promotes good health to the community members and brings change towards healthy lives. Two (13%) respondents indicated that fish farming generates food for the communities. See Table 7 on the previous page.

5.6 Types of Fish Species Reared

Nine (60%) respondents indicated that they kept only Tilapia fish species whereas six (40%) respondents said that they reared both Tilapia and Catfish fish species. See Table 8 on the previous page.

5.7 Reasons for Farming with Fish Species

According to Hlophe (2015:10), tilapia fish species and catfish are commonly known in most African countries for improving rural livelihoods. Three (20%) respondents indicated that most of the people in the community preferred tilapia whereas two (13%) respondents indicated that the species performed well in the local environment. Two (13%) respondents indicated that they kept tilapia because it can be resistant to diseases, cold and other aspects that can destroy fish farming. Two

(13%) respondents indicated that they kept tilapia because the species were locally available for fish farming. One (7%) respondent indicated that the fish species was the only one he had access to. See Table 9 on the previous page.

According to Gomna & Rana (2007:152), a large number of aquatic species were consumed, and few species dominated consumption with Tilapia being the most important in Africa. See Table 10 above for dominating fish species.

5.9 Challenges Experienced by Farmers

Nine (60%) respondents indicated that fish-eating birds were their current challenge in fish farming that destroyed a greater portion of their production. Three (20%) respondents indicated drought as another challenge in fish farming. Two (13%) of the respondents highlighted theft as a challenge whereas one (7%) indicated the unavailability of fish feed as a challenge. See Table 11 above.

5.10 Constraints that Hinder the Development of Fish Farming

Furthermore, the results shown in Table 12 on the following page reveal constraints including lack of proper infrastructure, water scarcity and other impediments that hinder fish farming initiatives. Six (40%) of the

Table 12: Constraints

Respondent No	Constraints in Fish Farming	Respondent No	Constraints in Fish Farming
1	Lack of proper infrastructure	9	Delay in issuing of water use licences
2	Lack of proper infrastructure	10	Water scarcity
3	Lack of proper infrastructure	11	Water scarcity
4	Lack of proper infrastructure	12	Theft and water scarcity
5	Water scarcity	13	Shortage of feed
6	Water scarcity	14	Water scarcity
7	Non- availability of fingerlings supply	15	No Constraints
8	Water scarcity		

Source: Authors

Table 13: Interventions to Address Constraints

Respondent No	Interventions to Address Fish Farming Constraints
1	Construction of strong fences to prevent theft
2	Government and farmers to promote fish farming
3	Drill boreholes to address water shortage
4	Drill boreholes
5	Drill boreholes and create a market for products
6	Drill boreholes to address water shortage
7	Drill boreholes to address water shortage
8	Drill boreholes to address water shortage
9	Water laws on issuing of operating licences should be relaxed and provide more land available for fish farming
10	Drill boreholes to address water shortage
11	Drill boreholes for more water
12	Construction of fencing to prevent theft
13	Drill boreholes for more water
14	Drill boreholes
15	Provide quality feed and cover the ponds with nets

Source: Authors

respondents indicated water scarcity as a constraint that hindered the development of fish farming. Four (25%) of the respondents indicated lack of proper infrastructure especially fish ponds as a constraint that also hindered the development of fish farming whereas one (7%) respondent mentioned the delay in the issuing of water use licences as a hindrance.

One (7%) respondent indicated theft as a problem that could hinder the development of fish farming. Another (7%) respondent indicated non-availability of fingerlings as a constraint whereas another (7%) indicated that shortage of fish feed hindered the development of fish farming.

Ten (66%) respondents indicated that drilling of boreholes to add more water for fish farming can be an intervention to address the constraint in fish farming. Two (13%) respondents indicated that the construction of strong fences may address the issue of theft whereas one (7%) respondent mentioned

that government and farmers should promote small-scale fish farming. One (7%) respondent indicated that water use laws needed to be revised so that delays in the issuing of operating licences be addressed in favour of fish farming. Another (7%) respondent indicated that there was no constraint in the development of fish farming, because he has sufficient resources such as water and infrastructure to operate on. See Tables 12 and 13 above.

5.11 Solutions to the Current Challenges on Fish Farming

The respondents in Table 14 on the following page suggest some solutions to address the current challenges on fish farming. Twelve (80%) respondents indicated that the provision of sufficient water through drilling of boreholes would provide solutions to their current challenges. Two (13%) respondents indicated that construction of strong fences around fish ponds would prevent theft whereas one (7%)

Table 14: Solutions to Current Challenges

Respondent No	Solutions to Current Challenges
1	Construction of strong fences will prevent theft
2	Providing water through boreholes will assist farmers
3	If farmers can have access to funding to drill boreholes to address water shortage
4	Strong fences will prevent theft
5	Sufficient water will improve fish farming and maximise production
6	Boreholes will supply more water for fish farming
7	Sufficient water through boreholes will enhance fish farming
8	Sufficient water will enhance fish farming
9	Issuing of water licences in time will promote fish farming
10	If boreholes can be drilled during drought then my fish ponds will always be full of water
11	Boreholes will provide sufficient water
12	Boreholes will provide sufficient water
13	Government officials should provide guidance
14	Harvested water can be stored and used to fill the ponds during drought
15	Protect ponds with nets

Source: Authors

of respondents said that the availability of fish feed would promote fish farming for the market.

6. Recommendations

These recommendations are based on the outcomes of the study:

- Fish farmers should be assisted to construct proper infrastructure facilities including fish ponds.
- Private and public sectors should provide assistance in constructing strong infrastructure to minimise fish theft.
- Alternative reliable water sources should be established and be secured.
- The government should allocate available state land to successful fish farmers to expand their activities.
- Fish farmers should be empowered to produce their own local high-quality feed.
- The government together with farmers should promote local feed mills and hatcheries to produce feed and fingerlings.
- Fish farmers should be encouraged to join fish farming forums in order to improve communication among each other.

- The Department of Agriculture through its farmer support branch should assist farmers in adapting to a farmer to farmer support system.

- Fish farmers' forums should consistently facilitate publishing of the results of good performing fish farming projects in the local media in order to attract funding.
- Women and youth need to be encouraged to participate more actively in fish farming.

7. Conclusion

In view of the contributions of the fifteen (15) participants interviewed in this study, the availability of infrastructure and financial resources are some of the major determinants which guarantee the success of the subsector. Mufudza (2015:60) points out that the government is supposed to take the income generating projects as a strategy to fight unemployment both in urban and rural areas. Jacobi (2013:90) indicates that the main support needed in all groups is usually financial support in order to improve and sustain fish farming projects.

References

- Bostock, J., McAndrew, B., Richards, R., Jaucey, K., Telfer, T., Lorenzen, K., Little, D., Ross, L., Handisyde, N., Gatward, I. & Corner, R., 2010. Aquaculture: global status and trends. *Journal of Philosophical Transaction of the Royal Society of London B: Biological Sciences*, 365(1554):2897-2912.

- Britz, P.J., Hara, M.M., Weyl, O.L.F., Tapela, B.N. & Rouhani Q.A. 2015. Scoping study on the development and sustainable utilisation of inland fisheries in South Africa. Water Research Commission Report No. TT, 615(1):14.
- Crossman, E.T. & Horel, J.D. 2016. Boundary-layer meteorol, 159-439.
- Gomna, A. & Rana, K. 2007. Inter-household and intra-household patterns of fish and meat consumption in fishing communities in two states in Nigeria. *British Journal of Nutrition*. 97(1):145-152.
- Hlophe, N. 2015. Utilisation of *Moringa oleifera* (moringa) and *Pennisetum Clandestinum* (Kikuyu) leaf meals by three commonly cultured fish species in South Africa: *Tilapia rendalli*, *oreochromis mossambicus* and *clarias gariepinus*. Unpublished Masters thesis. University of Limpopo: Sovenga.
- Jentoft, S., Chuenpagdee, R., Barragan-Paladines, M.J. & Franz, N. (eds.) 2017. The small-scale fisheries guidelines. Springer: Mare publications.
- Maponya, P. & Mpandeli, S. 2015. Climate change status in the Mutale Local Municipality: A case study of the smallholder farmers in Vhembe District, Limpopo Province. *Journal of Human Ecology*. 52(1,2):1-8.
- Mufudza, P. 2015. Impact of income generating projects on rural livelihoods: The case of Mwenezi fish conservation project, Zimbabwe. Unpublished Masters thesis. University of Limpopo: Sovenga.
- Munguti, J.M., Kim, J. & Ogello, E.O. 2014. An Overview of Kenyan aquaculture: Current status, challenges, and opportunities for future development. *Fisheries and Aquatic sciences*, 17(1):1-11.
- Sawada, N. 2012. Improving the rural investment climate for income generation: Evidence from the rural investment climate survey data. World Development Report 2013: Tanzania.
- Statistics South Africa 2016. Community Survey 2016 in Brief. Pretoria: Statistics South Africa.

Internal Audit and Financial Misconduct: The Case of the South African Social Security Agency (SASSA)

VT Sambo

University of South Africa, South Africa

Abstract: The paper, which emanates from the author's doctoral study, explored the role of an internal audit function in averting financial misconduct, at the South African Social Security Agency (SASSA). A review of literature pointed to the scarcity of research that focuses on the role that an effective internal audit function can play in making recommendations for the institution of internal controls that would contribute to averting or reducing financial misconduct, in developing countries such as South Africa. In this context, the study emphasised that although an internal audit function plays an advisory and indirect role, the function still has an important task to play as highlighted above. Thus, the problem statement for the study was articulated as follows: *The existence of an internal audit function at SASSA had not resulted in improved internal controls, which contribute to the curbing of financial misconduct.* Consequently, the main research question for the study was: *What are the necessary conditions under which an internal audit function could be improved?* Using the Agency theory, the study conceptualised an internal audit function as an important part of internal management controls that functions by reviewing, evaluating and making recommendations for the improvement of other controls within an institution, with the aim of promoting good governance. The research design and methodology for the study was qualitative, as it was necessary to get the views of the respondents on the various themes covered in the interview schedules and survey questionnaire. The case study design was employed as the operational framework for data collection. The main findings of the study are articulated in a conceptual framework for the effective implementation of an internal audit function. Thirteen conditions have been identified as necessary for an internal audit function to be effective. In addition, the study makes recommendations for amendments to the PFMA and/or Treasury Regulations: PFMA, to contribute to the efficiency of internal audit functions in South Africa's public sector.

Keywords: Financial Misconduct, Implementation, Internal Audit, PFMA, SASSA

1. Introduction

The first step that South Africa's democratic government took to correct the shortcomings of the apartheid government in relation to financial management was the introduction of the Public Finance Management Act 1 of 1999, or PFMA. The acceptance and introduction of the PFMA, was a positive step towards promoting fiscal discipline in South Africa. The PFMA, read together with Treasury regulations and the Public Audit Act 25 of 2004, provide the necessary guidance for effective financial control. The PFMA's predecessor, the Exchequer and Audit Act 66 of 1975, which was rules-driven and prescriptive in nature, necessitated the passing of legislation that provides a framework for efficient and effective public financial management that eliminates waste, fraud and corruption (Bekker, 2009:11). The PFMA has four main objectives. The first objective is to streamline the system of financial management in the public sector. The second is to empower public sector managers to manage, but

at the same time be held accountable. The third is to ensure that the financial information provided is of a high quality and is provided on time, and the fourth objective is to ensure that waste and corruption in the use of public assets is eliminated (RSA, 1999:1). The PFMA, therefore, aims to promote the effective use of financial resources, increase production and facilitate economic growth.

The specific aspect of the PFMA that the study considered is the implementation of the internal audit function, as articulated in sections 76 and 77 of the Act. Section 76 lists all the matters on which the National Treasury may make regulations or issue instructions, and these include inter alia the execution of internal audit functions. Section 77 stipulates the composition of audit committees (RSA, 1999:62). An internal audit function is thus one of the important internal control mechanisms, also required by the PFMA, for purposes of inter alia ensuring that institutional systems are operated according to the prescribed policies and standard

operating procedures. In addition, public finances should be managed in accordance with the PFMA and its regulations. Compliance with the PFMA's requirements of an internal audit function is therefore seen as important, as the recommendations of the internal audit function, pertaining to the internal control environment of public institutions would contribute to the elimination of fraud and corruption. For purposes of this study, the consideration of the implementation of the internal audit provisions of the PFMA took place at the South African Social Security Agency (SASSA), which was the case study for the research. SASSA is an agency of the Department of Social Development tasked with distributing social grants to South Africans. The agency was chosen as the case study for the research because of the importance of the work it does in distributing social grants to 31% of South Africa's population (SASSA, 2017:24). The Overseas Development Institute (ODI) (2011:3) remarks that South Africa has the largest and most developed social security system in Africa, where social assistance programmes amount to 3.2% of the gross domestic product (GDP) (National Treasury, 2018:62). It is within this context that the author found the study necessary. Moreover, financial misconduct represents one of many institutional risks at SASSA. An example of these is financial loss, when money meant for grant payments is lost and not recovered due to irregularities and fraud (SASSA, 2015:16–25). The importance of the work done by SASSA, as highlighted above, thus makes it necessary for its internal audit function to be effective. In this regard, an effective internal audit function would make recommendations for the institution of internal controls, to prevent or reduce cases of financial misconduct.

2. Background and Rationale

Public financial management by government institutions is becoming increasingly important internationally. South Africa is not immune to global developments, and the advent of democracy in 1994 brought with it major changes to fiscal policy and financial accountability. Some of the notable reforms on public financial management relate in particular to budget reforms (Khalo & Fourie, 2006:131). The promulgation of the PFMA was thus a positive step in promoting fiscal discipline and transparency in the management of public finances. The current study focused on the internal audit sections of the PFMA (sections 76 & 77) and

considered the role that an internal audit function could play in making recommendations for the institution of internal controls, which would contribute to a reduction in cases of financial misconduct at SASSA. Several authors have explained the role of an internal audit function using agency theory. Firstly, the relationship between political leaders and public managers, within public institutions is regarded as an agent and principal one, whereby the managers are the agents and the political leaders are the principals (Provan & Milward, 2001:417; Al Mamun, Yasser & Rahman, 2013:38; Khaled & Mustafa, 2013:92). Managers are regarded as agents of the political leaders because they do work on behalf of the political leaders. However, there is a possibility that the managers may deviate from conducting their duties in the manner expected, and instead pursue their own interests. This situation can be monitored by the presence of corporate governance mechanisms, such as audit committees, external and internal auditors who can ensure that managers perform their duties as expected by the political leaders (Al Mamun *et al.*, 2013:38; Vafaei & Christopher, 2014:7). Within this context, Khaled and Mustafa (2013:92) highlight that there is a lack of research that evaluates the effectiveness of the internal audit function, when compared to external auditing. Furthermore, there is a need for research in this area, especially in developing countries, where the internal audit function could play a critical role in preventing unethical conduct, such as fraud (Badara & Saidin, 2014b:177; Khaled & Mustafa, 2013:92). The current study aimed to address this gap, using SASSA as a case study.

3. Theoretical Perspectives

The following section provides theoretical perspectives in the domain of the internal audit function and financial misconduct.

3.1 Internal Audit Function Evolution and Current State

Sarens and De Beelde (2006:453) remark that the profession of internal auditing emanates from the area of financial control. Similarly, Willson and Root (1984:2) posit that records of accounting history show that the first audit function took place prior to ad 1500. At the time, the services involved validating government transactions in order to avert misappropriation of funds in treasuries of ancient rulers. The procedure that was followed included

two individuals who kept records of the same transaction for purposes of providing the ancient rulers with assurance that any attempted misappropriation of funds would be identified on time. This illustrates that the interlinked connection between internal control, auditing and assurance was there, from the beginning of the function (Willson & Root, 1984:2). In addition, during the earlier periods in the development of the profession, it focused on measuring and evaluating the effectiveness of various types of control, such as the correctness of financial transactions and making sure that institutions complied with applicable laws and regulations. These functions were performed to support members of institutions in discharging their duties effectively (Sarens & De Beelde, 2006:453).

Internal auditing was thus defined as an independent appraisal function established to examine and evaluate institutional activities, with the objective of promoting effective control and assisting institutions, including management, to discharge their responsibilities effectively (Willson & Root, 1984:2; D'Silva & Ridley, 2007:117). Willson and Root (1984:3) further define internal auditing as a function that is responsible to the owners of an institution, and which provides a service to senior management. The services provided include inter alia, monitoring management controls as well as being proactive in identifying and assessing risks to institutional assets and activities. Other services include investigating lapses in controls that have occurred and those that have a potential of occurring and making recommendations for improving responses to risk and achieving institutional objectives.

The profession of internal auditing has since advanced and has changed from only assessing financial records and investigating fraud, and now encompasses expert advisory services, where the internal auditor provides institutions with recommendations for future action. This implies that the modern-day internal auditor should establish whether institutional objectives have been achieved. The names used for the additional facets that are now part of the internal audit function, as highlighted above are 'management' or 'operational auditing' and in other instances, 'performance auditing' or 'value-for-money auditing'. The aim of an operational audit is to assist management in improving the operations of an institution, as well as in achieving efficiency, effectiveness and economy in their delivery of goods and services (Pollitt

& Bouckaert, 2011:86; Allen, Hemming & Potter, 2013:378; Vafaei & Christopher, 2014:4-6). Similarly, Allen *et al.* (2013:374) state that the findings and recommendations of an internal audit function should provide management of a public institution with input that enables them to take corrective action to improve the effectiveness of its operations and internal controls.

3.2 Audit Committees

Allen *et al.* (2013:390) cite that a strong internal audit function in the public sector is dependent on an effective audit committee. Several authors assert that the role of audit committees is to promote accountability and to strengthen the internal and external audit functions, financial management and overall governance (Sarens & De Beelde, 2006:459; Badara & Saidin, 2014b:178; Nevondwe, Odeku, Tshoose, 2014:268). Furthermore, the presence of audit committees creates the perception that the internal audit function is independent, which may lead to more reliable financial reporting (Christopher *et al.*, 2009:204; Vafaei & Christopher, 2014:15).

3.3 Financial Misconduct

Pauw, Woods, Van der Linde, Fourie and Visser (2002:37-42) highlight that in South Africa, the legislature is responsible for managing public finances on behalf of the public. The legislature, therefore, appropriates funds for use by the various public institutions, and, in so doing, authorises the expenditure of those public institutions. These funds are appropriated and authorised once departmental budgets have been presented and approved by the legislature. Through the budget, expenditure for the various programmes is authorised once the purpose of the programmes has been identified. It is emphasised that funds are appropriated for different programmes when such programmes are deemed necessary and of benefit to the public. Financial misconduct occurs when unauthorised expenditure takes place, which is, when expenditure occurs on programmes for which there are no budgets, or when the budgeted amount is exceeded. Additionally, financial misconduct occurs when funds are spent on activities that do not benefit the public, as defined in the budget – the so-called, fruitless and wasteful expenditure (Pauw *et al.*, 2002:24).

Furthermore, there are legislations such as the PFMA and the Preferential Procurement Policy Framework

Act 5 of 2000 (the PPPFA) (RSA, 2000), that regulate the use of public funds. In this regard, expenditure may be authorised according to a budget Act but be deemed illegal or irregular. Expenditure that occurs in contravention of acts such as the PPPFA (section 2(1) and the PFMA (section 81(b)) is considered irregular expenditure, and when public officials spend funds in this manner, they are guilty of financial misconduct (Pauw *et al.*, 2002:37-42). Similarly, Prechel and Morris (2010:332) posit that financial misconduct is an act that violates a law or a rule that has been established by a government or an organisation responsible for financial oversight. Additionally, Mhauri (2009:1356) defines financial misconduct as any falsifying of records, or deliberate distortion of financial reports to government institutions. It must thus be emphasised that the role of an internal audit function in averting financial misconduct is indirect, as an internal audit, function plays an advisory role to management. As this stand according to the legislative and regulatory framework, management can choose whether to implement the recommendations of the function or not. Nonetheless, the role remains important as an effective internal audit function could make valuable recommendations, as will be shown below. In addition, the author will make recommendations below for amendments to the legislative and regulatory framework, to improve the execution of internal audit functions.

4. Research Methodology

The research design and methodology for the study was qualitative, as this was found to be the most suitable methodology to address the research questions, which fell within the realism philosophical paradigm. According to Krauss (2005:761), realism is a philosophical paradigm that is adopted by qualitative researchers, who consider several perceptions relating to one reality. Knowledge about a reality is a result of social conditioning, as such it cannot be fathomed without considering the social actors involved in the process. The main approach that is used within the paradigm is case studies, wherein the data collection techniques that are employed, include inter alia interviews (Healy & Perry, 2000:119).

In this study, data was collected in the context of the case study approach, and the data collection techniques employed were personal one-on-one interviews, survey questionnaire that comprised

open-ended questions and a focus group. In addition, there is information/data the author had to request from SASSA in writing, which was relevant for the study. This information (inter alia on financial misconduct cases and training schedules) had to be requested in writing because not all SASSA employees are privy to it. The information could therefore not be included in the survey questionnaire or interview schedules. The study respondents (senior and junior managers) were selected using purposive sampling, to ensure that some diversity was included in the sample, to allow for the influence of differences in respondents' views, due to the positions that they occupy (Ritchie & Lewis 2003:79).

In consultation with SASSA's General Manager: Internal Audit, five senior internal audit managers were identified. Three out of the five senior managers were interviewed at SASSA's head office in Pretoria, where the agency's internal audit function is situated. In consultation with the General Manager: Finance, 10 more senior managers in certain of the areas in the agency that have been identified as strategic high-risk areas, were also identified and interviewed at SASSA's head office in Pretoria, as well as at the agency's regional office in Johannesburg, thus incorporating the agency's operations in Gauteng. It was necessary to include the other senior managers in the population of the study, as they are the recipients of the services of the internal audit function.

A survey questionnaire, which comprised open-ended questions, was completed by eight of the 14 junior internal audit managers. A qualitative data expert approved the data collection instruments. Furthermore, a pilot study was conducted, and this gave the author an opportunity to refine the data collection instruments. The data from the interviews and survey questionnaire was analysed using the ATLAS.ti. qualitative data analysis software, after which conclusions were drawn from themes that emerged from the data (cf. Ritchie & Lewis, 2003:203). The research respondents had been assigned pseudonyms to enable reflecting their differing opinions or minority views (e.g. SA 1-3=senior internal audit manager, SO 1-10=other senior managers, JA 1-8=junior internal audit managers). The focus group, which aimed to understand the influence or lack thereof of the work of the internal audit function, specifically in the Supply Chain Management (SCM) department, was held with

key members of that department. The focus group discussion was deemed necessary because the number 1 risk on the internal audit plan, provided to the author by SASSA relates to the possible manipulation of SCM processes and PFMA prescripts by corrupt SASSA officials, which may unfairly benefit certain suppliers. The focus group participants had been assigned pseudonyms as well to enable reflecting their differing opinions or minority views (e.g. participant 1-4).

5. Findings and Discussion

The findings below are organised according to a juxtaposition of the themes that emerged from the literature and the findings from the case study.

5.1 Themes from Internal Audit Literature

The following are key themes that emerged from the literature on the internal audit function. The literature themes are considered against SASSA's realities at the time of the research. Compliance with the PFMA or a lack thereof is also highlighted, as well as any theory-practice gaps.

5.1.1 Internal Audit Plan

The role of SASSA's audit committee makes provision for an advisory and oversight function. Additionally, the audit committee considers the agency's internal audit plans and activities (SASSA, 2013:61; SASSA, 2016:54). The above and SASSA's 2015/16 audit plan, which was provided to the author, show that SASSA's audit committee has an influence on the audit plan of the agency, as the committee is required to sign off the plan. The influence of the audit committee of the agency on the audit plan is in line with what the literature emphasises (Sarens & De Beelde, 2006:459-460; Christopher *et al.*, 2009:208). Furthermore, the audit plan of the agency covers institutional risks based on the strategic risks and operational risks that have been identified (SASSA, 2013:61; SASSA, 2016:54).

5.1.2 Internal Audit Charter

Written feedback from SASSA indicated the agency's audit committee charter is reviewed annually. Furthermore, SASSA's audit committee charter, which was provided to the author, showed the mandate of the agency's audit committee as well as the roles and responsibilities of the committee and its members. The information reflected on the agency's audit committee charter shows that it is in

line with best practice and the PFMA. On the issue of assessing the performance of the audit committee members, further written feedback from SASSA indicated that the assessment method that was applied at the time of the study was self-assessment. In this regard, the PFMA and Treasury Regulations: PFMA do not make any pronouncements on the need to assess the performance of audit committee members. Setlhomamaru (2016:227) says the performance of audit committee members should be assessed regularly using a combination of self-assessments and independent assessments, as both assessments have shortcomings when done in isolation. Setlhomamaru reiterates the importance of assessing the work of audit committee members in the public sector, as performing and effective audit committees are a necessary condition for good governance as well as for the functioning of an internal audit function (Nevondwe *et al.*, 2014:268-270; Setlhomamaru, 2016:228). The lack of pronouncements in the PFMA and Treasury Regulations: PFMA on the need to assess the performance of audit committees is thus a concern.

5.1.3 Follow-Up Plan for Internal Audit Opinions and Recommendations

The South African Social Security Agency's 2015/16 internal audit plan shows that at the time, there was a process in place for the internal audit function to carry out reviews to determine the progress made by management on the implementation of previously reported and agreed-upon management action plans, emanating from audits conducted. Furthermore, feedback from interviews conducted and survey questionnaire, confirm that SASSA's internal auditors do follow-up on the implementation of management action items that are raised in internal audit reports. The above findings are in line with what the literature emphasises (cf. Enofe, Mgbame, Osa-Erhabor & Ehiorobo, 2013:164; Khaled & Mustafa, 2013:97-98).

5.1.4 Qualifications and Experience of Internal Audit Staff

Numerous authors refer to the competence of staff working in an internal audit function as an important factor for an effective internal audit activity or operation. The quality of the work produced by an internal audit function is thus influenced by the competence of its staff, which is partly validated by their qualifications (Cohen & Sayag, 2010:299; Alzeban & Sawan, 2013:445; Vafaei & Christopher, 2014:16). The average experience of SASSA's internal

audit staff was 11 years. However, the findings from interviews with the other senior managers pointed to the fact that the agency's internal auditors are lacking when it comes to linking theory to practice.

Specific reference is made to feedback from one other senior manager, who said – [T]hey are lacking in terms of linking theory to practice (SO 8). An inference could thus be made that although the internal auditors are qualified; they are also perceived as being unable to translate the theory that they learned into practice. In addition, further feedback from interviews with the other senior managers pointed to that, the agency's internal auditors avoid proposing strategies for improvement, as they do not understand the work and operational processes of the agency.

5.1.5 Appointing the Chief Audit Executive

The independence of an internal audit function is one of the important attributes of an effective internal audit function, and it is compromised if management is responsible for the appointment and dismissal of the chief audit executive (CAE) (Christopher *et al.*, 2009:208; Alzeban & Sawan, 2013:446). Written feedback from SASSA indicated that the agency's chief executive officer (CEO) and audit committee are both involved in the appointment of the agency's CAE. The audit committee's involvement in the appointment of this incumbent somewhat contributes to the independence that is referred to above.

5.1.6 The Reporting Line of the Chief Audit Executive

The PFMA states that an internal audit function must report directly to the accounting authority of a public entity, who is the CEO, and at all audit committee meetings. This means that the CAE reports administratively to the CEO and functionally to the audit committee. The feedback from the interviews and written responses from SASSA indicated that SASSA's internal audit function reports directly to the agency's CEO and to the audit committee at quarterly audit committee meetings. Whilst the dual reporting line of SASSA's internal audit function complies with the PFMA, it does contradict what the literature suggests. In the literature, it is emphasised that an internal audit function should report administratively to the audit committee or board and functionally to the CEO (Sarens & De Beelde, 2006:459-460; Christopher *et al.*, 2009:208; Alzeban & Sawan, 2013:446). The authors further

reiterate that if a CAE reports to senior management instead of an audit committee, this has the potential to result in internal auditors failing in their duty of amongst others ensuring that there are adequate control measures in place to protect an institution against fraudulent activities.

5.1.7 Budget Appropriation and Approval for the Internal Audit Function

Financial resources are critical for the effective functioning of an internal audit function, as such adequate financial resources should be allocated to an internal audit function (Cohen & Sayag, 2010:300; Khaled & Mustafa, 2013:97; Badara & Saidin, 2014b:177; Vafaei & Christopher, 2014:17). It is further proposed that, if management influences the budget of the internal audit function, its independence may be compromised. The audit committee should thus be the one that allocates the budget (Christopher *et al.*, 2009:208). Written feedback from SASSA indicated that the agency's CAE and its chief financial officer (CFO) together determine the budget for the agency's internal audit function. The above indicates that the agency's audit committee is not involved in deciding on the budget that is appropriated to the internal audit function, which is not good practice.

5.1.8 Policies and Procedures Guiding Operations of Internal Audit Departments

Several authors emphasise that internal auditing is most effective when it enjoys institutional support, which includes ensuring that there are adequate policies and procedures that guide the operation of internal auditors (Cohen & Sayag, 2010:300; Khaled & Mustafa, 2013:97; Badara & Saidin, 2014b:177; Vafaei & Christopher, 2014:17). There is an audit policy in place at SASSA, which guides the work of the agency's internal audit function, which was provided to the author. The policy clarifies the roles of the CEO and executive management in the affairs of the agency. Furthermore, the agency's audit committee and internal audit charters are contained in this policy. On reflection, this policy highlights all the necessary requirements of an internal audit function by the PFMA and the Institute of Internal Auditors (IIA). Areas of improvement would thus be about the implementation of the audit policy.

5.1.9 Training Undertaken by the Internal Audit Department

Some of the factors that have been noted as having an influence on internal audit effectiveness are

experience, training, education (including continuous professional education) and professional qualifications of internal audit staff (Badara & Saidin, 2014b:176). Additionally, Alzeban and Sawan (2013:445-446) highlight that internal auditors are required by the IIA to complete 80 hours of acceptable continuous professional education every two years and to make use of relevant learning opportunities. Written feedback from SASSA showed that SASSA's internal audit staff had attended various courses relevant to their work. Of importance to note was that, the training undertaken was specific to the internal audit profession, such as training on auditing financial statements for the public sector and not about SASSA and its operations. This supports the feedback reported above to the effect that the internal auditors are perceived as lacking when it comes to their understanding of the agency's operational work.

5.1.10 Composition of the Audit Committee

Allen *et al.* (2013:390) explain that the independence of an audit committee is further improved if the audit committee has technical expertise in fields such as accounting and budgeting, to understand the work of the internal audit function. Audit committee members are thus collectively required to be knowledgeable, or to have expertise in areas of finance and accounting, industry-specific knowledge, internal and external auditing, risk management, regulatory compliance, law as well as information technology (IIA, 2014:15). Furthermore, the IIA (2014:6) remarks that the composition of an audit committee is critical, and that the majority of audit committee members should be external members. Similarly, section 77 of the PFMA (RSA, 1999) states that audit committees must consist of at least three persons of whom one must be from outside the public service. The PFMA goes further and states that most members may not be persons in the employ of the public institution, other than when permission from the relevant treasury is sought (RSA, 1999:63). SASSA (2016:54) explains that the Agency's audit committee is made up of nine members who were all external members. Two of the members were chartered accountants, two had law degrees, four had finance and business degrees and one had a law and a business degree.

It thus appears that SASSA's audit committee members possessed the right mix of qualifications required for an audit committee. However, the IIA and the PFMA state that most members should be

external and not all members. The author believes that having a committee that consists of external members only may mean that they do not have insight into what is happening inside the institution, as they are not part of the day-to-day activities of the institution and/or its immediate environment.

5.1.11 Cooperation Between Internal and External Auditors

Pollitt and Bouckaert (2011:87) cite that the level of sophistication of internal audit functions in the public sector, determines the ease or difficulty of the work of external audit institutions. Badara and Saidin (2014a:77) highlight that effective cooperation between internal and external auditors leads to better quality audit exercises, while it also creates an enabling environment for effective audits. The other senior managers interviewed in this study as well as the focus group participants were of the view that there is no effective cooperation between SASSA's internal auditors and the external auditors. Their view was that the ineffective working relationship has led to duplication of efforts. This finding also indicated a lack of compliance with Treasury Regulation 27.2.9, which states that internal audit functions must be coordinated with internal and external assurance providers to minimise duplication of effort (National Treasury, 2005:10).

5.1.12 Support by Organisation Members

'Support by members of a public institution' refers to, amongst others, support by senior managers in promoting the internal audit function within a public institution, to encourage everyone in the institution to implement recommendations by the internal audit function. Enofe *et al.* (2013:164) point out that audit findings and recommendations would not be useful if management, as clients of the internal audit function, is not committed to implement them. Management's lack of awareness of the internal audit function could lead to a lack of cooperation during audits and non-implementation of recommendations. The data collected in the current study pointed to that in the main, senior managers in SASSA support the internal audit function in the implementation of internal audit recommendations.

5.1.13 Service Level Agreements

The focus group participants cited that there was no service level agreement between SASSA's internal audit function and the various directorates and/or departments within the agency. An SLA is defined as the contractual obligation between a service

provider and the consumer of the service (Yan, Kowalczyk, Chhetri, Goh & Zhang, 2007:749). An SLA, therefore, specifies a mutually agreed understanding and expectations of how the service will be provided. The main things that are specified in an SLA are, firstly, service guarantees, which define both functional and non-functional guarantees of a service provision. Secondly, the interactions that need to be carried out are defined to specify the service to be provided. Thirdly, a set of quality of service constraints, such as time constraints, are agreed on to specify how well the service should be offered (Yan *et al.*, 2007:749). The absence of an SLA, as noted above, therefore does not bode well for SASSA and its internal audit function. The reason for this is that at the time of this study there were no service guarantees between recipients of the internal audit function's services and the internal audit function.

5.2 Themes from Financial Misconduct Literature

The next section considers the themes that emerged from the literature on financial misconduct in relation to realities at SASSA, at the time of the research. Compliance with the PFMA or a lack thereof is thus highlighted, as well as any theory-practice gaps.

5.2.1 Number and Type of Financial Misconduct Cases Reported Per Annum

SASSA (2016:14) shows that during the period under review, 1 316 cases of financial misconduct, i.e. irregular and fruitless and wasteful expenditure, were reported. Written feedback sent to the author by SASSA indicated that the officials, who were found guilty of financial misconduct, encompassed all management levels, i.e. junior, middle and senior managers. The exact breakdown could not be provided as some of the regional offices did not provide the ranks of officials being investigated or those found guilty of financial misconduct.

5.2.2 Sanctions Imposed on Officials Found Guilty of Financial Misconduct

Pauw *et al.* (2002:337-340) highlight that, in order for corruption to take place, the following should be present: dishonesty, opportunity and motive. Poor internal control measures create opportunities for financial misconduct, such as fraud. Fijnaut (2002:9) states that the prevalence of corrupt activities increases when individuals who commit such activities believe that if they were caught, there

would be no serious repercussions. Section 76(1)(b) of the PFMA stipulates that if an official is found to be liable in law for committing an act that results in a state institution suffering damages, the losses must be recovered from the official (National Treasury, 2005:32-33). Written feedback from SASSA indicated that the sanctions imposed on officials found guilty of financial misconduct are that some are required to pay for the damages or losses suffered by the state. Other officials who are found guilty of financial misconduct are referred to the Labour Relations department for further appropriate action. However, the Auditor-General found that SASSA had neglected its responsibility concerning taking reasonable steps that would prevent irregular expenditure. The author believes that some of such reasonable steps could be:

- adequate internal control measures;
- an active internal audit function, including internal audit reports that add value; and
- adequate policies to prevent irregular expenditure.

In addition, it was found that SASSA did not act against transgressors (AGSA, 2015:239).

5.2.3 SASSA's Internal Audit Function in Establishing Sound Internal Controls

It is emphasised that in public financial management, 'internal control systems' refer to various management tools that aim to achieve, amongst other things, compliance with rules and regulations. In addition, internal control systems ensure that the financial information of an institution can be relied upon as well as enable the operations of an institution to run effectively and efficiently (Sarens & De Beelde, 2006:463; Allen *et al.*, 2013:374). A sound internal control framework is thus aimed at assuring the public that government operations have achieved basic fiduciary standards. In this regard, areas of concern are: averting the misuse and inefficient use of financial and human resources, preserving assets, achieving budget objectives, avoiding fraud as well as ensuring that financial information is produced on time and is reliable (Sarens & De Beelde, 2006:463; Allen *et al.*, 2013:374). Similarly, National Treasury (2005:81-82) asserts that an internal audit function must assist the accounting authority of a public entity in maintaining effective controls by evaluating those

Table 1: Conceptual Framework for the Effective Implementation of the Internal Audit Function

Number	Condition	Interpretation of Condition	Assessing the Condition
1	An understanding of the prescripts that govern the functioning of an internal audit function.	Internal audit staff is required to demonstrate an understanding of the PFMA and Treasury Regulation: PFMA stipulations on the internal audit function, when carrying out their work.	Internal audit staff's compliance with the requirements of the PFMA and Treasury Regulations: PFMA.
2	Internal audit plan.	An internal audit plan which is signed off by the audit committee must be in place. The plan must cover all institutional risks.	The majority of audits conducted should be those in the audit plan. Ad hoc audits must be in the minority. This is because the internal audit budget is informed by the audit plan, that is, ad hoc audits are not budgeted for as they are not covered in the plan.
3	Internal audit charter.	An internal audit charter has to be in place in order to clarify the mandate and responsibilities of an audit committee. Furthermore, an internal audit charter has to specify how and by whom the performance of audit committee members should be assessed.	Members of an audit committee must understand their mandate and responsibilities. In addition, the internal audit charter must stipulate that the performance of audit committee members must be assessed through self - and independent assessments. This will require that the PFMA be amended.
4	Follow-up mechanisms on internal audit recommendations and findings.	Follow-up mechanisms on internal audit recommendations and findings give the internal audit function an opportunity to hold management to account for the implementation of recommendations.	The internal audit function must use the follow-up mechanisms to hold managers accountable for the management of risks and implementation of recommendations to findings. This will require that the PFMA be amended.
5	Qualifications and experience of internal audit staff.	Staff in the internal audit function needs to have the necessary qualifications in internal auditing. In addition, most of them must have adequate experience in line with their positions in the function. In this regard, the head of the function has to have relevant industry-specific experience in order to be able to make recommendations that would add value to the institution.	First, all internal audit staff should have the necessary internal audit qualifications. Secondly, senior internal audit staff should be experienced and most importantly should have industry-specific experience.
6	Appointing and reporting line of the head of the internal audit function or CAE.	The role of the audit committee in the appointment of a CAE and the reporting line of the incumbent.	An audit committee's involvement in appointing the CAE. The incumbent must report to the audit committee, in order to ensure independence from management. This will require that the PFMA be amended.
7	Budget appropriation and approval for the internal audit function.	The audit committee's involvement in deciding on the budget of the internal audit function.	When the audit committee is involved in deciding on the budget of the internal audit function. This will require that the PFMA be amended.

Table 1: Continued

Number	Condition	Interpretation of Condition	Assessing the Condition
8	Cooperation between internal and external auditors.	The working relationship between internal and external auditors.	Cooperation between internal and external auditors in order to avoid duplication of effort.
9	Support by senior management.	The role played by management in ensuring that management action items from audits are implemented.	The managers of the various areas of an institution ensuring that internal audit findings are addressed and recommendations are implemented.
10	Policies and procedures for an internal audit function.	The existence of an internal audit function policy and procedures that directs its work and activities.	The work of an internal audit function itself has to be assessed against the function's policies and procedures.
11	Training undertaken by internal audit staff.	Internal audit staff has to undergo continuous professional development training in order to keep abreast of developments in the profession. Training in developments specific to SASSA is also important, in providing institution-specific context.	The application of knowledge gained from the training in internal audit work.
12	Composition of audit committee.	An audit committee that has members with the right mix of qualifications and a balance between external and internal members of the audit committee.	Firstly, members of an audit committee having the right combination of qualification ranging from inter alia finance to accounting, legal and information systems. Secondly, the inclusion of both internal and external members in the committee. Internal members have the necessary insights of what is happening in the public sector and would add value to the committee.
13	Service level agreement.	Service level agreements between the internal audit function and the various directorates/departments.	The existence of an SLA with all the necessary elements.

Source: Author

controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The controls that are subject to evaluation are:

- the information systems environment;
- the reliability and integrity of financial and operational information;
- the effectiveness of operations;
- safeguarding of assets; and
- compliance with laws, regulations and controls.

SASSA (2016:30) and AGSA (2016:139-140) indicate that during the period under review, the agency had

achieved an unqualified audit outcome, with findings on compliance with legislation. The findings on compliance with legislation related to irregular expenditure, which was recorded at just over R1 billion in the 2015/16 financial year up from R93 million during the 2014/15 financial year. 'Irregular expenditure' refers to expenditure that is incurred in violation of applicable legislation such as the PFMA, the State Tender Board Act No. 86 of 1968 (RSA, 1968) and any other legislation that informs procurement procedures (RSA, 1999:8). It must also be emphasised that irregular expenditure is regarded as financial misconduct (Pauw *et al.*, 2002:24).

The R1 billion recorded as irregular expenditure during the 2015/16 financial year as highlighted above is an indication of weaknesses in the internal control environment and that efficiencies may

not have been achieved in the process. Achieving efficiencies in the use of public financial resources is one of the objectives of the PFMA. It is as such the responsibility of an internal audit function to make recommendations for the institution of internal controls. The irregular expenditure may indicate that the agency did not have controls in place to detect or prevent such expenditure from taking place.

6. Conceptual Framework for the Effective Implementation of the Internal Audit Function

The conceptual framework for the effective implementation of the internal audit function presented in Table 1 will serve the purpose of improving the implementation of the internal audit provisions of the PFMA at SASSA or any other public institution

Table 2: Suggested Amendments to the PFMA and Treasury Regulations

Number	Current PFMA Section and Treasury Regulation: PFMA	Suggested Wording of Amendment	Motivation for the Amendment
1	Section 77(b): Audit committees must meet at least twice a year.	Audit committees must meet at least once every month or as often as practical.	If audit committees are to have executive powers/authority as suggested below, they would need to meet more often in order to exercise these powers.
2	Regulation 27.1.10: The audit committee must report and make recommendations to the accounting authority.	The audit committee must report and make recommendations to the accounting authority. However, the accounting authority must report on the extent to which internal audit recommendations have been implemented. In the event of non-implementation, adequate reasons should be provided.	Currently, the accounting authority (CEO) may choose whether to implement internal audit recommendations or not. The status quo has the potential of rendering internal audit functions inept.
3	Regulation 27.2.1: The accounting authority must ensure that a risk assessment is conducted regularly to identify emerging risks of the public entity.	The account authority must ensure that a risk assessment is conducted regularly to identify emerging risks of the public entity. Institutional risks must be determined in consultation with the Risk Management and Internal Audit directorates.	This suggested amendment would provide internal audit functions with the necessary context regarding institutional risks, and in turn would render the function more effective.
4	Regulation 27.2.8: The internal audit function must report directly to the accounting authority and shall report at all audit committee meetings.	The internal audit function must report directly to the audit committee and shall also report to the accounting authority.	This suggested amendment would give the audit committee executive power/authority, in order to enforce the implementation of internal audit recommendations.
5	Currently no PFMA or Treasury regulations: PFMA stipulation. Budget appropriation and approval for the function.	Proposed wording: The audit committee shall submit the budget proposals for the internal audit function on an annual basis in line with internal budget processes.	The audit committee's involvement in the allocation of the internal audit function's budget contributes positively to the independence of the internal audit function.
6	Currently no PFMA or Treasury regulations: PFMA stipulation. Assessment of audit committee members' performance.	Proposed wording: The performance of members of audit committees shall be assessed on a quarterly basis by way of self-assessments and independent assessments.	The performance of audit committee members has to be assessed on an intermittent basis in order for the members to add value to the committee, internal audit functions and institutions they serve.

Source: Author

to which the PFMA applies. The conceptual framework is thus the author's contribution in providing the necessary conditions under which an internal audit function could improve its effectiveness. The framework describes these conditions, their interpretation as well as how they can be assessed.

The research findings presented above show that SASSA's internal audit function had some of the above conditions in place. The conditions that were already in place included policies and procedures for the internal audit function, as well as the audit committee's involvement in the finalisation of the Agency's audit plan. However, most of the conditions were absent. These were inter alia cooperation between internal and external auditors, the composition of the audit committee (which, at the time of this research, was made up of external members only), as well as the absence of an SLA between the internal audit function and its clients.

Suggested amendments to the PFMA, which should be addressed by the National Treasury, are presented in Table 2 on the previous page.

7. Conclusion

The demand for resources, especially financial, usually exceeds the supply thereof. Therefore, it is important that public financial resources be managed in a way that will achieve economy, efficiency and effectiveness. It was shown throughout the article that an internal audit function is only responsible for making recommendations for the institution of internal controls that can play a role in preventing or reducing the use of public financial resources in ways that do not achieve the three E's (efficiency, effectiveness and economy). The findings further show that the presence of an internal audit function, at SASSA, has not resulted in efficiencies when it comes to cases of financial misconduct. The conceptual framework presented above provides recommendations on how the status quo could be improved, whereby the conceptual framework considered the necessary conditions for an internal audit function to operate effectively.

Moreover, going forward, the internal audit function at SASSA needs to make valuable recommendations for the improvement of the internal control environment. The internal audit function could be able to make valuable recommendations if amongst

others senior internal audit managers are familiar with their institution.

References

- Allen, R., Hemming, R. & Potter, B.H. 2013. *The international handbook of public financial management*. Hampshire: Palgrave Macmillan.
- Al Mamun, A., Yasser, Q.R. & Rahman, A. 2013. A discussion of the suitability of only one vs. more than one theory for depicting corporate governance. *Journal of Modern Economy*, 4:37-48.
- Alzeban, A. & Sawan, N. 2013. The role of internal audit function in the public sector context in Saudi Arabia. *African Journal of Business Management*, 7(6):443-454.
- Auditor-General South Africa. 2015. *PFMA 2014-15: Consolidated general report on the national and provincial audit outcomes*. Available at: <https://www.agsa.co.za/Portals/0/PFMA/201415/Part%2012%20Section%209%20Audit%20outcomes%20of%20individual%20portfolios%20PFMA%202014-15%20Consolidated%20GR.pdf>. Accessed on 20 April 2017.
- Auditor-General South Africa. 2016. *PFMA 2015-16: Consolidated general report on the national and provincial audit outcomes*. Available at: <https://www.agsa.co.za/Portals/0/PFMA%202015-16/Part%2011%20PFMA%202015-16%20Sect%208%20Ministerial%20portfolio%20overviews.pdf>. Accessed on 20 April 2017.
- Badara, M.S. & Saidin, S.Z. 2014a. Empirical evidence of the moderating effect of effective audit committee on audit experience in the public sector: Perception of internal auditors. *Mediterranean Journal of Social Sciences*, 5(10):176-184.
- Badara, M.S. & Saidin, S.Z. 2014b. Internal audit effectiveness: Data screening and preliminary analysis. *Asian Journal of Social Science*, 10(10):76-84.
- Bekker, M.P. 2009. *Public sector governance: Accountability in the state*. Available at: <https://www.icsa.co.za/documents/speakerPres/HennieBekker/BekkerPublicSectorGovernance7.pdf>. Accessed on 24 August 2012.
- Christopher, J., Sarens, G. & Leung, P. 2009. A critical analysis of the independence of the internal audit function: Evidence from Australia. *Accounting, Auditing & Accountability Journal*, 22(2):200-220.
- Cohen, A. & Sayag, G. 2010. The effectiveness of internal auditing: An empirical examination of its determinants in Israeli organisations. *Australian Accounting Review Journal*, 20(3):296-307.
- D'Silva, K. & Ridley, J. 2007. Internal auditing's internal contribution to governance. *International Journal of Business Governance and Ethics*, 3(2):113-125.
- Enofe, A.O., Mgbame, C.J., Osa-Erhabor, V.E. & Ehiorobo, A.J. 2013. The role of internal audit in effective management in public sector. *Research Journal of Finance and Accounting*, 4(6):162-168.
- Fijnaut, C. 2002. Corruption, integrity and law enforcement. *Den Haag: Kluwer Law International*, 3(34):3-37.

- Healy, M. & Perry, C. 2000. Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm. *Qualitative Market Research: An International Journal*, 3(3):118-126.
- IIA (Institute of Internal Auditors). 2014. *Global public sector insight: Independent audit committees in public sector organisations*. Available at: <https://global.theiia.org/standards-guidance/Public%20Documents/Independent-Audit-Committees-in-Public-Sector-Organizations.pdf>. Accessed on 19 June 2015.
- Khaled, A.E. & Mustafa, M.H. 2013. Internal audit effectiveness: An approach proposition to develop a theoretical framework. *Research Journal of Finance and Accounting*, 4(10):92-102.
- Khalo, T. & Fourie, D.J. 2006. Transforming and modernising South African public financial management to accelerate service delivery. *Journal of Public Administration*. September 2006 Conference Proceedings: 131-143.
- Krauss, S.E. 2005. Research paradigms and meaning making: A primer. *The Qualitative Report*, 10(4):758-770.
- National Treasury. 2015. *Budget review*. Available at: <http://www.treasury.gov.za/documents/national%20budget/2015/review/FullReview.pdf> Accessed on 1 March 2016.
- National Treasury. 2018. *Budget review 2018*: Available at: <http://www.treasury.gov.za/documents/national%20budget/2018/review/FullBR.pdf>. Accessed on 24 February 2018.
- Nevondwe, L., Odeku, K.O. & Tshoose, C.I. 2014. Promoting the application of corporate governance in the South African public sector. *Journal of Social Science*, 40(2):261-275.
- Overseas Development Institute. 2011. *South Africa's cash social security grants: Progress in increasing coverage*. Available at: http://www.developmentprogress.org/sites/development-progress.org/files/southafrica_master_0.pdf. Accessed on 3 May 2013.
- Pauw, J.C., Woods, G., Van der Linde, G.J.A., Fourie, D. & Visser, C.B. 2002. *Managing public money: A system from the South*. Cape Town: Clysons.
- Pollitt, C. & Bouckaert, G. 2011. *Public management reform: A comparative analysis – new public management, governance and the neo-Weberian state*. New York, NY: Oxford University Press.
- Prechel, H. & Morris, T. 2010. The effects of organizational and political embeddedness on financial malfeasance in the largest US corporations: Dependence, incentives, and opportunities. *American Sociological Review Journal*, 75:331-354.
- Provan, K.G. & Milward, H.B. 2001. Do networks really work? A framework for evaluating public-sector organizational networks. *Public Administration Review Journal*, 61(4):414-423.
- Ritchie, J. & Lewis, J. 2003. *Qualitative research practice: A guide for social science students and researchers*. London: Sage.
- RSA (Republic of South Africa). 1968. *State Tender Board Act, No. 86 of 1968*. Pretoria: Government Printer.
- RSA (Republic of South Africa). 1975. *Exchequer and Audit Act, No. 66 of 1975*. Pretoria: Government Printer.
- RSA (Republic of South Africa). 1999. *Public Finance Management Act, No. 1 of 1999*. Pretoria: Government Printer.
- RSA (Republic of South Africa). 2000. *Preferential Procurement Policy Framework Act, No. 5 of 2000*. Pretoria: Government Printer.
- RSA (Republic of South Africa). 2004. *Public Audit Act, No. 25 of 2004*. Pretoria: Government Printer.
- Sarens, G. & De Beelde, I. 2006. Building a research model for internal auditing: Insights from literature and theory specific cases. *International Journal of Accounting, Auditing and Performance Evaluation*, 3(4):452-470.
- SASSA (South African Social Security Agency). 2013. *SASSA 2012/13 annual report*. Available at: <http://www.sassa.gov.za/index.php/knowledge-centre/annual-reports>. Accessed on 12 July 2015.
- SASSA (South African Social Security Agency). 2015. *2015/16 Annual Internal Audit Plan: 2015/16 financial year*. Unpublished. Pretoria.
- SASSA (South African Social Security Agency). 2016. *SASSA 2015/16 annual report*. Available at: <http://www.sassa.gov.za/index.php/knowledge-centre/annual-reports>. Accessed on 12 July 2015.
- SASSA (South African Social Security Agency). 2017. *SASSA 2016/17 annual report*. Available at: <http://www.sassa.gov.za/index.php/knowledge-centre/annual-reports>. Accessed on 28 January 2018.
- Setlhomamaru, D. 2016. Audit committees in the public sector: Are they effective? *Journal of Public Administration*, 51(2): 217-229.
- Vafaei, E. & Christopher, J. 2014. Operational auditing: Recognition of the flaws of this internal audit process and overcoming them through a new conceptual framework. Paper presented at the Critical Perspectives on Accounting Conference, 7-9 July, Toronto.
- Willson, J.D. & Root, S.J. 1984. *Internal auditing manual*. New York, NY: Warren, Gorham & Lamont.
- Yan, J., Kowalczyk, J.L., Chhetri, M.B., Goh, S.K. & Zhang, J. 2007. Autonomous service level agreement negotiation for service composition provision. *Future Generation Computing Systems*, 23:748-759.

Personal Rule in Africa: The Case of Botswana Under General Ian Khama

B Seabo

University of Botswana, Botswana

Abstract: Personal rule has been a defining feature of African politics since independence. Plurality politics were shunned by leaders who either assumed power through military coup, liberation struggle or elected but later abolished multiparty politics. For most of the post-independence era, Botswana and Mauritius were an exception to the trend, and Botswana was held in high regard as an example of democracy in Africa. This paper assesses personal rule in Africa using the case of Botswana under the reign of General Ian Khama. It shows how a once celebrated beacon of democracy declined in several fronts due to personal rule type of leadership. The paper argues that although procedural elections and presidential transitions continue to define Botswana's democracy, the country was governed by 'personal rule' of autocratic type during the reign of General Ian Khama. During Khama's reign, some elements of personal rule that have characterised some African regimes post-independence were commonplace. Even though Botswana cannot be categorised or placed on the same scale with Africa's most extreme personal regimes, some indicators of personal rule such as corruption, human rights abuse, and 'big man' politics were the hallmarks of the Khama regime.

Keywords: Africa, Autocracy, Botswana, Personal rule, Political regimes

1. Introduction

Africa's rich diversity and resource endowment has been a subject of scholarly interest (Schraeder, 2004; Maathai, 2010; Harbeson & Rothchild, 2013; Rotberg, 2013). The continent is vast in size and boasts abundance of mineral resources (Poku & Mdee, 2011; Rotberg, 2013). Despite this abundance of resources, Africa remains the poorest and least developed continent in the world. Most African countries' development has been stunted by amongst others rampant corruption and looting of state resources, weak state institutions and dependence on mono crop economies. That Africa's present problems cannot be detached from its historical development and its structural position in the world economy is perhaps an understatement. The ravages of slave trade and colonial legacy in the continent continue to haunt Africa to date. Not only is Africa suffering from a colonial hangover, the economic exploitation of the continent by erstwhile colonisers also continues (Taylor & Williams, 2004). Be that as it may, very little has been achieved by African leaders to turn the fortunes of the continent around (Maathai, 2010). Most African countries have so far been led by corrupt leaders who personalised power and ruled their countries using various forms of authoritarian leadership styles. This "Big men" politics has

manifested in the form of military dictatorships, single party regimes and autocratic leadership (Jackson & Rosberg, 1982; Southall & Melber, 2006). However, Botswana followed a different political trajectory by retaining multi-party democracy upon gaining independence from Britain in 1966. The country earned a reputation as an example of democracy in Africa partly due to an uninterrupted spell of holding multiparty elections that were hailed as free and fair by international observers. However, this article shows that Botswana fell under personal rule type of leadership under the regime of Ian Khama from 2008 until 2018. The paper postulates that while Botswana is not by any measure comparable to some African countries that experienced personal rule, the country's democratic credentials regressed as personalistic politics dominated under the reign of Lt General Seretse Khama Ian Khama. As the paper shows, fundamental principles of democracy such as consultation, accountability and the rule of law declined under Khama while media freedoms and labor relations deteriorated during his reign. For example, Khama circumvented established institutions and ruled by directives as demonstrated by his decision to ignore the Judicial Services Commission's recommendations in appointment of judges, disdain for private media and arrests of journalists during his tenure. It was during

the reign of Khama that corruption escalated to levels unprecedented probably in the history of Botswana, even as international indices such as Transparency International continued with their out of tune 'least corrupt African country' chorus. For example, as the paper shows, the misappropriation of funds from the National Petroleum Fund and Afrobarometer's findings that Botswana perceived corruption to be increasing and high among the president and government officials are indicative of corruption as a feature of personal rule. The paper shows that rule by directives displaced one of Botswana's traditional democratic practices of consultation. Consultation only served as platforms to issue directives instead of soliciting and embracing alternative views. In this way, Khama entrenched his personal rule by strategically choosing to interact and engage with the rural, less educated and poor citizens while avoiding audience with the urban, educated middle class and private media. The choice of his constituency was strategic given Khama's traditional authority as paramount chief of Bangwato tribe and as it is customary, chiefs command immense influence and their word is almost always considered.

The paper adopts a qualitative research design and it is primarily a desktop-based study. It relies on secondary sources of data including reports, books, newspapers and journal articles. The article is essentially discursive and uses a case study approach. The paper is structured in this way: the section that follows briefly explains the theoretical framework. Next, the paper provides an overview of African personal regimes in the post-independence era and narrows down to the context of Botswana as a case study. The paper briefly reviews the leadership of Khama's predecessors and considers personal rule during Khama's reign before drawing a conclusion. The article argues that Botswana bore hallmarks of personal rule under the Khama regime.

2. Theoretical Framework

Personal rule is a type of political system that is centered on a leader or a select few elites who control and monopolize state power (Jackson & Rosberg, 1982). It is far removed from institutional rule that is based on formal rules and processes as well as constitutionally ascribed functions. In conceptualizing personal rule, Jackson and Rosberg refer to Machiavelli's characterization of The Prince. They posit that:

"Machiavelli assumes that the Prince is a self-interested, rational actor who desires to acquire and hold a principality. But the principality is not a national society of mobilizable groups and classes whose interests command the attention of the Prince; and the Prince is not primarily concerned to promote the welfare and conciliate the conflicts of an underlying national society upon which his legitimacy depends..." (Jackson and Rosberg, 1984:423).

On this basis, personal rulers tend to be self-centered and seek to control state apparatus. In so doing, the primary motive of personal rulers is not much about the interest of the nation other than achieving their own self-centered objectives. As Jackson & Rosberg (1982:18) put it, "personal politics are systems insofar as they function to regulate power in the state and thereby provide political goods or carry out political functions (such as peace, order, stability, and non-material security), but they are not systems of public governance or a rationalist decision-making". Typically, personal rule is an elitist political system composed of the privileged and powerful few in which the many are usually immobilised, unorganised, and therefore relatively powerless to command the attention and action of government (Jackson & Rosberg, 1984:423-424). Thus, unlike in functioning democracies with pluralistic politics, political power tends to be dominated and monopolised by few political elites in personal regimes. In this way, a leader rules by decree and consults with his most trusted loyalists.

The exercise of power by personal rulers is often not done within the remit of the law and as Jackson & Rosberg (1984) argue, personal rule is a distinctive political system where leaders try to stay afloat in an unrestrained way. As a result, in such political systems, government and administration are likely to be highly personal and permeated with patronage and corruption (Jackson & Rosberg, 1984). In such political systems, established and effective political institutions and mechanisms of accountability are largely absent and those that exist are rendered ineffective. In this vein, Arriola (2009) postulates that formal institutions tend to be generally too weak to perform their functions in personal regimes. In the same light, Jackson & Rosberg (1982) aver that non-institutionalised government is the opposite of institutional rule, and in the former, persons take precedence over rules and they are not bound by office but can change

its authority for their personal or political expediency. The state therefore tends to be subjected to the control of men as opposed to laws. It is also significant to underscore that personal rule bears authoritarian features where a leader uses laws and coercive instruments of the state to expedite his own purposes of monopolising power and denies the political rights and opportunities of all other groups to compete for that power (Jackson & Rosberg, 1982). It is in this vein that Roessler (2011:310) asserts that in personalist, authoritarian regimes the incumbent's use of his discretionary power to make appointments and eliminate real or perceived rival's increases anxiety within the government.

Personal regimes take various forms and include princely rule, autocracy, prophetic rule and tyrannical rule. There is a blurred line between these types of leaders as certain features overlap and generally, personal regimes tend to be characterized by rule from the top and state institutions dominated by the leader. A prince is an astute and manipulative leader who rules jointly with other oligarchs and cultivates their loyalty, cooperation and support (Jackson & Rosberg, 1982). On the other hand, despotism is a government by an absolute ruler unchecked by effective constitutional limits to his power (Arora, 2007). Similarly, "autocracy is a system of government in which supreme political power to direct all the activities of the state is concentrated in the hands of one person, whose decisions are subject to neither external legal restraints nor regularized mechanisms of popular control" (Arora, 2007:38). Tyrannical rule entails a form of government in which one-person rules arbitrarily. The next section briefly reviews the literature on some of personal regimes in Africa.

3. An Overview of Personal Rule in Africa

The 1950s and 60s ushered in the first wave of independence of African countries from colonial rule. Almost immediately, an emergence of personal rule in several African countries was experienced where previous impersonal bureaucratic systems instituted by colonizers were replaced by highly personalized regimes. Maathai (2010:25) states that dictatorships, military juntas, kleptocracies and Big Men have bedeviled many nations in the world, as they have in Africa. As Jackson & Rosberg (1984:421) show, indicators of personal regimes in

sub-Saharan Africa consist of coups, plots, factionalism, purges, rehabilitations, clientelism, corruption, and succession maneuvers.

Perhaps except for Botswana, Mauritius and the Gambia (later fell under military regime) most African countries either pursued single party systems (Malawi, Zambia, Ethiopia, Kenya, Tanzania) or fell under military dictatorships (Nigeria, Guinea, Libya, Ghana, Niger, Liberia, Mali etc). In the case of Botswana, Rotberg (2013:201) states that when other African leaders created single-party rule and rationalized autocracy, the founding president of Botswana Seretse Khama held to unfashionable notions of democracy, including independent judiciary, free speech and respect for human rights. In their quest to monopolise control of state power in the post-independence period, most African rulers adopted practices of authoritarianism withering national politics and promoting private power (Jackson & Rosberg, 1982). For instance, in Uganda, even after the reintroduction of elections to elect government, opposition parties were restricted from fielding candidates for those elections (Kasfir, 1998). In some countries, 'paradoxically, the one-party system was described as a democratic system, even by those such as Siaka Stevens in Sierra Leone and Kamuzu Banda in Malawi who denied citizens fundamental human rights, such as the rights to vote, free speech and freedom of association' (Zack-Williams, 2001:216).

Single party governments were justified on several grounds. First, multi-party systems militated against nation and consensus building. Unlike the divisive nature of western multiparty systems, single party systems were hailed for promoting the African tradition of consensus building in which the voices of citizens are considered (Schraeder, 2004). Multiparty systems were viewed as not affordable at a time when Africa was faced with mammoth developmental challenges (Joseph, 1997; Herbst, 2001; Shraeder, 2004). Examples of single party regimes included Zambia under Kenneth Kaunda, Malawi under Kamuzu Banda and Kenya under Jomo Kenyatta.

Military coups and military rule were a recurring phenomenon in African politics in the post-independence age. MCGowan (2003) records that about thirty Sub-Saharan African states (62.5%) have experienced at least one successful coup and 18 (37.5%) have suffered multiple coups; Benin, Burkina Faso

and Nigeria lead the pack with six each. Military takeovers displaced civilian governments and the military monopolized the means of coercion and terminated fledgling democratic enterprises to institute ruthless dictatorships (Ihnovbere, 2007). Perhaps with the notable exception of Ghana under Flight Lieutenant Jerry Rawlings and Burkina Faso under Captain Thomas Sankara, most of Africa's military regimes did little or nothing to develop their countries and improve the socio-economic livelihoods of citizens (Shraeder, 2004). General Sani Abacha came to power through a coup and led Nigeria with an iron fist from 1993 until 1998 during which he committed human rights atrocities and Mobutu Sese Seko presided over a kleptocratic Zaire, looting the economy and publicly executing opponents (Rotberg, 2013).

Zimbabwe's Robert Mugabe ruled the country nearly four decades and was the presidential candidate for Zanu-PF for the next elections until his ousting in 2017. Since independence from Britain in 1980 Mugabe led Zimbabwe using autocratic rule to quell opposition dissent and clamped down on private media. In typical autocratic style, "Mugabe brought people close to his power centre, but expelled them as they posed a threat (for example, the Tongogara mystery, Edgar Tekere's expulsion and Minister of State for Information and Publicity in the Office of the President and Cabinet, Professor Jonathon Moyo, along with long-time security aficionado Emmerson Mnangagwa, when they got too close to the vice-presidency" (Moore, 2006:133).

Nevertheless, repressive and authoritarian regimes that defined Africa in the post-independence period lost favor and these political systems became unpopular in the 1980s as they failed to spur economic development (Joseph, 1997). Internal opposition to single party rule and military dictatorships by civil society movement mounted pressure to embrace competitive multiparty democracy. In October 1991, Kaunda lost elections, sending a message heard around the continent that the single-party system was endangered (Joseph, 1997). Moreover, external pressure exerted by International Financial Institutions such as the World Bank and International Monetary Fund compelled countries to implement political reforms as a condition for loans (Schraeder, 2004; Maathai, 2010; Taylor & Williams, 2004; Harbeson & Rothchild, 2013).

Eventually, the fall of the Berlin Wall culminated in a period of decline of single party rule and

receding military rule as multiparty systems were re-introduced in what came to be referred to as the Third Wave of democracy. To date, personal rule leadership continues unabated in several African countries and it is commonly exercised through extension of presidential term limits. For instance, Pierre Nkurunziza successfully presided over a constitutional reform that extended his term of office until 2034 amid protests from opposition and civil society. In Uganda, Museveni promised to step down after his second term elapses, but "just two years into his 'second and final term' Museveni called for Article 105(2) of the Constitution to be revisited. In March 2003, the national conference of the ruling National Resistance Movement (NRM) or 'Movement' resolved to scrap the constitutional two-term limit for a president" (Tangri, 2006:177). However, in the case of Rwanda's Paul Kagame, the majority of Rwandese extended his term of office in a referendum mainly because Kagame is credited with engineering Rwanda's turnaround from a war-ravaged, ethnically divided country to a united and successful nation (McVeigh, 2015).

4. The Unique Case of Botswana: 1966-2008

Perhaps before personal rule in the case of Botswana is considered, a brief trajectory of the country under democratic leadership is worth examining. The practice of democracy that is rooted in multi-party politics, inclusive government, respect for human rights and freedoms, participation and consultation dates to 1966 when Botswana gained independence from her erstwhile colonial power Britain. In fact, democracy was not a new concept because a form of direct democracy was practiced through the *kgotla* institution in the pre-colonial era. The *kgotla* has been compared to the Athenian polis and the consensus-seeking big man system in Papua New Guinea (Good, 2002).

In terms of leadership, the founding president of Botswana Sir Seretse Khama and his successor Sir Ketumile Masire were revered leaders who espoused democratic principles. Khama and Masire established from the onset an open, multi-party system, in which the Botswana Democratic Party (BDP) immediately predominated (Good & Taylor, 2008). In his address to a seminar hosted by the Dag Hammarskjöld Foundation and the Scandinavian Institute of African Studies in Uppsala, Sir Seretse Khama noted that "... the attitudes of the people

are more important than money hence our concern with democracy and institutions which permit consultation and consent" (Khama, 1970:14). Seretse's understanding of the democratic principles was demonstrated by his apprehension against his supporters' request for him to declare Botswana a one-party state claiming Botswana was a poor state, arguing that opposition criticism was useful as it guards against abuse of power (Dubbeld, 1992). According to Rotberg (2013:201), "Khama was an exponent and promoter of a national democratic political culture that ultimately allowed strong institutions to rise on the foundation he laid".

Seretse Khama's successor, Quett Masire, oversaw a period of tremendous development and steered Botswana into its place alongside Norway as a counterexample to the "resource curse" (Gavin, 2018). Just like his predecessor, Masire espoused democratic principles, even though his administration would later be mired in corruption scandals. Good (2016) writes that during Masire's tenure in office, a series of corruption scandals were revealed in key ministries and agencies, with Masire owing National Development Bank (NDB) P546000, P640000 owed by Minister Ponatshego Kedikilwe while other two ministers had loans more than a million Pula each. Then Masire was succeeded by Festus Mogae who, besides his efforts to combat the HIV/AIDS scourge, earned a reputation for his stance in debate and free speech. Though extremely powerful, each of these leaders oversaw the development of strong governing institutions, including an independent judiciary, aimed at serving the country long after they left office (Gavin, 2018).

The three leaders together took Botswana from the bottom of nearly every development index at independence in 1966 to the upper middle-income status it enjoys today, peacefully and with integrity (Gavin, 2018).

5. Personal Rule of General Ian Khama: 2008-2018

In 1998, General Ian Khama resigned from the military to join active politics and then President Festus Mogae appointed him vice president acting on the recommendations of the Schlemmer report to save the BDP from factionalism. "The report advised that for the BDP to improve its chances of winning the 1999 elections, it needed to bring into its fold a person with 'sufficient dynamism', who was

untainted by factional fights" (Molomo, 2000:101). To some extent, Khama's would-be authoritarian tendencies were *aided and abetted* by Mogae, who immediately granted Khama sabbatical leave and permitted him to fly Botswana Defence Force aircraft. In this vein, Good (2016:5) describes the way Khama entered politics as "retrograde and undemocratic, a throwback to pre-independence hereditary politics...".

There was a widespread sentiment within the country, not without foundation, that Ian Khama possessed decidedly authoritarian tendencies, valued allegiance over merit, and was politically inexperienced to boot (Good & Taylor, 2006).

Upon ascending to the helm of the presidency in 2008, Khama surrounded himself with trusted loyalists most of whom were drawn from the army and strategically placed in key bureaucratic institutions. To some extent, Khama's autocratic rule is attributable to the excessive executive powers vested upon the president. Good (2016, p5) argues that "General Khama's more overt autocracy was founded upon established presidential power". Section 47 of the Constitution of Botswana empowers the president to exercise executive powers including the power to make key appointments. However, Khama almost militarized the bureaucracy with his appointments of former soldiers. "Khama's ascendance to the presidency opened the 'floodgates' to an unprecedented military influx into civilian offices and partisan politics" (Richard, 2014:120). Good sufficiently catalogues some of the military appointments into the bureaucracy thus:

"General Merafhe became Vice-President, the former Captain Kitso Mokaila became Minister for Environment, Wildlife and Tourism, and, as noted, Brigadier Ramadeluke took over at Justice, Defence, and Security...The appointment of military men reportedly cascaded downwards, with retired Lieutenant-Colonel Moakohi Modisenyane as general manager of the Central Transport Organization and Colonel Silas Motlalekgosi as head of the Prison Service..." (Good, 2009:322).

It is perhaps fundamental to underscore that these appointments bore all the hallmarks of unwavering loyalty to the leader, which is a defining feature of personal rule. As former army general and commander in chief of the armed forces, Ian Khama knew very well that to *captain the ship*, he needed

unquestionable loyalty. The downside of this development on Botswana's democracy was that strict militaristic discipline carried out in the form of directives displaced consultation as one of the cornerstones of Botswana's democracy (Richard, 2014). For example, this must be taken into context in respect of then vice president Lt General Mompoti Meraphe's utterances in which he stated that sometimes the regime will have to borrow from some military codes to enforce discipline in society. As Richard aptly puts it, "when army generals take control of the country, participatory democracy gets assaulted; inclusive governance is dealt a hard blow, civil liberties get eroded...and ultimately autocratic rule displaces and overthrows democratic rule" (2014:128). This is exemplified by Khama's unilateral pronouncement of public salary adjustment at a kgotla meeting while negotiations with unions at the Public Bargaining Council were ongoing.

Another defining feature and indicator of personal rule noted earlier is factionalism. It is significant to recall that Khama was roped into the BDP to save the party from possible destruction due to factionalism. According to Nasha (2014:96), "when the former president Mogae failed to end the deeply entrenched factions within the BDP, he decided to bring in a disciplinarian from the army, in the person of General Ian Khama to help dismantle the factions". The BDP was torn into two factions, *Barataphati* (loosely translated as those who love the party) and the A Team (Lotshwao & Suping, 2013; Maundeni & Seabo, 2014; Richard, 2014). But instead of bringing harmony to the party, Khama took decisions that purged the *Barataphati* faction. For instance, in the wake of a BDP congress in 2009 at which members of Khama's faction lost to *Barataphati* faction, Khama unilaterally appointed several members of the A Team in the central committee without consulting the central committee (Lotshwao & Suping, 2013). Those who challenged his leadership style and his decisions were disciplined and suspended from the party. As Richard (2014) writes, Khama used his hegemonic powers to frustrate and ultimately expel the cartel he abhorred in the central committee. In an unprecedented move, the expelled group broke away and formed the Botswana Movement for Democracy, the first ever splinter party since the establishment of the BDP in 1962 (Lotshwao & Suping, 2013; Nasha, 2014; Richard, 2014).

Personal leaders in some African countries have depended on their lust for power and been

supported by their loyalists and ordinary citizens who held them as heroes. However, Khama's autocratic tendencies found support within the party he led and the majority of Botswana particularly in the rural areas. This is demonstrated by Nasha (2014) blaming members of the BDP for creating an authoritarian leader in Khama, recalling that, during a BDP congress, democrats ululated and cheered at the pronouncement of a constitutional reform recommendation that empowered Khama to expel a member accused of wrong doing without due process prescribed in the constitution.

6. Limited Freedoms and Fear Stricken Society

The rise of Khama to the presidency heralded an era of fear in society and overt affront on individual freedoms. The genesis of this state of fear has got all to do with the introduction of the Intelligence and Security Services Bill in parliament in 2007 which stimulated adverse reactions from the society (Molomo, 2012). According to Good (2016), the Directorate on Intelligence and Security (DIS) is the institution which typified General Khama's dominance. The DIS earned a reputation for extra judicial killings and for allegedly spying on prominent opposition members (Richard, 2014). As Good (2016) proves, the role of the DIS gained public prominence when a wanted criminal suspect John Kalafatis was shot down dead in Gaborone in 2009. The killing of Kalafatis in public execution style was one of several other reported killings at the hands of the DIS without following due process in courts of law. This is illustrated by the fact that "there had been 12 shootings in which 8 people died between April 1 2008 and March 2009, and according to the Law Society of Botswana 'immense fear' existed in the nation" (Good, 2016:6). It is perhaps significant to emphasize that never before in the history of Botswana has violence occurred at such rates perpetrated by state security agencies (Richard, 2014). The fear that engulfed the once peaceful society permeated even state institutions and government officials that former minister of trade under Khama's regime confessed that the whole executive lives in fear of the DIS. Responding to a Public Accounts Committee's inquiry on the National Petroleum Fund saga, the former minister cried that:

"The money was moved to DIS. Expenditure was spent but people have now been charged with

money laundering. It's unfortunate that we all know now where the money is. But there is this fear, there is this fear, there is this fear we have on the DIS which we all fear. Directorate on Crime and Economic Crime (DCEC) also fears DIS. Equally I do. And so there is any other Minister that I know." (Kaelo, 2018).

Khama and the DIS were feared to the extent that former speaker of the National Assembly Dr Margaret Nasha painted a picture where members of the BDP were extremely fearful to even complain openly about Khama's leadership style in the BDP and would rather do so behind closed doors (Nasha, 2014). Moreover, Media Institute for Southern Africa (2009) noted that during Ian Khama's reign, a cloud of fear had descended on civilian life in Botswana, impacting on freedom of expression and the constitutional provisions guaranteeing freedom of expression are not respected by government. The media ostensibly suffered the brunt of Ian Khama's autocratic rule. To ensure that only government programmes are aired in public media, the Department of Broadcasting was strategically placed under the Office of the President to closely monitor its programming. To this end, the opposition decried abuse of state media by Khama and the ruling Botswana Democratic Party. A study conducted by the Ombudsman found that the ruling BDP enjoyed disproportionate coverage by Botswana Television. The report shows that BDP enjoys 82 percent of coverage as compared to 18 percent shared by the rest of the opposition parties and out of 89 activities, only 16 from opposition were found to be newsworthy by BTV compared to 73 from the BDP (Mokwena, 2017).

Private media endured a sour relationship with Khama as he deemed private journalists as unpatriotic. The highlight of his disdain for private media was his decision to shun press conferences, not even addressing a single press conference during his tenure as president. The affront on media and journalists' freedoms as well as their existence was to worsen when the BDP government imposed an advertising ban on private media, stifling newspapers advertising revenue. Typical of autocratic rule where freedom of information is curtailed, private media was punished for allegedly reporting negatively on the BDP government particularly exposing corruption scandals. To this end, Freedom House noted that:

"While Botswana has a robust media sector, authorities in 2016 sought to suppress reporting on the opposition and on issues related to corruption. In February, the government confirmed that state media outlets had been ordered not to report on some opposition activities, which officials described as failing to meet editorial policies; in one instance, reporters had covered an opposition rally but did not broadcast it after being told by superiors that it was not newsworthy." (Freedom House, 2017).

Previously alien to Botswana, arrests and detainment of journalists had become a regular occurrence and some, fearing for their lives fled the country. For instance, in one of the incidents, a private journalist fled to South Africa fearing for his life after security agents reportedly harassed him for writing a series of stories about the executive arm of government (MISA, 2014). In March 2016, freelance journalist Sonny Serite was arrested and held overnight at a police station in Gaborone, where he was denied access to a lawyer; Serite had recently published a series of stories about corrupt contracts involving the national railway (Freedom House, 2017).

7. Autocratic Rule Displaces Institutions

In his inauguration speech, Khama pledged that his administration would be guided by among other pillars, democracy (Khama, 2008). However, Khama's leadership typified autocracy where a leader dominates state institutions. Good (2009:320) postulates that "two characteristics of Khama's highly personalised rule during the period 1998-2009 stand out –his reliance on edicts or directives, and decision by caprice". For instance, whereas consultation in policymaking lies at the center of a democracy, Khama unilaterally pronounced policy positions. In this respect, Good (2009:323) avers that "president Khama's apparent reliance on close loyalists influenced his leadership style, elevating his military and dynastic personality, and excluding others and especially established institutions and processes from the running of the country". To illustrate, in 2008, Khama imposed a 30% alcohol levy without prior due consultation with all stakeholders involved. In so doing, Khama alienated captains of industry and civil society which is an anathema to due consultation in the policy making process.

As if that was not enough, Khama unilaterally pronounced a salary adjustment of 3% in 2010 at a

kgotla meeting while a consultative process at the bargaining council was underway. As noted earlier, Khama strategically chose his audience, and abhorred engaging with the unions, let alone allow a legally constituted bargaining process to unfold. A personal ruler circumvents institutions and legitimizes his decisions by appealing and endearing himself to a specific group of people, something that Khama mastered excellently. Moreover, the independence of the judiciary came under attack as Khama unilaterally made judicial appointments disregarding the Judicial Services Commission. The Judicial Services Commission that is charged with among other functions recommending judicial appointments has not had it easy with Khama. Richard (2014) writes that Khama personalised judicial appointments and according to some commentators some of the appointments were politically motivated. In the same spirit, Good (2016) posits that there are serious limitations in the independence and strength of the judiciary and secrecy prevailed in the appointment of judges by the president on the recommendation of the Judicial Service Commission. For instance, among cases of secretive appointments is a fairly recent case in which the Judicial Service Commission had recommended the appointment of Omphemetse Motumise as a high court judge. President Ian Khama ignored the recommendation of the JSC and disclosed not his reasons for not appointing him. In granting Motumise appeal, Lord Arthur Hamilton "I am of the view that the President acted unconstitutionally in declining to appoint the second appellant to the office of a Judge of the High Court and that, in that respect, the appeal must succeed" (Mmegi, 2017). Even though the president eventually budged and grudgingly appointed Motumise as judge, his initial refusal to do so without divulging the reasons justified that indeed Khama personalized appointments.

8. Corruption and Public Financing of a Lifestyle

As noted, corruption is not a recent phenomenon in the politics of Botswana, but under the Khama regime it sowed to levels where Botswana even put it at 81% (Molomo, Molefe & Seabo, 2014). It is perhaps during Khama's reign that the status of Botswana declined according to reputable international indices such as Transparency International, Freedom House and The Mo Ibrahim Index of African Governance. What is unique about Khama's presidency is that the president used state institutions

and or resources to finance his private life. The construction of an airstrip in his private property and subsequent constructions apparently carried out by the military using military resources is illustrative. According to a Sunday Standard report, Botswana Defence Force constructed an airfield in Mosu on a private piece of land owned by President Ian Khama. Once completed, the airfield will form part of the president's elaborate array of holiday resort infrastructure (Sunday Standard, 2013). Characteristic of African personal rulers who amassed wealth at expense of public resources, on the eve of his departure from power, Khama prevailed over BDP MPs to pass a bill to amend the pensions and retirement benefits which was viewed by the opposition as attempts to sustain the president's lifestyle. The list of Khama's retirement benefits is probably a far cry from what his predecessors are entitled to.

"In addition to other benefits, new clauses permitted the president to work in government while he continued to earn 80% of his monthly salary and even to choose his preference of location for retirement home. Moreover, the president, a pilot by training, could fly government aircraft, use boats or any other preferred mode of transport." (Chida, 2017).

Even though some of the benefits including flying government aircraft have since been reversed under the new administration, it is notable that just like African personal rulers Khama exhibited a character of a personal ruler and was willing to go miles to achieve whatever he wanted. The reversal and curtailment of Khama's luxurious package of benefits have lately caused consternation between Khama and his successor president Masisi, who unexpectedly moved swiftly to isolate Khama.

9. Conclusion

Personal rule has been a defining feature of several political systems on the African continent. For most of the post-independence era, Botswana resembled a unique case of democratic practice and good leadership. However, the ascendance of Ian Khama to state power in 2008 heralded an aura of fear, abuse of freedoms, autocratic rule at the expense of institutional governance, and increased corruption, all of which are the hallmarks of personal rule. The paper argued that while Botswana continues to uphold multiparty democracy and respects presidential transitions, Khama weakened fundamental precepts

of democratic rule and entrenched personal rule. The paper observed that personal leadership of Khama was in part created by some ruling party loyalists and to some extent unsuspecting citizens in rural areas. This paper concludes by noting that Africa needs leadership regeneration with the active participation of civil society. According to Maathai (2010), people and their organizations must become more involved in decision-making processes as this will be the only way to check the betrayal, corruption, excesses, and opportunism of the state and political elites.

References

- Arori, P. 2007. Dictionary of Political Science. New Delhi: Sarup and Sons.
- Arriola, L.R. 2009. Patronage and Political Stability in Africa. *Comparative Political Studies*, 42(10):1339-1362.
- Chida, D. 2017. Debate on Khama's Benefits Rages on. The Voice. Available at: www.thevoicebw.com/. Accessed on 9 June 2018.
- Dubbeld, G. 1992. They Fought for Freedom: Seretse Khama. Cape Town: Maskew Miller Longman.
- Freedom House, 2017. Freedom in the World: Botswana. Available at: www.freedomhouse.org/ Accessed on 10 June 2018.
- Gavin, M.D. 2018. Bucking Authoritarian Trend, Botswana Welcomes Its Fifth New President. Africa in Transition. Available at: <https://www.cfr.org>.
- Good, K. 2002. Rethinking Non-accountability and Corruption in Botswana. *Africa Insight*, 32(3):11-18.
- Good, K. & Taylor, I. 2006. Unpacking the 'model': presidential succession in Botswana. *Leadership Change and Former Presidents in African Politics*, 51.
- Good, K. & Taylor, I. 2008. Botswana: A minimalist democracy. *Democratization*, 15(4):750-765.
- Good, K. 2009. The presidency of General Ian Khama: The Militarization of the Botswana 'Miracle'. *African Affairs*, 109(435):315-324.
- Good, K. 2016. Democracy and development in Botswana. *Journal of Contemporary African Studies*, 35(1):113-128.
- Kaelo, G., 2018. I feared DIS – Former Minister Kebonang. Available at: www.mmegi.bw/. Accessed on 10 June 2018.
- Khama, I. 2009. Inauguration Address by His Excellency the President of the Republic of Botswana Lt. General Seretse Khama Ian Khama, 20 October 2009. Available at: www.gov.bw.
- Kasfir, N. 1998. "No-Party Democracy" in Uganda. *Journal of Democracy*, 9(2):49-63.
- Ihonvbere, O.J. 1997. Democratization in Africa. *Peace Review*, 9(3):371-378.
- Harberson, J.W. & Rothchild, D. (eds) 2013. Africa in World Politics: Engaging a Changing Global Order. Westview Press.
- Herbst, J. 2001. Political Liberalization in Africa after ten years. *Comparative Politics*, (33)3:357-375.
- Jackson, R.H. & Rosberg, C.G. 1982. *Personal rule in Black Africa: prince, autocrat, prophet, tyrant*. California: University of California Press.
- Jackson, R.H. & Rosberg, C.G. 1984. Personal rule: Theory and practice in Africa. *Comparative Politics*, 16(4):421-442.
- Joseph, R. 1997. Democratization in Africa after 1989: Comparative and theoretical perspectives. *Comparative politics*, 29(3):363-382.
- Khama, S. 1970. Botswana – A Developing Democracy in Southern Africa. Nordiska Afrikainstitutet.
- Lotshwao, K. & Suping, K. 2013. The 2010 split of the Botswana Democratic Party. *Pula: Botswana Journal of African Studies*, 27(2):343-360.
- Maundeni, Z. & Seabo, B. 2015. Management and Mismanagement of Factionalism in Political Parties in Botswana, 1962-2013. Botswana Notes and Records, 45.
- Maathai, W. 2009. The challenge for Africa: A new vision. *The Canadian Cartographer*, 55(3):391-396.
- McGowan, P.J. 2003. African military coups d'état, 1956-2001: frequency, trends and distribution. *The Journal of Modern African Studies*, 41(3):339-370.
- McVeigh, T. 2015. Rwanda Votes to Give President Kagame Right to Rule Until 2034. *The Guardian*.
- Media Institute for Southern Africa. 2009. African Media Barometer: Botswana 2009. Friedrich-Ebert-Stiftung (FES). Windhoek.
- Media Institute for Southern Africa. 2014. Sunday Standard Senior Reporter Edgar Tsimane Granted Asylum by South African Government. Available at: www.misa.org/. Accessed on 9 June 2018.
- Mmegi. 2017. Khama Must Implement Motumise Judgement. Available at: www.mmegi.bw/. Accessed on 9 June 2018.
- Molomo, M.G. 2000. Democracy under siege: The Presidency and executive powers in Botswana.
- Molomo, R. 2012. Democratic deficit in the Parliament of Botswana. Cape Town. Creda Communications.
- Molomo, M.G., Molefe, W. & Seabo, B. 2015. Amid perceived escalating corruption, Botswana demand officials account and declare assets. Afrobarometer Dispatch No. 19. Available at: www.afrobarometer.org.
- Mokwena, N. 2017. Ombudsman Slams Btv's Biased News Coverage. Mmegi Online. Available at: www.mmegi.bw. Accessed on 8 June 2018.
- Moore, D. 2006. 'When I am a century old': why Robert Mugabe won't go. In Southall, R. and Melber, H. (Eds) Legacies of power: *Leadership change and former presidents in African politics*. Nordiska Afrikainstitutet; HSRC Press.
- Nasha, M.N. 2014. Madam Speaker, Sir! Breaking the Glass Ceiling: One Woman's Struggles. Diamond Educational Publishers.
- Poku, N. & Mdee, D.A. 2013. *Politics in Africa: A new introduction*. Zed Books Ltd.

- Richard, K. 2014. *The Scandalous Murdering of Democracy*. Gaborone: Botswana Library Cataloguing in Publication Data.
- Roessler, P. 2011. The enemy within: Personal rule, coups, and civil war in Africa. *World Politics*, 63(2):300-346.
- Rotberg, R. 2013. *Africa emerges: Consummate challenges, abundant opportunities*. John Wiley & Sons.
- Schraeder, P.J. 2004. *African politics and society: A mosaic in transformation*. Belmont CA.
- Southall, R. & Melber, H. 2006. (Eds) *Legacies of power: Leadership change and former presidents in African politics*. Nordiska Afrikainstitutet; HSRC Press.
- Sunday Standard. 2013. *Khama's Mosu Built with Public Funds*. Available at: www.sundaystandard.info/. Accessed on 9 June 2018.
- Tangri, R. 2006. Politics and presidential term limits in Uganda. In Southall, R. and Melber, H. (Eds) *Legacies of power. Leadership change and former presidents in African politics*, pp.175-196. Nordiska Afrikainstitutet: HSRC Press.
- Zack-Williams, A.B. 2001. No democracy, no development: reflections on democracy & development in Africa. *Review of African Political Economy*, (28):213-223.

Corporate Governance Failures: Is it the End of Governance as we Know it?

KR Chauke and MP Sebola
University of Limpopo, South Africa

Abstract: In the recent past there have been a plethora of corporate governance failures in South Africa, both in private and public sector. The poor corporate governance failures are causing immeasurable damage to South Africa's reputation when it comes to corporate governance matters. These failures happen despite the recent publication of King IV code of good practice. Corporate governance failures were experienced at Eskom which is a state-owned enterprise and Steinhoff International which is a private sector which is dual listed entity both in South Africa and in Germany. These corporate governance failures are not the first, as there were high profile collapses in the pasts which included the likes of Enron, WorldCom in the United States of America and Saambou and Fidentia in South Africa. In the accounting and auditing fields, there have been lapses in ethics and governance, this includes in companies like KPMG about the work done at SARS and Deloitte with regards to the work done at Steinhoff and this has made these professions to be ethically suspects (Lane, 2016:229). Corporate governance embodies the processes and the systems by which the entities are directed, controlled and how they should be held accountable (Khurama, 2016:3592). There are legislative requirements that are based on Companies Act in the case of private sector and Public Finance Management Act in the case of public sector and all these are also solidified by the principles contained in the King code, which is currently King IV. It is now also evident in the Companies Act 71 of 2008 that the matters of corporate governance are no longer just regulated in the codes of best practice but they are now part of the legislation as contained in section 76(3) (b) of the Act, while section 72(4) provides that there should be committee that will deal with social and ethics. This paper will show how corporate failures come about. Is the subscription to principles of good corporate governance helpful, if that is the case, why then did they fail? Does the drafting and publication of code of good governance make companies and organisations that subscribe to them healthier and sustainable? Will such subscriptions reduce the amount of failures or collapses of companies? Is the failure caused by the box ticking mentality?

Keywords: Board of Directors, Corporate Governance, King Code IV, Shareholders

1. Introduction

Corporate governance has become increasingly important over the last decades, both in South Africa and internationally (ACCG, 2016:70-79; Malherbe & Segal, 2001:7). With so much said about corporate governance and defined in various ways, why should there be concern about it, and what relevance does it have for South Africa (ACCG, 2016:70-79; van Hooij, 2014:6-7). This article will outline the reasons why corporate governance has risen to prominence in the first decade of the new century and discusses South Africa's role in the international movement and the ultimate failures of corporate governance. Corporate governance covers a wide array of concepts and issues, and therefore means different things to different people (Mahajani, 2016:29; McGregor, 2008:2). This section defines corporate governance and outline the core principles of which it is based and set out the scope and limits. There are several definitions of corporate

governance, the most important of which is outlined here (Mahajani, 2016:29; Cuong, 2011:586-588). Naidoo (2002:1) provides succinct initial point for defining what corporate governance is, and defines it as follows:

"Corporate governance is the practice by which companies are managed and controlled."

It can therefore be inferred that the practice that is used by companies in managing and controlling them that is what constitute corporate governance.

A broad definition of corporate governance is found in King II report (2002:5), and is defined as follows:

"Corporate governance is a participative, system of enterprise with integrity in the interests of a wide range of stakeholders having regard to the fundamental principles of good financial, social, ethical and environmental practice."

According to Sir Adrian Cadbury, who is the father of Corporate Governance in the United Kingdom extends this concept in a report on corporate governance for the World Bank as follows:

"Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of the resources. The aim is to align as nearly as possible the interests of individuals, corporations and society."

A company once registered is a citizen of South Africa, but is totally incapacitated and the agency theory can in this case be invoked (Lame, 2016:11; ACCG, 2016:70-79). According to Moritz-Rabson in Lame (2016:11), the agency theory *"explains how best to organise relationships while the other party does the work in this relationship, the principal hires an agent to do the work, or to perform a task the principal is unable or unwilling to do"* in which one party determines the work. It can therefore be inferred that from the day a company is created lifeless and the managers and directors give it life. The board of directors are therefore the ones that become the head, mind and soul and they assume the same common law responsibilities toward a company (Buys & Cronje, 2016:120-122; Lame, 2016:11; Moloji, 2008:14-15). It can further be inferred that, that is the reason why communities demand that the company take cognisance and behave as a decent citizen so that the company becomes a decent citizen.

At the core of corporate governance is the legally established principle that a company is a separate juristic person with all of the rights and responsibilities of natural person (Mahajani, 2016:29; ACCG, 2016:70-79; van Hooij, 2014:6-7). It is directors and through their managers, who determine the character, abilities and of the company (McGregor, 2008:6; Wilson, 2015:5; van Hooij, 2014:6-7). Out of this principle come the concept of good corporate governance, how a company's behaviour is controlled for best positive effect and good corporate citizenship has on its surroundings as a legally recognised, useful member of society (ACCG, 2016:70-79; Mahajani, 2016:29; van Hooij, 2014:6-7; Moloji, 2008:14-15). It can therefore be argued that, if a company can be compared to a person, then it is a separate person in law, therefore companies, like another natural person, cannot be owned and

therefore shareholders cannot have direct interest in the property, business or assets of a company however the shareholders have a right to vote and to share dividends in return for their investment. The inference of this is that shareholders cannot expect director to run companies in their sole interest, as has happened in the past.

2. Changing Roles of Business

Legally and philosophically it is no longer acceptable for businesses to concentrate only on generating returns without giving consideration to the environment in which they operate, therefore corporate social responsibility is also an important element (ACCG, 2016:70-79; Buys & Cronje, 2016:122-123; van Hooij, 2014:12-14). Companies are now also expected to act as good corporate citizens (Mahajani, 2016:29; Buys & Cronje, 2016:122-123). In addition to generating financial returns, how such returns are generated and the direct and indirect effects of doing business inside and outside the company are now ranked alongside financial performance (van Hooij, 2014:12-14; Bris, 2010:2-7). Emanating from the visibility and impact on the others, companies are required to adhere to higher standard of ethical practice than individuals (van Hooij, 2014:12-14; Bris, 2010:2-7). It can therefore be inferred that, it has now become legitimate expectation of communities that when businesses carry out business in their areas, they will ensure that the needs of the community are also factored in their practice.

3. Evolution of the Corporate Governance Paradigm

The corporate governance of business behaviour has developed out of a long history of other, less balanced business paradigms (ACCG, 2016:70-79; Mahajani, 2016:29). This section provides a cursory overview of the most important of these. Family run businesses dominated the growth of companies during the industrial revolution as such largest companies were started, owned by, and or obtained governance investments from a single family (ACCG, 2016:70-79). This implied that controls on corporate governance behaviour were less strict in their works as these were their own businesses and any stealing from such would have been stealing from themselves (ACCG, 2016:70-79). The next century saw the rise of institutional investors in companies and it was therefore necessary to institute checks

and balances that provided for the protection of institution's money (ACCG, 2016:70-79). This situation led to an inevitability, which resulted in a shareholder dominated business paradigm that protected the right of investors over those of other stakeholders as the agency relationship developed (Lame, 2016:11; ACCG, 2016:70-79). It can therefore be argued that in the past, the power vested in management and shareholders, this meant that companies were controlled and manipulated by almost unchecked management teams and this resulted in management dominant business paradigm that was pervasive.

4. South African Corporate Governance

The governance of corporations' can be on statutory basis or as a code of principles and practices or a combination of the two (ACCG, 2016:70-79; Malherbe & Segal, 2001:7-8). The United States of America has chosen to codify a significant part of its governance in an act of congress known as the Sarbanes-Oxley Act (SOX) (Moloi, 2008:35-36). In SOX, the statutory regime was known as comply or else, in other words, there are legal sanctions for non-compliance (Moloi, 2008:35-36). There is an important argument against the comply or else regime because one size fits all approach cannot logically be suitable as different types of business carried out by companies vary to a large degree (ACCG,2016:70-79). The cost of compliance is burdensome, measure both in terms of time and direct cost. Further the danger is that the board and management may become focused on compliance at the expense of enterprise (ACCG, 2016:70-79). It is the duty of the board of a trading enterprise to undertake a measure of risk for reward and to try to improve the economic value of a company if the board has a focus on compliance, the attention on its ultimate responsibility namely, performance may be diluted (ACCG, 2016:70-79).

The total cost to the American Economy of complying with SOX is considered to amount to more than total write off for Enron, World Com and Tyco combined (Cuong, 2011:586-588; Moloi, 2008:35-36). Some argue that the companies compliant with SOX are more highly valued and that perhaps another Enron debacle has been avoided (Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:35-36). SOX's corporate governance provision was ill conceived. Other nations, such as

the members of the European Union who have been revising their corporation codes, would be well advised to avoid Congress's policy blunder (Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:35-36). It is unlikely that hasty, crash induced regulation like SOX can be far sighted enough to protect against further problems particularly in light of the debatable efficiency of SOX's response to current market problems (Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:35-36). Even the best regulators might err and regulation that is so strong that it stifles innovation and entrepreneurial activity (Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:35-36). Once set in motion, regulation is almost impossible to eliminate as evidenced in the first three years of SOX, which was, an overreaction to Enron and related problems and works (Dibra, 2016:284-285; Cuong, 2011:586-588).

The 56 countries in the Commonwealth, including South Africa and the 27 states in the EU including the United Kingdom, have adopted for a code of principles on a comply or explain basis, in addition to certain governance issues that are legislated (ACCG, 2016:70-79; Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:31-36). United Nations, the question whether the United Governance Code should comply/explain or comply/else was hotly debated and the representatives of several world bodies were opposed to the word comply, because it connoted that there had to be adherence and there was no room for flexibility (ACCG, 2016:70-79; Dibra, 2016:284-285; Cuong, 2011:586-588; Moloi, 2008:31-36).

Following King II, the Johannesburg Stock Exchange Limited (JSE) required listed companies to include in their annual report a narrative statement as to how they had complied with the principles set out in King II, providing explanations that would enable stakeholders evaluated the extant of the company's compliance and stating whether the reasons for thee non-compliance were justified (ACCG, 2016:70-79; Moloi, 2008:31-47). The board of directors must ensure that they act in the best interests of the company as an overriding factor, and they also must deal with the legitimate interest and expectation of all the company's stakeholders (ACCG, 2016:70-79; Buys & Cronje, 2016:120-122; Wilson, 2015:5).

South African listed companies are regarded by foreign institutional investors as being among the best governed in the world's emerging economies

and we must strive to maintain that high ranking (ACCG, 2016:70-79; Moloji, 2008:31-47). South Africa has benefited enormously from listed companies following good governance principles and practices, as was evidenced by the significant capital inflows into South Africa before the global financial crisis of 2008 (ACCG, 2016:70-79; Moloji, 2008:31-47). It is for this reasons that King Committee believes that there should be a code of principles and practices on a non-legislated basis (Moloji, 2008:41-47).

Approaches to voluntary basis for governance compliance and the International one of comply or explain principle has also evolved into different approaches (ACCG, 2016:70-79; Moloji, 2008:31-47). At the United Nations, for instance, it was ultimately agreed that the UN code should be on an adopt or explain basis (ACCG, 2016:70-79; King III, 2009:5; Moloji, 2008:31-47). In the Netherland Code the apply or explain approach was adopted (ACCG, 2016:70-79; Bekkum, Hijink, Schouten & Winter, 2009:2-4; Moloji, 2008:31-47). The comply and explain approach could denote a mindless response to the King Code and its recommendation whereas the apply or explain regime shows an appreciation for the fact that it is often not a case of whether to comply or not but rather to consider how the principles and recommendations can be applied (McGregor, 2008:6; Bris, 2010:2-7; Moloji, 2008:46-54).

King III therefore is an apply or explain basis and its practical execution is important for the company, and it is the legal duty of directors to act in the best interest of the company (King III, 2009:6-7; McGregor, 2008:6). In following the apply or explain approach, the board of directors in collective decision making, could conclude that to follow a recommendation would not, in the circumstance, be in the best interests of the company (Cuong, 2011:586-588; King III, 2009:6-7). The board could decide to apply the recommendation differently or apply other practice and still achieve the objective of the overarching corporate governance principles of fairness, accountability, responsibility and transparency (Khurama, 2016:3592; Wilson, 2015:5; Cuong, 2011:586-588; King III, 2009:6-7). In explaining how the principles and recommendations were applied or not applied, the reasons for not applying them were required.

There is always a link between good governance and compliance with law therefore good governance is not something that exists separately from

the law and it is entirely inappropriate to unhinge governance from the law (Wilson, 2015:5; McGregor, 2008:6; Cuong, 2011:586-588). These duties are grouped into two categories, namely, the duty to care, skill and diligence and the fiduciary duties which is the responsibility of the board ACCG. When it comes to the body of legislation that applies to a company, corporate governance involves the establishment of structure and processes, with an appropriate checks and balances that enable directors to discuss their legal responsibilities and oversee compliance with legislation (McGregor, 2008:6; Bris, 2010:2-7; Moloji, 2008:46-54).

In addition, compliance with legislation, criteria of good governance, governance codes and guidelines will be relevant to determine what is regarded as an appropriate standard of conduct for directors (McGregor, 2008:6; Cuong, 2011:586-588). The more recognized governance principles become, the more possible a court would regard conduct that conforms with these practices as meeting the required standard of care as is expected from the board of directors (Wilson, 2015:5; McGregor, 2008:6). Corporate governance practices, codes and guidelines therefore lift the bar of what are regarded as appropriate standard of conduct (McGregor, 2008:6). It can therefore be argued that the world hybrid systems are developing wherein some of the principles of good governance are being legislated in addition to a voluntary code of good governance practice. In the case of apply or explain approach, the principles override specific recommended practices. However, some principles and recommended practices have been legislated and they therefore require compliance with the letter of the law without having tried different interpretations.

5. The Era of Corporate Failures and Transgressions

Corporate failures were experienced all over the world and included amongst others the following:

Adelphia, in this instance John Rigas was both chairman and Chief Executive Officer of the board and his sons and son in law were all directors and this type of arrangement compromises the board of directors (KPMG, 2016:18; Wilson, 2015:5). In the Sydney based Governance International gave HIH a zero score out of five points when assessing them on their corporate governance and the assessment was a precursor to the collapse that happened four

years later (KPMG, 2016:18). This failure came about despite the participation of former audit partners in the board (KPMG, 2016:18). It can therefore be insinuated that it was expected for the former audit partners to be more conversant with the corporate governance rules, particularly that one of them was the chairman of the board and audit committee, which is also a governance concern to have one person chairing both the board and audit committee (KPMG, 2016:18; Cuong, 2011:586-588). The inclusion of friends and associates in the board of HIH also had an impact on the governance adherence because in such a situation there will be lack of accountability and independence within the board and it will make it impossible to oversee the management reporting process (Khurama, 2016:3592; KPMG, 2016:19; Cuong, 2011:586-588).

In the case of WorldCom, both of the assurance parities were ineffective, that is internal and external audits and these are expected to be areas of corporate governance defence (KPMG, 2016:18). In the case of Satyam, there were numerous non-financial red flags which directed toward the failure of corporate governance, with the main contributory factor being the Chief Executive Officer of the company, who was also the chairman of the board, which is already a sign of conflict of interest in the separation of powers between the board and management which is a sign of lack of independence (KPMG, 2016:4-19). The lack of financial skills by those appointed in the audit committee of Satyam was also a contributory factor.

The lack of independent board, inadequate governance structures which resulted in the absence of board committees oversees the various work streams or in certain instances a single member of the committee being burdened with such a role (KPMG, 2016:18; Kirkpatrick, 2009:2). The other contributory factor is the inclusion of a person who not appropriately qualified and this compromised the work of overseeing the company's operation. In this case family members or people with no financial qualifications being made responsible for roles that required someone who is financially qualified (KPMG, 2016:18; Kirkpatrick, 2009:2; Cuong, 2011:586-588; Mwaura, 2007:40). The other critical contributor to the failures lies squarely at the door of auditors and regulators who have responsibility to detect and ensure compliance with the governance rules and precepts (KPMG, 2016:18; Kirkpatrick, 2009:2).

6. South Africa's Corporate Governance Frameworks

The establishment of the King Committee coincided with the profound social and political transformation at the time, the drawing of democracy and the re-admission of South Africa into the community of nations and the world economy (ACCG, 2016:70-79; Naidoo, 2002:1). The emergence of corporate governance in South Africa has been both reactive and pro-active (ACCG, 2016:70-79). Internationally, there have been moves over the last few decades aimed at developing universal corporate governance codes that will create uniformity of practices in the world (van Hooij, 2014:12-15). South Africa's recent past prompted the need for a unique approach to corporate governance (ACCG, 2016:70-79).

While South Africa's corporate environment was not without its corporate failures, our internationally-recognised trailblazing corporate governance initiatives arose mainly from during and after the country's unified approach to corporate governance during and after the country's transition to democracy (ACCG, 2016:70-79). The need for clear guidance for those people who had been previously excluded from holding the reins of political and economic power was identified by, amongst others Nelson Mandela in conversation with Mervyn King as far back as the early 1990's (ACCG, 2016:70-79). The institute of Directors in South Africa established the King committee on corporate Governance in July 1993, to develop recommendations for a Corporate Governance Framework for South Africa (ACCG, 2016:70-79).

The King Report on corporate governance for south Africa (King 1 Report) was released in November 1994, the King code (King 1) embraces an inclusive approach to Corporate Governance that was wider than that set out in the Cadbury report (ACCG, 2016:70-79). It considered inter alia financial reporting and accountability, responsibilities of directors and auditors and set out standards of governance (ACCG, 2016:70-79; Khurama, 2016:3592; van Hooij, 2014:15-16). Since the drafting of the King 1 Report, significant changes in the theoretical institutional and legal landscape relating to the governance of companies occurred in South Africa and abroad (ACCG, 2016:70-79). The need to recognise and codify these in a new, updated and more inclusive corporate governance framework was recognised (ACCG, 2016:70-79).

The King Committee on Corporate governance released the King Report on Corporate Governance in South Africa in 2002, hereafter referred to as King II in March 2002 (ACCG, 2016:70-79). King II expands on the principles covered in the original report, and taking a wider perspective of corporate governance, there is also an extended applicability to the development (ACCG, 2016:70-79). King II has been acknowledged to its in-depth explanation as a leading contribution to the corporate governance debate internationally (ACCG, 2016:70-79). The key characteristics of good corporate governance as determined for South Africa are set out in the Code of Corporate Practices and Conduct in the King IV report which has made vast improvement from its predecessor, King III.

7. Conclusion

Emanating from the discussion, it can be concluded that corporate governance is a code of ethics, which is supported by a set of regulations by which companies should abide. Given that many of the quantitative or specified requirements related to corporate governance can be ignored and that many of the qualitative principles cannot be policed, corporate governance is an innovation that have the capacity to self-police. A corporate governance framework is therefore not a formula for business performance, but a starting point for corporate, managerial and stakeholder protection, accountability, responsibility and success which is key fundamental for the success of business (Khurama, 2016:3592; ACCG, 2016:70-79). Corporate governance is not a panacea that will ensure companies on-going success and productivity. The burden of complying with good corporate governance principles should not push a marginal company into liquidation, instead it should steer it towards success. Making alignment with the company's operations with the prevailing philosophical, socio-political, legal and commercial context within which it operates is critical for the success of business.

Corporate governance, if applied and followed through, has the capacity to develop ethical frameworks that can guide how directors, managers and staff conduct a company's affairs and that continually build the ethical base of individuals responsible for fulfilling corporate responsibilities. Emanating from the discussion above, it is evident that understanding and meeting or bettering the legal roles, obligations and responsibilities of directors and

managers in ensuring well-run companies hinges on the application of corporate governance principles. Ensuring compliance with corporate governance in respect of the letter and spirit of organisational structures, including their composition and functions as required will give companies the best chance of complying with good governance practices. One other key element worth mentioning is the good corporate citizenship which deals with doing business in a responsible and sufficiently open manner that ensures a balance between maximum profits, positive social, economic and environmental benefits and minimised negative impacts for all direct and indirect stakeholders. In pursuing business success, there is a need to report on the 'triple bottom line' which is of environmental, social and economic performance.

To understand corporate governance and its challenges, there is need to understand, the differences between governance and management and the corporate governance systems, as well as understand the context in which companies are governed or the context of how corporate governance is applied. There is plethora of laws that determine, direct and influence corporate governance, and corporate governance structures and systems. These factors determine the context in which companies are managed. It has also become evident from the discussion above that it expected in most jurisdictions for the directors to behave in ways that promote good governance. The company law being promulgated, demands that directors' act with honesty, integrity and frankness toward their shareholders and they must disclose any actual or potential conflicts of interest to the board and may usually not trade in the company's shares based on information that is price sensitive and obtained because of privileged position and not generally available to the public, that is insider trading. Directors are also generally bound by legation and they are duty bound exercise reasonable care, diligence and skill in their work as directors.

The regulatory bodies that are set up by government are also there to assist in ensuring compliance with corporate governance. There are regulations that involves the government agencies and regulatory bodies determined by the state for the governance of companies and the protection of investors and this includes bodies such as the Competition Commission, the Financial Services Board, the securities and exchange commission in the US, as well as authorities formed to deal with specific commercial

crimes. These regulatory bodies are set up to ensure compliance with the company laws and regulations. If the application of these regulations is monitored and policed, there is no doubt that corporate governance will improve and become better rather than fail.

References

- ACCG. 2016. State of Corporate Governance in Africa: An Overview of 13 Countries. African Corporate Governance Network.
- Bris, A. 2010. The Lehman Brothers Case: Corporate governance failure, not a failure of financial market. Chemin de Bellerive.
- Buys, P. & Cronje, C. 2016. The Corporate Governance Conundrum: Perspective from Dante's Inferno. *Stadia UBB. Philosophia*, 16(3):119-133.
- Cadbury, A. 1999. Corporate Governance Overview. World Bank Report.
- Cuong, N.H. 2011. Factors causing Enron's Collapse: An Investigation into Corporate Governance and Company Culture. *Corporate Ownership & Control*. Volume 8. Issue 3. The University of Danang.
- Dibra, R. 2016. Corporate Governance Failure: The Case of Enron and Parmalat. *European Scientific Journal*, 12(16):283-290.
- Khurama, A. 2016. Corporate Governance: A case of SATYAM Computers Ltd. *Scholarly Research for Humanity Science and Engling Language*. Scholarly Research Journal.
- King Committee on Corporate Governance. 1994. King Report on Corporate Governance for South Africa – 1994. (King I). Institute of Directors of Southern Africa.
- King Committee on Corporate Governance. 2002. King Report on Corporate Governance for South Africa – 2002. (King II). Institute of Directors of Southern Africa.
- King Committee on Corporate Governance. 2009. King Report on Corporate Governance for South Africa – 2009. (King III). Institute of Directors of Southern Africa.
- King Committee on Corporate Governance. 2016. King Report on Corporate Governance for South Africa – 2016. (King IV). Institute of Directors of Southern Africa.
- Kirkpatrick, G. 2009. The Corporate Governance Lessons from the Financial Crisis. *Financial Market Trends*. OECD.
- KPMG. 2016. Corporate failures. KPMG Proprietary Limited. South Africa.
- Lane, R.J. 2016. Unexpected Corporate Failures in Australia through the decades. Commonality of Causes. PhD Thesis. James Cook University.
- Mahajani, N. 2016. Strategies that let to Failure: Case Study of Corporate Governance. *Global Journal of Management and Business Research: Interdisciplinary*. 16(1):29-34
- Malherbe, M. & Segal, N. 2001. Corporate Governance in South Africa. 2001 Annual Forum at Misty Hills, Muldersdrift, 10-12 September 2001. South Africa. Cape Town: University of Cape Town.
- McGregor, L. 2008. Improving Corporate Governance in South Africa. Discussion paper submitted for the 1st USB Colloquium on Corporate Governance 18 September 2008.
- Moloi, S.T.M. 2008. Assessment of Corporate Governance Reporting in the Annual reports of South African Listed Companies. University of South Africa.
- Mwaira, K. 2007. Failure of Corporate Governance in State Owned Enterprises and the Need for Restructured Governance in Fully and Partially Privatized Enterprises: The Case of Kenya. *Fordham International Law Journal*. Volume 31. Issue 1. Article 1. The Berkeley Electronic Press.
- Naidoo, R. 2002. Corporate Governance: An Essential Guide for South African Companies. Pretoria: Double Storey Books.
- OECD. 2004. OECD Principles of Corporate Governance.
- van Bekkum, J., Jijink, M.C., Schouten, M.C. & Winter, W. 2009. Corporate Governance in Netherland. *Electronic Journal of Comparative Law*, 14(3):1-35
- van Jooij, M. 2014. Policy Governance in Practice, a case study Corporate Governance as practiced by BP plc. Unpublished Masters thesis. Open Universiteit.
- Wilson, J. 2015. VW: A Case Study in Failed Governance. *Global Thematic Research*. Cornerstone Capital Group.

Examining the Determinants of the South African Current Account Deficit and its Sustainability

T Ncanywa

University of Limpopo

J Kaehler

Institute of Economics, Friedrich-Alexander-Universität Erlangen-Nürnberg, Germany

Abstract: Countries that run large current account deficits (CAD) signal negative perceptions to investors as the deficits might not be sustainable. Credit risk posed by currency weakness, credit downgrades and political uncertainties link to increased macroeconomic risks. The paper aims to find, in a first step, the determinants of South Africa's current account and, in a second step; to examine whether its current deficit is sustainable. To find the determinants of the CAD, an autoregressive distributive lag model (ARDL) is used with quarterly time series data spanning the post-apartheid era [1994-2017]. The ARDL bounds test results indicate that a long run relationship exists between the determinants of the CAD. Factors such as household savings, growth rate have positive significant impacts and net portfolio investments have a negative impact on the South African CAD. Further analyses evaluate, by using scenario analysis including feedback between the stock of debt and flows of income payments, the sustainability of the South African current account deficit. It turns out that the current deficit is not sustainable and that a further real depreciation of the rand is recommended.

Keywords: Current account deficit, Growth rate, Household savings, Income payments, Net portfolio investment

1. Introduction

During the past two decades' current account balances and exchange rates behaviour have confounded economists and preoccupied policy makers. In South Africa, the period has been marked by, among other macroeconomic issues widely fluctuating exchange rates, persistent public debt and extraordinary current account deficits (CAD) (SARB, 2017). Countries that run large CAD signal negative perceptions to investors as the deficits might not be sustainable. Credit risk posed by currency weakness, credit downgrades and political uncertainties link to increased macroeconomic risks (Searle & Mama, 2010).

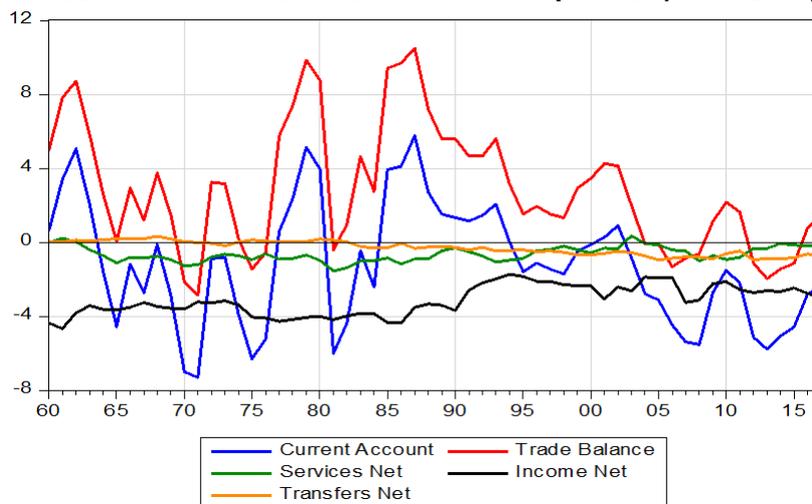
The current account in the balance of payments is a record of exports and imports of goods and services, transfers and international factor payments (Sodersten & Reed, 1994). A current account deficit is a result of payments made for imports, transfers and factors employed exceeding revenue from exports and from transfers and factor payments received. South Africa, being an open economy and also an emerging market, is vulnerable to global economic shocks, mainly those of its major trading partners (Draper, 2008). External disturbances whether positive or negative, can spill

over to emerging economies like South Africa whose economic growth largely depends on export-led growth (Draper, 2008). There has been a gap in the literature about South African current account deficit determination and its sustainability (Searle & Mama, 2010; Nicita, 2013). The need for analysis is greatest on two sets of questions: Firstly, what factors have determined the size and sign of its current account balance in recent years and, secondly, is the CAD that, with the exception of 2001 and 2002, was observed since 1995 sustainable?

2. Current Account, External Debt and Rating by Agencies

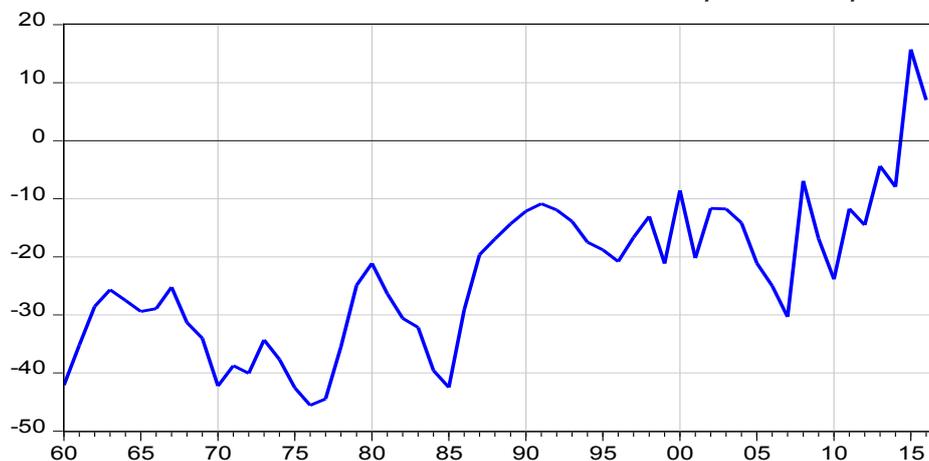
The current account of a country determines the dynamics of its external debt. The external debt increases when a country runs a CAD *vice versa*. Figure 1 on the next page shows the development of South Africa's current account along with its four components, namely the trade balance (TB), net export of services, net current income, and net transfers from 1960 to 2017. All variables are expressed in per cent of GDP. The current account (blue line) shows some cyclical pattern but since the mid-1980s the current account seems to have been on a downward trend. However, a CAD does not necessarily increase net external debt. Favourable

Figure 1: South Africa's Current Account and its Components, 1960-2017, in % of GDP



Source: Author compilation from SARB data

Figure 2: South Africa's International Investment Position, 1960-2016, in % of GDP



Source: Author compilation from SARB data

price effects can lead to an improvement in the international investment position along with a CAD.

Figure 1 shows that there is a strong degree of synchronicity between the current account and the TB. Since 1960, South Africa's TB has always been more favourable, meaning that its surplus has been larger or its deficit smaller, than its current account. Indeed, South Africa has been running TB surpluses in most years since the late 1970s. The most recent episodes of TB deficits were the ones from 2004 to 2008 and from 2012 to 2015 but the deficits of 2004 and 2005 were only about 0.1 per cent to GDP. Net transfers and net exports of services tend to be negative and relatively small compared to other net items of the current account.

The fact that the balance in the current account is persistently lower than the trade balance is

caused by sizable deficits in the current income account. Until recently, South Africa's International Investment Position (IIP) was negative (see Figure 2). It is no surprise that income payments are larger than income receipts when the IIP is negative but in 2015 the IIP became positive for the first time since 1960. Therefore, it can be expected that the chronic deficit in the current income account will be substantially reduced or perhaps even eliminated in the near future if and when the South African IIP remains positive.

The strong improvement in South Africa's IIP since 2012 should have signalled to international investors and markets that its external economic relations are less strained. It does not fit into this picture; however, starting in 2012, the three leading rating agencies (Moody's, S&P, and Fitch) started to downgrade South Africa's foreign currency debt.

Figure 3 plots those ratings from October 1994 to May 2018 using S&P's and Fitch's rating scale. Moody's rating uses a slightly different nomenclature but its BAA is equivalent to the BBB rating of the other two agencies and instead of using the notches plus (+), neutral and minus (-) it uses the notches 1, 2, and 3 instead. As Figure 3 illustrates, the rating of the three agencies are very similar and often the same. However, Moody's rating is relatively positive and, in fact, South Africa never dropped out of investment grade (BAA3 and BBB-, respectively) in Moody's rating. Since April 2017, South Africa's foreign currency bonds are rated as speculative grade by S&P and Fitch. Since November 2017, S&P rating of South Africa is even two notches below investment grade.

This is the paradox that motivates this paper: How can South Africa's junk bond status in the rating of S&P and Fitch be reconciled with the fact that both South Africa's TB and IIP are currently positive. The rating of a country takes into account more factors than just the TB and the IIP but it would be odd to find that a country's foreign-currency bonds are rated as junk and yet its current account is sustainable. Therefore, we focus on the modelling of South Africa's current account and on the question of whether it is sustainable.

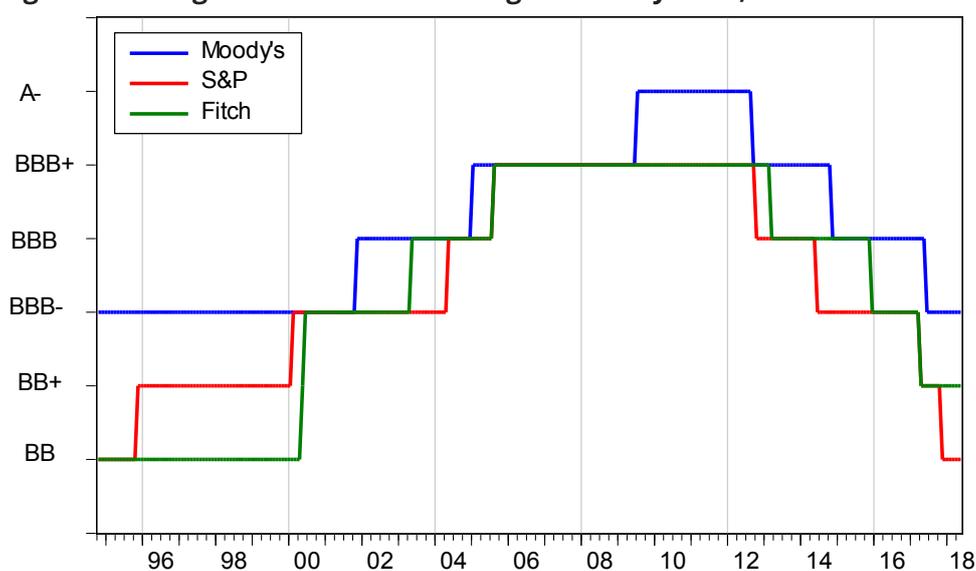
3. Literature Review

The analysis of the determinants of South Africa's current account and, examination of whether

its current deficit is sustainable, is based on two intertemporal approaches of elasticity and absorption. The elasticity approach provides an analysis of what happens to the current account balance when the country devalues its currency (Damion & Williams, 2007). It holds that an appreciation in the real exchange rate should result in higher levels of imported goods and services, and lower exports. The extent to which the exchange rate changes will depend on the relative elasticity's associated with export and import commodities. In effect, these assumptions mean that domestic and foreign prices are fixed so that changes in relative prices are caused by changes in the nominal exchange rate. Given this imports would have become cheaper while exports would have become relatively more expensive. Whereas depreciation in the real exchange rate should result in lower levels of imported goods and services and higher exports, meaning imports would have become more expensive while exports would have become relatively cheaper.

The extent to which changes in the real effective exchange rate may be realised will depend on the relative elasticity's associated with export and import commodities (Alexander, 1952; Damion & Williams, 2007). If, for example, a country relies heavily on imported intermediate inputs, that is, there are no close substitutes; depreciation in the nominal exchange rate may not stimulate changes in imports as the price elasticity of demand is low. This idea is summarised in the Marshall-Lerner condition, which

Figure 3: Rating of South Africa's Foreign Currency Debt, 1994:10 – 2018:05



Source: World Bank(2018)

states that depreciation will have a positive effect on a country's balance of payments if the sum of the elasticities of demand for its exports and imports is greater than unity. The opposite holds if it is less than unity. Furthermore, the Bickerdike, Robinson and Metzler (BRM) model provides a sufficient condition for a trade balance improvement when exchange rates depreciate (Jarita, 2007). Decreasing the foreign price of the depreciating country's export and increasing the price of imported goods would reduce import demand and finally improve trade balance. Therefore, according to the BRM theory, the effect of depreciation depends on the elasticity of exports and imports.

The absorption approach was developed by Alexander (1952), where this approach relaxes the assumption taken by elasticity approach and laid emphasizes on the income effects of devaluation. It is established on the idea that the current account is equivalent to the difference between national income and domestic absorption arising from private and public consumption and investment. Depreciation affects the current account directly through its effects on real income and absorption and indirectly on the income elasticity of absorption. Miles (1979) posits that the depreciation of a country's currency may cause the terms of trade to deteriorate, switching expenditure away from foreign goods to domestically produced ones, and thereby improving the trade balance of that country. The elasticities approach mentioned above focuses completely on the effect of changes in relative prices on imports, exports, and the current account balance. It however ignores the influence of income effects for determining these variables.

Ng *et al.* (2008) found a long run relationship between trade balance and exchange rate in Malaysia and also found determinants of trade balance as domestic income and foreign income. Also, the real exchange rate was an important variable to the trade balance, and devaluation improved trade balance in the long run, thus consistent with Marshall-Lerner condition. Sekantsi (2009) used ARCH and GARCH models to examine the effect of real exchange rate volatility on South African exports to the United States and found a significant and negative impact both in the long and short-run. Kariuki (2008) studied the determinants of current account balance in Kenya using the inter-temporal approach and found a long-run and short-run impact of the exchange rate and savings on the

current account balance. Also, Osoro (2013) discovered that the balance of payment in Kenya is determined by exchange rate movements and foreign direct investments inflow.

Arouri *et al.* (2015) examined the dynamic interlinkage between India's real effective exchange rate and real current account deficit using standard VAR and structural VAR (SVAR) for the period 1975-2011. The results of the study found a positive relationship between real currency and current account deficit, thereby highlighting the occurrence of permanent shocks. A positive shock to the current account deficit leads to an appreciation in the real exchange rate. Sato *et al.* (2011) indicated that the China's renminbi exchange rate to the US dollar needs to be revalued to increase China's current account surplus. Tihomir (2004) showed that permanent depreciation of the exchange rate in Croatia improves the equilibrium trade balance.

4. Determinants of Current Account Deficit (CAD)

This section discusses the methodology adopted in order to answer the question of what determines current account deficit in South Africa. The section specifies the model, data, discuss estimation techniques employed and provide results.

4.1 Model Specification

In order to achieve the aim of finding the determinants of the current account deficit, the original specified model was:

$$CAD = f(REER, RSHI, NGD, LGDP, NPI) \quad (1)$$

Where CAD is current account deficit, REER is the real effective exchange rate, NGD is fiscal balance, RSHI is ratio of saving to household income, NPI is net portfolio investment and LGDP is economic growth. After running some tests the absorption approach is adopted, the estimated model was reduced to:

$$CAD = f(RSHI, NPI, LGDP) \quad (2)$$

4.2 Data

The study uses South African quarterly time series data from 1994 to 2016, the post-apartheid era. The data were collected from the South African Reserve Bank.

4.3 Estimation Techniques

The study applies an autoregressive distribution lag (ARDL) approach adopted from Pesaran, Shin, & Smith (2001). The ARDL captures the cointegration between a set of variables, the long run and short run simultaneously. When dealing with time series data, the first step is to perform unit root tests, in order to address issues of stationarity. In cases where the time series data are non-stationary, a simple regression model may generate spurious results (Brooks, 2008). For the purpose of the study, the Augmented Dickey-Fuller (ADF) and the Phillip-Perron test (PP) are employed to test the null hypothesis of non-stationarity (Asteriou & Hall, 2007). If data is found to contain a unit root, it will be differenced to obtain stationarity.

If variables in the series show different orders of integration meaning are integrated of different order, the ARDL is the recommended (Pesaran *et al.*, 2001). ARDL is used due to its ability to incorporate small sample size data and yet generate valid results. The ARDL cointegration approach gives a lower bound critical value and the upper bound critical value. If the computed F-statistics lies above the upper critical bounds test, we reject the null hypothesis of no cointegration, indicating that cointegration exists. In case where the computed F-statistic lies in between of the two bounds test, the cointegration becomes inconclusive (Pesaran, *et al.*, 2001).

To determine the long run, the short run dynamics and error correction model, Equation 2 can be transformed in to:

$$\begin{aligned} \Delta CAD_t = & \beta_0 + \sum_{i=1}^p \beta_1 \Delta CAD_{t-1} + \sum_{i=1}^p \beta_2 \Delta RSHI_{t-1} \\ & + \sum_{i=1}^p \beta_3 \Delta NPI_{t-1} + \sum_{i=1}^p \beta_4 \Delta LGDP_{t-1} + \delta_1 CAD_{t-1} \\ & + \delta_2 RSHI_{t-1} + \delta_3 NPI_{t-1} + \delta_4 LGDP_{t-1} + \phi EC_{t-1} + \varepsilon_t \end{aligned} \quad (3)$$

Where Δ denotes the first difference operator, β_0 represent the constant, ε_t represent the error term. The long run relationship in the model is captured by $\delta_1, \delta_2, \delta_3$ and δ_4 . The short run relationship in the model is represented by $\beta_1, \beta_2, \beta_3$ and β_4 , ϕ denotes the speed of adjustment to the long-run equilibrium and EC denotes the residuals obtained from estimated cointegration equation (Pesaran *et al.*, 2001).

Variance decompositions were also carried out. According to Pesaran and Shin (1999), variance

decomposition is conducted to measure the percentage contribution of each innovation to the one-step forecast error variance of the dependant variable. The study runs diagnostic tests to verify if the results of the model are reliable and efficient (Gujarati & Porter, 2009; Stock & Watson, 2012). The time series models have to satisfy the assumptions of classical linear regression model. The tests of serial correlation, normality and heteroscedasticity are done. The study further employs the cumulative sum of recursive residual (CUSUM) and the cumulative sum of squares of recursive residual (CUSUMsq) to test stability of the long run and the short run parameters of the model. According to Brooks (2008), the CUSUM and CUSUMsq are of paramount importance if one is not certain on when the structural change might have taken place and the methods are perfect for stationary data. Also, the inverse roots of AR characteristic polynomial indicate stability of the results (Asteriou & Hall, 2007).

4.4 Empirical Results and Discussion

Table 1 on the following page gives results of the Augmented Dickey Fuller (ADF) and Phillips Perron (PP), which reports the p-values. It has been found that the ADF and PP show different stationarity results for current account deficit (CAD), fiscal balance (NGD), ratio of saving to household income (RSHI) and net portfolio investment (NPI). For instance, the variables became stationary after first differencing in the ADF whereas they were stationary at level in the PP. Economic growth (LGDP) became stationary after first differencing and real exchange rate (REXCH) was stationary at level in both tests. It can be concluded that the variables in the study are integrated of different orders.

After finding out that there are different orders of integration as demonstrated in Table 1, the ARDL bounds test was run to find if there is cointegration. Table 2 on the next page displays the cointegration results of the bounds testing. The current account deficit model has four variables. Therefore, there are three independent variables in the model, hence $k = 3$.

The calculated F-statistics is 3.99, which is greater than the lower bounds critical values of 2.79 and 3.67 by Pesaran *et al.* (2001) at 5% level of significance. The calculated F-statistics is also greater than the upper critical value of 3.3 at 10% level of

Table 1: Unit Roots Test Results

Order of integration	Variables	Augmented Dickey-Fuller			Phillips-Perron		
		Intercept	Trend and intercept	None	Intercept	Trend and intercept	None
Level	CAD	0.194	0.3739	0.2243	0.0525	0.0242*	0.1508
1st diff	CAD	0.0001***	0.0000***	0.0000***	0.0001***	0.0000***	0.0000***
Level	REXCH	0.0000***	0.0000***	0.0000***	0.0000***	0.0000***	0.0000***
Level	RSHI	0.2387	0.9428	0.0209**	0.0434**	0.0000***	0.0043***
1st diff	RSHI	0.0001***	0.0000***	0.0000***			
Level	NGD	0.3069	0.5247	0.2662	0.0000***	0.0000***	0.0000***
1st diff	NGD	0.0046***	0.0187**	0.0002***			
Level	NPI	0.0863	0.0000***	0.0566	0.0000***	0.0000***	0.0000***
1st diff	NPI	0.0000***		0.0001***			
Level	GROWTH	0.0000***	0.0002***	0.0140**	0.0001***	0.0002***	0.0046***
Level	LGDP	0.5581	0.9631	0.9999	0.4197	0.9857	1.0000
1st diff	LGDP	0.0000***	0.0002***	0.0142***	0.0001***	0.0002***	0.0046***

Note: CAD - current account deficit, REXCH - real effective exchange rate, NGD - fiscal balance, RSHI - ratio of saving to household income, NPI - net portfolio investment, LGDP - economic growth, *** stationary at 1%, ** stationary at 5%, * stationary at 10%, 1 st diff first difference.

Source: Author compilation from SARB data

Table 2: ARDL Bounds Test

Test Statistic	Value	k	
F-statistic	3.999993	3	
Critical Value Bounds			
Significance	Lower Bound	Upper Bound	Decision
10%	2.37	3.2	Cointegration
5%	2.79	3.67	Cointegration
2.5%	3.15	4.08	None
1%	3.65	4.66	None

Note: Critical values are obtained from Pesaran, Shin, & Smith (2001)

Source: Author compilation from SARB data

significance. Therefore, it can be concluded that there is cointegration amongst the variables in the current account deficit model, meaning in the long run the variables are co-moved and have a long run relationship.

Having found the evidence of the long run relationship through the bounds testing, the coefficients of long run are projected. Table 3 presents results of short, long run coefficients and error correction estimates that were estimated using an ARDL model, after eliminating some variables that were

not significant as specified in Equation 1. The ARDL estimated Equation 2 and the results are reported in Table 3 on the next page.

Table 3 indicates that ratio of saving to income (RSHI) can significantly determine current account deficit at 1%. Also, an increase in this ratio by 1% can positively increase current account deficit by 1.97% in the long run. However, in the short run the ratio of saving to income has a negative effect after lagged once to three times. This is in line with other scholars who found a long run relationship in the current

Table 3: ARDL Short and Long Run Results Cointegrating Form

Short Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(CAD(-1))	-0.225686	0.096806	-2.331327	0.0223
D(RSHI)	0.185428	0.132026	1.404487	0.1641
D(RSHI(-1))	-0.384636	0.184776	-2.081638	0.0406
D(RSHI(-2))	-0.421687	0.154750	-2.724953	0.0079
D(RSHI(-3))	-0.259027	0.117079	-2.212417	0.0298
D(NPI)	-0.000011	0.000004	-2.686957	0.0088
D(NPI(-1))	0.000009	0.000004	2.259359	0.0266
LGDP	0.004517	0.017184	0.262875	0.7933
ECT	-0.357242	0.078446	-4.553987	0.0000
Long Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
RSHI	1.972813	0.496570	3.972878	0.0002
NPI	-0.000050	0.000022	-2.233461	0.0283
LGDP	28.645530	11.794140	2.428794	0.0174
C	-185.346706	75.199967	-2.464718	0.0159

Note: D denote differenced variables, CAD - current account deficit, RSHI - ratio of saving to household income, NPI - net portfolio investment, LGDP - economic growth, ECT - error correction term

Source: Author compilation from SARB & IMF data

Table 4: Diagnostic Tests

Heteroskedasticity Test: Breusch-Pagan-Godfrey			
F-statistic	0.723466	Prob. F(11,79)	0.7128
Obs*R-squared	8.328030	Prob. Chi-Square(11)	0.6837
Scaled explained SS	6.700591	Prob. Chi-Square(11)	0.8228
Breusch-Godfrey Serial Correlation LM Test			
F-statistic	0.555912	Prob. F(2,77)	0.5758
Obs*R-squared	1.295272	Prob. Chi-Square(2)	0.5233

Source: Author compilation from SARB & IMF data

account deficit modelling (Obstfeld & Rogoff, 2000; Damion & William, 2007; Ventura, 2001, Searle & Mama, 2010). There is a negative significant short and long run relationship between current account deficit and net portfolio investment (NPI) at 1% and 5% respectively. The growth of the economy (LGDP) can significantly explain current account deficit in the long run at 5% and not in the short run.

The error correction term which indicates the speed of adjustment to equilibrium is less than zero and negative at -0.36 and statistically significant at 1%. This implies that the estimated model can adjust

quickly and converge towards equilibrium at a speed of 36%. Table 4 indicates diagnostic results and it can be confirmed that the ARDL model has no features of heteroscedasticity and serial correlation since the associated probability values of 0.6837 and 0.5233 respectively exceed 5%; and Figure 4 on the next page shows that the model follows a normal distribution as indicated by a kurtosis around 3 (Brooks, 2008). The stability of the series is illustrated by the CUSUM and CUSUM square test results in Figures 5 and 6 where the parameters are within the critical lines of 5% level of significance throughout the sampled period.

Figure 4: Normality Test Results

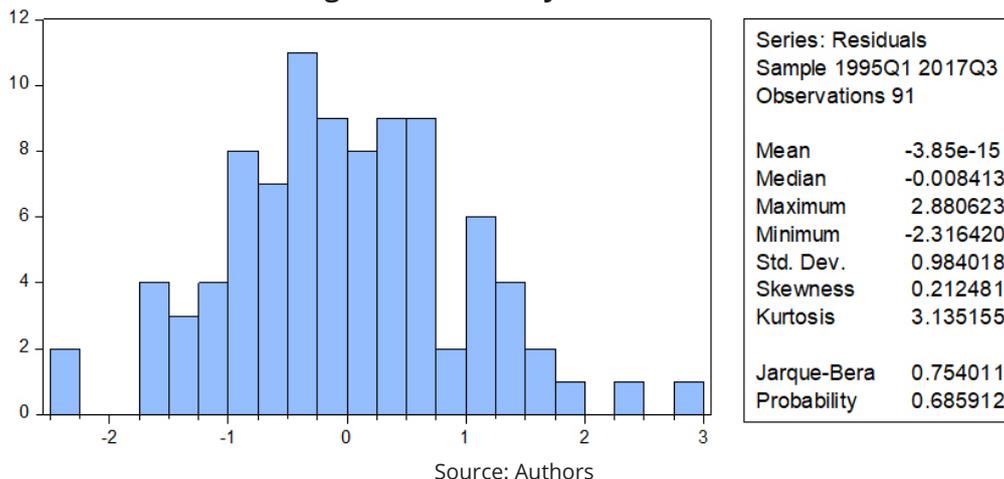


Figure 5: Stability Test Results - CUSUM

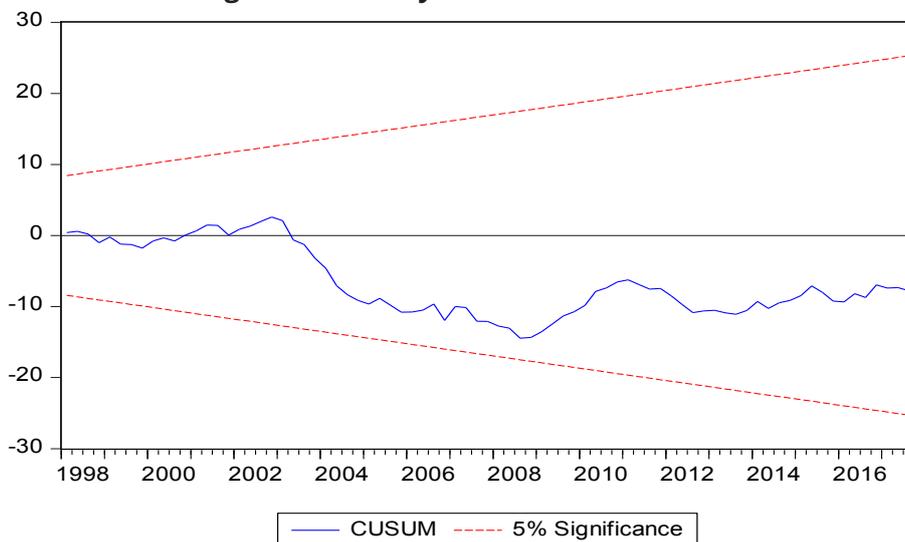


Figure 6: Stability - CUSUM Square

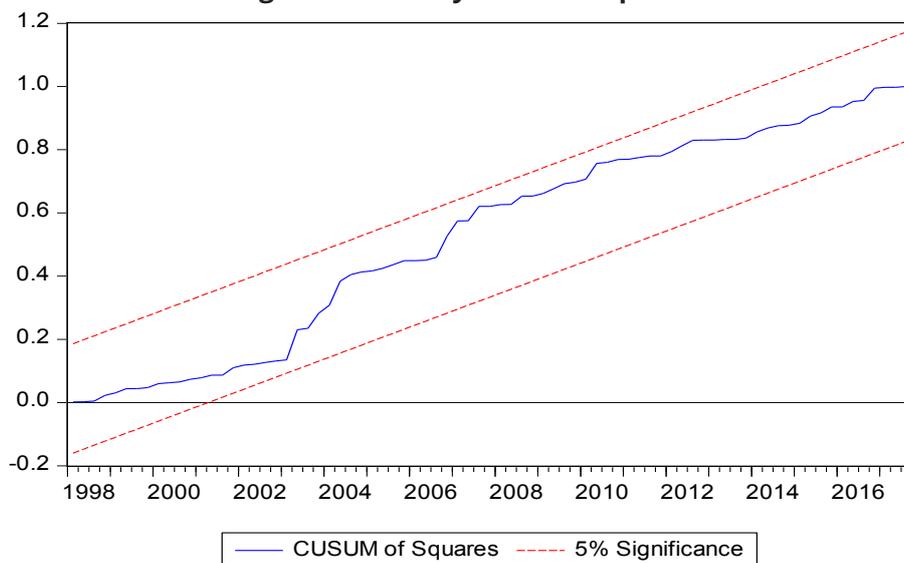


Table 5: Variance Decomposition Test Results

Period	S.E.	CAD	LGDP	NGD	RSHI	NPI
1	1.112265	100.0000	0.000000	0.000000	0.000000	0.000000
2	1.299163	93.60921	1.156297	0.892943	3.074356	1.267193
3	1.469733	91.36113	3.315059	0.962977	2.461606	1.899223
4	1.560155	89.71453	4.925708	1.335519	2.310146	1.714093
5	1.632445	88.05822	6.345132	1.474383	2.263107	1.859160
6	1.682707	86.57788	7.465531	1.641674	2.346610	1.968303
7	1.718677	85.34086	8.380990	1.796292	2.390399	2.091455
8	1.743804	84.35250	9.101850	1.931842	2.424252	2.189553
9	1.761593	83.56415	9.668584	2.036755	2.455549	2.274967
10	1.774230	82.93659	10.11598	2.118229	2.483882	2.345320

Source: Author compilation from SARB & IMF data

A shock to a variable will affect that variable directly, but will also be transmitted to the other variables through the dynamic structure of the VAR. Table 5 presents movements of own shocks and variance decomposition of current account deficit and other variables. Variance decomposition results illustrate the relative importance of each of the determinants or variables influencing movements of the current account deficit.

Table 5 illustrates variance decomposition for 10 periods and shows how the variables have an effect towards current account deficit fluctuations in the short and the long run. This can be summarised as that throughout the whole period, current account deficit is influenced mainly by its own shocks in the short-run and in the long-run, implying a little effect that can be attributed to its determinants.

5. Is the South African CAD Sustainable?

The sustainability analysis starts with a decomposition of the current account (CA_t) into the components trade balance (TB_t), net income payments on the international investment position (IIP_t , i_t^* is the foreign interest rate) and net transfers Tr_t . To keep the analysis simple, the trade balance is assumed to have three basic driving forces: the exchange rate E_t which is measured in the form of a nominal effective exchange-rate index (NEER) against South Africa's 20 most important competitors in international trade, domestic income (Y_t) and foreign income (Y_t^*).

$$CA_t = TB_t(E_t, Y_t, Y_t^*) + i_t^* IIP_t + Tr_t \quad (4)$$

An increase of NEER is an appreciation of the rand and should have a negative effect on the TB. An increase in domestic income will lead to more imports and will worsen *ceteris paribus* the TB whereas an increase in foreign income will stimulate exports and will improve the TB.

To analyse the question whether South Africa's CAD is sustainable we take the accounting identity of foreign debt (D_t) as the starting point:

$$D_t = (1 + i_t) D_{t-1} - TB_t - Tr_t - (FDI_t + FPI_t) \quad (5)$$

Where i_t is the interest rate or dividend rate paid on external debt, TB_t is the trade balance, Tr_t are net transfers abroad, FDI_t is the net inflow of foreign direct investment and FPI_t is the net inflow of portfolio investment. FDI_t and FPI_t appear in this equation because they are regarded as non-debt-creating capital inflows.

The payments of investment income can be subdivided into three components:

$$i_t D_{t-1} = i_{1,t} SDI_{t-1} + i_{2,t} SPI_{t-1} + i_{3,t} SGP_{t-1} \quad (6)$$

Where SDI_{t-1} denotes the stock of foreign direct investment in South Africa in $t-1$, SPI_{t-1} is the stock of portfolio investment and SGP_{t-1} is the stock of all other government and private external debt. The corresponding interest or dividend rate paid on every kind of stock of debt is denoted by $i_{j,t}$ with j from 1 to 3. All three stocks are in terms of gross debt because it can be argued that the net external liabilities of one sector will not cancel against the net assets of another sector if and when every sector can default individually.

Inserting Equation 6 into Equation 5 and normalizing South African debt by GDP (both expressed in rand) leads to the following equation:

$$d_t = \frac{1+e_t}{1+g_t} \left[d_{t-1} + i_{1,t} s d_{t-1} + i_{2,t} s p i_{t-1} + i_{3,t} s g p_{t-1} \right] - t b_t - t r_t - (f d_i + f p_i) \quad (7)$$

Where lower case letters denote the normalized versions of the corresponding variables, the relative change of the nominal effective exchange rate (NEER) is denoted by e_t . A positive value indicates a nominal appreciation of the rand. Nominal GDP growth is denoted by g_t .

Equations 5 to 7 are accounting identities. Economic content is added to the model by assuming, like in Equation 4, that the driving forces of the trade balance are the exchange rate, domestic income and foreign income:

$$T B_t = T B_t(e_t, g_t, g_t^*) \quad (8)$$

where g_t^* is the growth rate of foreign income. It can be shown that the partial derivatives of $T B_t$ with respect to both e_t and g_t are negative but positive with respect to g_t^* . Equation 8 is estimated in a linear regression framework using annual data from 1970 to 2016 and gets the following point estimates:

$$T B_t = 2.435 - 0.027 e_t - 0.375 g_t + 0.182 g_t^* \quad (9)$$

The signs of the coefficients confirm expectations: An appreciation of the rand and an increase in domestic GDP growth worsen the trade-balance ratio whereas foreign economic growth improves it via exports. Here g_t^* is measured as weighted GDP growth rates of South Africa's 20 most important competitors in international trade (with the exception of Mozambique and Poland for which long series of GDP are not available) with the weights that the SARB uses in computing its NEER and REER of the rand (Motsumi *et al.*, 2014). We experimented with using other weights but the results remained robust. It is surprising that the elasticity of the trade-balance ratio with respect to the exchange rate is relatively small in absolute value. Overall the fit of model (9) is not very impressive because its R^2 is only 0.067 but at this stage our main interest is in the point estimates and not in statistical inference. The large standard errors of the point estimates (not reported here) are due to the relatively low degrees of freedom, which are only 42.

The final components of our model are the three feedback relationships between stocks and flows:

$$s f i_t = \frac{1+e_t}{1+g_t} s f i_{t-1} - \gamma_1 c a_t \quad (10a)$$

$$s p i_t = \frac{1+e_t}{1+g_t} s p i_{t-1} - \gamma_2 c a_t \quad (10b)$$

$$s g p_t = \frac{1+e_t}{1+g_t} s g p_{t-1} - \gamma_3 c a_t \quad (10c)$$

Where γ_j is the corresponding flow in terms of the ratio of the current account to GDP ($c a_t$). We apply Equations 5 to 10 to a scenario analysis to project South Africa's debt ratio d_t for the years of 2017 to 2020. In our system of equations we need to specify values of various parameters and variables. We use historical averages to calibrate the model. To check the robustness of our results, we can vary the calibrated parameters and the path of variables. Here we restrict robustness checks to exchange rate effects because the exchange rate typically has to carry the brunt of the adjustment process. The domestic growth rate g_t has two opposing effects on the ratio $T B_t$. There is a direct and negative effect of g_t through the denominator of the debt ratio d_t and there is an indirect and positive effect through the trade balance because an increase of g_t will stimulate imports that, *ceteris paribus*, will worsen the trade balance and increase external debt. It can be shown that the net effect will always be negative, meaning that an increase in domestic growth leads to a fall in the ratio $c a_t$. In general, g_t alone cannot induce a trajectory to a sustainable debt ratio. An increase in g_t^* will improve the trade balance but foreign income is exogenous.

Table 6 on the next page reports the initial values (for 2016 or 2017 depending on the value of the time subscript) of variables and parameters of the model. Note that with the exception of e_t , g_t , g_t^* , $f d_i$ and $f p_i$, all variables change endogenously over time. The parameters β_e , β_g and β_{g^*} denote the partial derivatives of the trade-balance ratio with respect to the exchange-rate changes, as measured by the NEER, and to domestic and foreign GDP growth, respectively, as reported in (9).

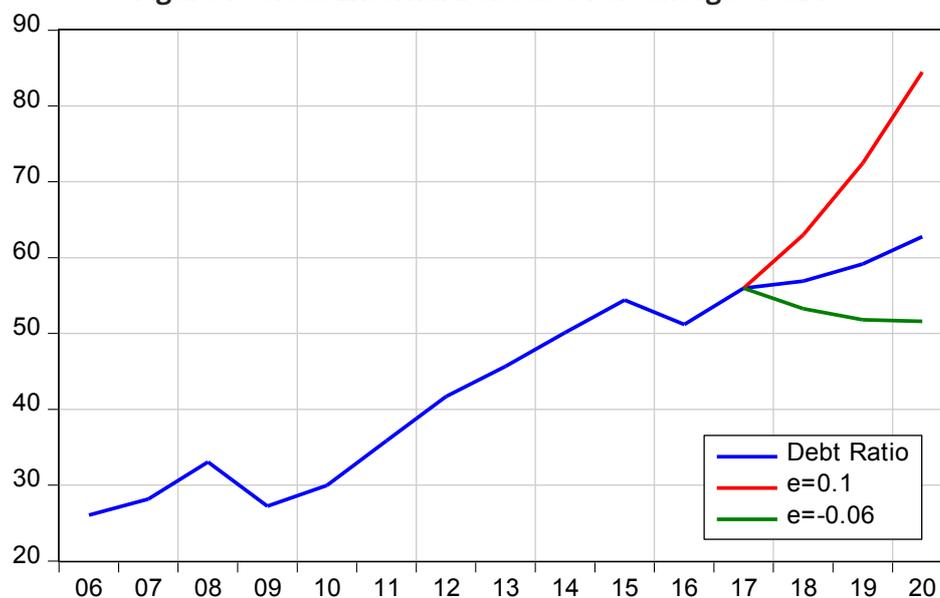
The relative exchange rate change e_t drives the dynamics of the model. For 2017 we set $e_t = 0.10$. The nominal effective appreciation of the rand in that year was 10.6 per cent. With such a large nominal

Table 6: Initial Values of Parameters and Variables

Endogenous Variables		Exogenous Variables and Parameters	
d_{t-1}	0.57	e_t	0.17
sfi_{t-1}	0.20	g_t	0.08
spi_{t-1}	0.20	g_t^*	
sgp_t	0.50	fdi_t	0.03
$i_{1,t}$	0.03	fpi_t	0.01
$i_{2,t}$	0.03	β_e	0.15
$i_{3,t}$	0.07	β_g	0.20
tb_t	0.07	β_{g^*}	

Source: Authors

Figure 7: Gross External Debt as a Percentage of GDP



Source: Authors

appreciation of the rand it is obvious that the current account will deteriorate considerably and that the international investment position will worsen.

Figure 7 displays the derived future path of South Africa's external debt ratio from 2017 onwards. We analyse three scenarios. The first scenario (blue line) assumes that from 2018 to 2020 the NEER will not change, under scenario 2 (red line) the 10 per cent effective appreciation of the rand will continue throughout 2018 to 2020 and in the third scenario (green line) the rand will depreciate by 6 per cent per year which is its average rate of depreciation from 2006 to 2016. It is apparent that d_t will increase

very strongly to around 85 per cent in 2020 if the sharp appreciation of the rand in 2017 continues until 2020. But that is a rather unrealistic assumption. It is more realistic that the rand follows, like many other exchange rates, a random walk with an expected rate of change of zero (blue line). If that is the case, then by 2020 the debt ratio will have increased only moderately to a value of less than 63 per cent. Under scenario 3, the NEER will return to its long-run depreciation of 6 per cent per year in 2018 to 2020. This would lead to a decrease of the debt ratio to just above 50 per cent in 2020 and basically a return to its value in 2016, prior to the strong appreciation of the rand.

It follows that the answer to the question whether the South African CAD is sustainable or not very much depends on the assumption about the future path of the rand's NEER.

6. Conclusion and Recommendations

The paper aimed to find, firstly the determinants of South Africa's current account deficit (CAD) and, secondly; to examine whether it's current deficit is sustainable. To find the determinants of the CAD, an autoregressive distributive lag model (ARDL) was used with quarterly time series data spanning the post-apartheid era [1994-2017]. The ARDL bounds test results indicate that a long run relationship exists between the determinants of the CAD. Factors such as household savings, growth rate and net portfolio investments have significant impacts on the South African CAD.

Further analyses evaluate, by using scenario analysis including feedback between the stock of debt and flows of income payments, the sustainability of the South African current account deficit. The claim that South Africa's current account is not sustainable and that its foreign currency debt deserves a down-grading to speculative grade is related to the assumption that the strong appreciation of the rand will continue in the future. Under more realistic assumptions about the rand's future path it is less than clear that South Africa's CAD is not sustainable. However, sustainability of the South African CAD could be attributed to further real depreciation of the rand.

References

- Alexander, S. 1952. Effects of a devaluation on a trade balance. *International Monetary Fund*, 2(2):263-278.
- Arouri, M., Dar, A., Bhanja, N., Tiwari, A. & Teulon, F. 2015. Interlinkage between real exchange rate and current account behaviours: Evidence from India. *The Journal of Applied Business Research*, 31(4):1-6.
- Asteriou, D. & Hall, S. 2007. *Applied Econometrics: A modern approach*. Palgrave MacMillan, New York.
- Brooks, C. 2008. *Introductory Econometrics for finance*. Cambridge University Press. New York.
- Damion, B. & Williams C. 2007. Current account determinant for the Jamaica Economy. *International Economics Department of Bank of Jamaica*.
- Dickey, D.A. & Fuller, W.A. 1979. Distribution of the Estimators for Autoregressive Time Series with a Unit Root. *Journal of American Statistical Association*, 74(2):427-431.
- Draper, F. 2008. *South African current account deficit: Are proposed cures worse than the disease?* The South African Institute of international Affairs. Johannesburg.
- Gujarati, N. & Porter, C. 2009. *Basic Econometrics*, New-York: McGraw-HILL.
- Jarita, D. 2007. Determinants of Malaysian trade balance: An ARDL Bound testing approach. *Global Economic Review*, 36(1):89-102.
- Kariuki, G. 2008. Determinants of current account balance in Kenya: The intertemporal approach. *KIPPRA*. DP No. 93.
- Miles, M. 1979. The effects of devaluation of the trade balance and the balance of payments: Some new results. *Journal of Political economy*, 87(3):600-620.
- Motsumi, L., Swart, P., Lekgoro, H., Manzi, V. & de Beer, B. 2014. Note on the revision of South Africa's nominal and real effective exchange rate indices, *SARB Quarterly Bulletin*, June, 84-89.
- Ng, Y., Har, V. & Tan, G. 2008. Real exchange rate and trade balance relationship: An empirical study on Malaysia. *International Journal of Business and Management*. 3(8):130-137.
- Nicita, A. 2013. Exchange rates, international trade and trade policies. *International Economics*, 135-136 (2013):47-61.
- Obstfeld, M. & Rogoff, K. 2000. *Perspectives on OECD Economic Integration: Implications for U.S. Current Account Adjustment*. Kansas City: Federal Reserve Bank of Kansas City, 168-209.
- Osoro, K. 2013. Determinants of balance of payments in Kenya. *European Scientific Journal*. 9(16):112-134.
- Pesaran, H. & Shin, Y. 1999. An Autoregressive Distributed Lag Modelling Approach to Cointegration, In *Econometrics and Economic Theory in the 20th Century* (Chapter 11). Cambridge: Cambridge University.
- Pesaran, M.H., Shin, Y. & Smith, R.J. 2001. Bounds testing approaches to the analysis. *Journal of Applied Econometrics*, 16(3):289-326.
- Phillips, P.C.B. & Perron, P. 1988. Testing for unit root in regression. *Oxford University Press*, 72(2):335-346.
- SARB. 2017. Available at: www.sarb.co.za
- Sato, K., Shimizu, J., Shrestha, N. & Zhang, Z. 2011. New estimates of the equilibrium exchange rate: The case for Chinese renminbi. RIETT Discussion paper series 10-E-045.
- Searle, P. & Mama, A. 2010. The sustainability of South African current account deficits. University of Cape Town Working paper, Available at: www.econrsa.org.
- Sekantsi, L. 2009. The impact of real exchange rate volatility on South African exports to the United States (U.S.): A bounds test approach. *Journal of Emerging Trends in Economics and Management Sciences*, 2(3):146-155.
- Sims, C. 1980. Macroeconomics and Reality. *Econometrica*, 48(1):828-837.
- Sodersten, B. & Reed, G. 1994. The determination of a floating exchange rate. In: *International Economics*. Palgrave: London.
- Stock, J. & Watson, M. 2011. *Introduction to Econometrics*. Pearson: New York.
- Tihomir, S. 2004. The Effects of Exchange Rate Change on the Trade Balance in Croatia: *IMF working paper wp/04/65:1-30*.

Transgression of Corporate Governance in South Africa's State-Owned Enterprises

P Raseala

University of South Africa

KA Mashamaite

University of Limpopo

Abstract: State-owned enterprises (SOEs) play a very important role in South Africa's socio-economic development trajectory, and a strong, transparent and accountable government is central to such course. Accordingly, the immediate attention for the post-apartheid government was to lay the basic foundation for democracy and good governance. SOEs are critical mechanisms to assist government to achieve economic growth, service delivery, poverty reduction, employment creation and in the development of the country's strategic sectors such as finance, energy, transport, telecommunications, manufacturing and natural resources. However, most of these important SOEs in South Africa are characterised by poor leadership, maladministration, corruption, antagonism, animosity, impunity, weak financial reporting, chronic under-performance, debt burdens, insufficient performance monitoring and accountability systems. Some of these setbacks are associated with corporate governance failures including weak managerial accountability, excessive politicisation and unclear objectives. As a result, SOEs no longer contribute strongly to development or perform their public service role effectively and efficiently thereby undermining government's intentions to achieve growth and development objectives. The paper therefore argues that the absence of effective good corporate governance is the one of the major reasons of failures of most SOEs to fulfil the mandate which they were created for. Basis of the paper is that, the success of SOEs is dependent on whether the governance systems are placed towards responsiveness to the needs of individuals, communities and society in general. This paper therefore strives to explore the corporate governance quagmires in the SOE sector which impede socio-economic development efforts of government. The paper concludes that SOEs are muddled with governance problems which are the nemeses of good corporate governance, therefore, governance transformation in the SOE sector is essential.

Keywords: Accountability, Corporate Governance, Good Governance, State-Owned Enterprises

1. Introduction

State-owned enterprises (SOEs) are a significant element of most African economies such as South Africa. As such, their participation in the corporate governance regime is important (Corrigan, 2014). These are public enterprises owned by governments, in full or in part and provide essential public services such as water, electricity, energy, communication and transportation among others. SOEs in South Africa play a very significant role in socio-economic development trajectory, thus a strong, transparent and accountable government is central to such course. Building strong and accountable government has been a critical component of South Africa's transformation agenda since 1994 and the immediate primary focus was therefore on laying the basic foundation for democracy and good governance (White, Heymans, Favis & Hargovan, 2000). Therefore, SOEs should structure their systems on the basis of good corporate governance

principles (Corrigan, 2014:1). Corrigan (2014:1) further states that SOEs are potentially powerful tools in states' developmental inventories, and the manner in which they operate has considerable influence on the wider business and corporate governance landscape.

Although SOEs can play a critical role in the achievement of developmental mandate in strategic sectors such as finance, energy, transport, telecommunications, manufacturing and natural resources, SOEs in South Africa face distinct corporate governance challenges. These common challenges include unformed regulatory systems, politicised board appointments, unclear mandates and objectives, excessive politicisation, weak managerial accountability, poor leadership, maladministration, corruption, antagonism, animosity, impunity, weak financial reporting, chronic under-performance, debt burdens, insufficient performance monitoring and accountability systems (Corrigan, 2014). These

setbacks impede strongly on SOEs from contributing towards their developmental mandate or performing public service role effectively and efficiently thereby undermining government's intentions to achieve growth and development objectives. The paper therefore, seeks to explore corporate governance challenges facing the SOE sector, and their prospects in South Africa. The paper is conceptual in nature and uses desktop analysis of literature. The paper start, firstly, by understanding the transversal legislative prescripts on corporate governance, and secondly why good corporate governance is so significant in the SOE sector. Thirdly, the paper examines the role that SOEs play towards the attainment of developmental objectives. Section four of the paper explores corporate governance challenges and prospects in the SOE sector. The oversight role of government in the SOE sector is assessed in section five of the paper. Lastly, the paper provides conclusion and recommendations from the argumentative discussion.

2. Transversal Precepts for Corporate Governance in South Africa

In recent years, South Africa experienced unprecedented corporate governance challenges and failures of many companies which propelled the government to establish systems that promote higher standards of ethical conduct, accountability and transparency in companies and by directors (Moyo, 2010). As such, government developed legislative and regulatory corporate governance framework to enhance corporate transparency and accountability. The main legislative and regulatory corporate governance framework in South Africa include among others the Constitution of the Republic of South Africa of 1996, the King Reports on Corporate Governance, the Companies Act 71 of 2008, Public Finance Management Act 1 of 1999 and Local Government: Municipal Finance Management Act 56 of 2003.

In terms of the Constitution of the Republic of South Africa Section 1(c) and (d), South Africa is founded on the principles and values of the rule of law, accountability, responsiveness and openness. Section 41(1)(c) of the Constitution further states that all spheres of government and all organs of state within each sphere must provide effective, transparent, accountable and coherent government for the Republic as a whole, while Section 152(a) and (e) require local governments to provide democratic

and accountable government for local communities and encourage involvement of communities in matters of local government. Public administration must as well be governed by the democratic values and principles enshrined in Section 195 which include promoting a high standard of professional ethics, efficient, economical and effective use of resources, encouraging public participation in decision making, accountable and transparent public administration. These principles, as enshrined in the Constitution, apply to all administration in every sphere of government, organs of state and public enterprises. The latter also suggests that, these principles and values have an inherent influence on legislation and policies that impact SOEs (Kanyane & Sausi, 2015:31).

Corporate governance in South Africa became well-established since the establishment of the King Committee on Corporate Governance in 1992 (Armstrong, Segal & Davis, 2005; Moyo; 2010). The King Reports on Corporate Governance forms the basis for the debate on corporate governance in South Africa. It is therefore, important to note that all these reports, King I, King II, King III and King IV are aimed at promoting good corporate governance in South Africa (Nevondwe, Odeku & Raligilia, 2014:663). The King I represented a significant milestone in the evolution of corporate governance and served as a point of reference for policy makers in the development of legal and regulatory frameworks for corporate governance aimed at encouraging highest standard of corporate governance (Moyo, 2010). The main aim of the King I Report was to encourage the highest standard of corporate governance in South Africa by recommending standards of conduct for directors and emphasizing the need for responsible corporate conduct (Moyo, 2010:42).

The King Report was distinguished by its integrated approach to good governance with regard to financial, social, ethical and environmental practice, to serve the interests of a wide range of stakeholders (Armstrong, Segal & Davis, 2005:9). Accordingly, the first King Report was instrumental in raising awareness of what constitutes good governance, both in the private and public sectors. It offered to companies, and state-owned enterprises, for the first time, a coherent and disciplined governance framework that was relevant to local circumstances and offered practical guidance (Armstrong, Segal & Davis, 2005:9). However, King III report on corporate

governance became necessary because of the new Companies Act no. 71 of 2008 and changes made in international governance trends (Institute of Directors in Southern Africa (IDSA), 2009:4; Nevondwe *et al.*, 2014:663). According to Nevondwe *et al.* (2014:663), King III applies to all entities regardless of the manner and form of incorporation or establishment, whether in the public, private sectors or non-profit sectors. The fourth report is the draft King IV of 2016. King IV Report sets out the philosophy, principles, practices and outcomes which serve as the benchmark for corporate governance in South Africa. The King IV aims to promote good corporate governance as integral to running a business or enterprise and delivering benefits such as ethical culture, enhancing performance and value creation, enabling governing body to exercise adequate and effective control, to reinforce good corporate governance as a holistic and interrelated set of arrangements to be understood and implemented in an integrated manner and to present good corporate governance as concerned with not only structure and process but also an ethical consciousness and behaviour (IDSA, 2016:2).

Currently State-owned companies (SOCs), also known as SOEs, are regulated by the Companies Act 71 of 2008 which replaced the Companies Act 61 of 1973 as the driver of good corporate governance in South Africa (Nevondwe *et al.*, 2015). The Act was signed by the President on 8 April 2009 and gazetted in Gazette No. 32121 (Notice No. 421) and came into effect on 1 May 2011 (Nevondwe *et al.*, 2015:663). Part C of Chapter 2 which deals with transparency, accountability and integrity of companies provides in Section 34(1) that 'in addition to complying with the requirements of this Part, a public company or SOC must also comply with the extended accountability requirements set out in Chapter 3'. Chapter 3 of the Companies Act deals with enhanced accountability and transparency of companies including SOCs or SOEs.

Running parallel with these developments was the introduction of the Public Finance Management Act (PFMA) in 1999, which introduced much more rigorous standards for reporting and accountability by adopting an approach to financial management in public sector institutions that focuses on performance in service delivery, and economic and efficient deployment of state assets and resources (Armstrong *et al.*, 2005:9). The PFMA gives effect to financial management that places a greater

implementation responsibility with managers and makes them more accountable for their performance. However, without strong vision and committed leadership; an enabling legal environment; effective performance evaluation; and appropriate competencies and capacities effective and sustainable change will not occur in the SOE sector (Presidential Review Committee (PRC), 2013:13). As in government, good corporate governance standards demand leadership with integrity and authority working together at the highest levels to make successful decisions for the greater good (McGregor, 2014:7).

3. Why Corporate Governance in SOEs?

The concept of governance is in recent years being used as an interdisciplinary concept which has fast become critical in the field of development studies (Edoun, 2015). The concept has since generated much debate as far as what governance means and entails. As result, there is a wide range of definitions which indicate that governance means different things to different people depending on the context in which the concept is being used. Governance refers to how government exercises its power and authority to manage state's affairs, goods and services (White, Heymans, Favis & Hargovan, 2000). Kanyane and Sausi (2015:29) affirm that governance means constitutional, legal and administrative arrangements by which governments exercise their power as well as the related mechanisms for public accountability, rule of law, responsibility, effectiveness, transparency, ethics, integrity and citizen participation. Furthermore, International Federation of Accountants (IFAC) and Chartered Institute of Public Finance and Accountancy (CIPFA) (2014:8) state that governance comprises of the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

Edoun (2015) sees governance as a paradigm which represents something more than government and considers governance as a system of values, policies and institutions by which a society manages its economic, political and social affairs through interaction within and among state, civil society and private sector. White *et al.* (2000:10) further posits that governance encompasses the state's institutional and structural arrangements, decision making processes and implementation capacity and the relationship between government official and

the public. Kanyane and Sausi (2015:29) argue that without governance, government remains an empty shell. In this regard, governance implies the creation of state institutions and structures of government to enable the former to effectively deliver services in line with the mandate entrusted to it by the people (Edoun, 2015:353).

Corporate governance, on the other hand, refers to the set of systems, principles and processes by which a company is governed (Nevondwe *et al.*, 2014:664). Corporate governance is understood to be how a company is directed and controlled. Therefore, corporate governance is important for ensuring that certain individuals in an organisation are held accountable and that organisations are properly directed and controlled (Moyo, 2010:1). Corporate governance is defined as the building of a balance between the economic and social goals, and between individuals and communal goals with the aim of aligning as closely the interests of individuals, organisations and society (King Report, 2002:7). According to Nevondwe *et al.* (2014:664), corporate governance is based on the principles such as conducting the business with integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner. This argument suggests that corporate governance is based on relationships and networks between individuals, corporations and society. Kanyane and Sausi (2015) are of the view that good governance is about steering society through networks and relationships between governments' entities and civil society organisations.

Edoun (2015) suggests that good governance should embody transparency in decision making informed by an enlightened professional bureaucracy, an accountable executive and a strong civil society participation, all functioning under the ambit of the rule of law. The function of good governance is to ensure that entities act in the public interest at all times. This requires strong commitment to integrity, ethical values and the rule of law, openness and comprehensive stakeholder engagements (IFAC, 2013). In other words, governance is the manifestation of aspects such as accountability, openness and transparency, independence, responsibility, discipline, fairness and social responsibility as

well as engagement between government and the governed (King Report, 2002; Edoun, 2015). IFAC (2013:20) argues that achieving good governance requires, firstly, defining outcomes in terms of sustainable economic, social and environmental benefits and determining the interventions necessary to optimize the intended outcomes; secondly, developing capacity of the entity including capability of its leadership and individuals; thirdly, managing risks and performance through robust internal control and strong public financial management; and lastly, implement good practices in transparency and reporting to ensure effective accountability. These preceding aspects of governance are critical in understanding why corporate governance is so important in the SOE sector. The World Bank (2014:16) outlines several positive outcomes of good corporate governance, namely:

- Better access to external finance by firms, which in turn can lead to larger investments, higher growth, and greater employment creation.
- Lower costs of capital and higher firm valuation, which make investments more attractive to investors and thus also lead to growth and more employment.
- Improved strategic decision making and operational performance, through better allocation of resources and more efficient management, which create wealth more generally.
- Reduced risk of corporate crises and scandals, a particularly important outcome given the potentially large economic and social costs of financial crises and
- Better relationships with stakeholders, which improve social and labour relationships, help address such issues as environmental protection, and can help further reduce poverty and inequality.

Furthermore, many, if not all, of the above benefits apply to SOEs, and while few empirical studies specifically analysed the direct impacts of corporate governance on SOE performance, anecdotal evidence shows that better governance benefits both individual companies and the economy as a whole (World Bank, 2014:16). These are:

- Improved operational performance of SOEs.

- Increased access to alternative sources of financing through domestic and international capital markets, while helping develop markets. As governments face continued budget constraints, better-governed SOEs are more easily able to raise financing for infrastructure and other critical services through the capital markets. In turn, SOE issuances can help develop capital markets.
- Financing for infrastructure development.
- Reduced fiscal burden of SOEs and increased net contribution to the budget through higher dividend payments. Improved governance also increases transparency of the contingent liabilities associated with SOEs, thereby reducing fiscal risk.
- Reduced corruption and improved transparency. Corruption remains a serious problem in SOEs and can influence the financial strength and valuations of the companies, negatively affect investor perceptions, lead to the misallocation of scarce government resources, and constrain overall economic and financial growth. Better-governed companies with integrity and accountability mechanisms are likely to be less corrupt and more transparent.

Good corporate governance ensures proper accountability and transparency in the conduct of a business or entity creating a business environment that is fair and transparent where companies can be held accountable for their actions (Zinkin, 2010; Youssef, n.d). In other words, a company that is well-governed is one that is accountable and transparent to its shareholders and other stakeholders.

4. The Role of State-Owned Enterprises

In most countries, including South Africa, SOEs in strategic sectors such as finance, infrastructure, manufacturing, energy and natural resources are increasingly viewed as tools for accelerated development and global expansion (World Bank, 2014). Additionally, SOEs are critical mechanisms to assist governments to achieve economic growth and service delivery, but also to reduce a country's tax burden (Fourie, 2014:30). Fourie (2014) argues that SOEs are vital for the growth of the economy and in the development of the country's strategic sectors such as energy, transport, telecommunications and manufacturing. According to the World Bank (2014),

SOEs continue to play an important economic role and are especially prominent in key sectors of the economy that provide critical services for businesses and consumers which contribute directly to economic growth and poverty reduction. Most of these SOEs are established by most countries to develop strategic industries in order to compete in an increasingly globalized economy becoming global players (World Bank, 2014).

In South Africa, the government mandate for SOEs, as articulated in the National Development Plan and other policy statements, is to provide infrastructure services and to help improve social and economic conditions (McGregor, 2014:6). As South Africa aspires to be a developmental state, SOEs are expected to assist the State in addressing issues of social and economic transformation and in bridging the gap between rich and poor; black and white; rural and urban and other divisions in our society (Presidential Review Committee (PRC), 2013:7). The PRC, however, argues that SOEs are not regarded as a panacea for solving all challenges of South Africa but are an added strategic and catalytic State instrument for transformation, growth, development, service delivery and employment creation. Therefore, they can play a significant role towards attainment of a developmental state. While SOEs have an indispensable role to play in service delivery and have crucial performance and transformation potential, they are nevertheless faced with significant weaknesses and threats that might become grave impediments to their optimum contribution (PRC, 2013:7).

5. Corporate Governance Challenges of SOEs in South Africa

Although SOEs play a crucial role in providing critical services for urban development, there is concern around the poor performance of some South Africa's SOEs (Wendy Ovens and Associates, 2013:9). The current state of SOEs in the country paints a bleak picture about the performance and future of these SOEs. Recently, the performance of and challenges associated with SOEs in South Africa has put these entities under severe pressure and public scrutiny. Chilenga (2016:40) states that SOEs tend to face lots of scrutiny and are pressured into providing better results mainly because of their level of strategic importance. According to Youssef (n.d), weak corporate governance may lead to waste, mismanagement, and corruption. Similarly, SOEs have also

become increasingly ineffective and inefficient in achieving their strategic and developmental mandates as a result of poor governance and mismanagement. This is because these SOEs are faced with challenges ranging from administrative, institutional, and technical to financial mismanagement.

Compared to private sector companies, SOEs face distinct governance challenges that directly affect their performance (World Bank, 2014). Most of these important SOEs in South Africa are characterised by poor leadership, politicised board appointments, maladministration, unformed regulatory systems, corruption, antagonism, animosity, impunity, weak financial reporting, chronic under-performance, debt burdens, insufficient performance monitoring and accountability systems. Some of these setbacks are associated with corporate governance failures including weak managerial accountability and lack of transparency, excessive politicisation (political interference) and unclear mandates and objectives (Links & Haimbodi, 2011; Corrigan, 2014; OECD, 2015b). All these challenges are a function of poor corporate governance of SOEs. Accordingly, SOEs no longer contribute strongly to development or perform their public service role effectively and efficiently thereby undermining government's intentions to achieve growth and development objectives.

Kane-Berman (2016) makes several observations with regard to financial problems in SOEs, firstly, SOEs are faced with three financial burdens of i) negative overall return on equity; ii) their losses are a risk to public finance and iii) SOEs with fragile balance sheets have difficulty raising the money to invest in the economic infrastructure the country needs. Compared with private companies competing in the sector, overall financial situation of the country's SOEs is worrying. Most SOEs are heavily indebted, less profitable and rely on government guarantees (Marrez, 2015). High indebtedness and low rates of return generate payment problems for SOEs. According to OECD (2015b), SOEs are characterised by chronic under-performance with poor returns on government investments and continuous reliance on government support, whether in the form of explicit government guarantees or subsidies which stood at R469.9 billion at the end of 2015/16. In some cases, it is not clear exactly what or whose mandate should or is being implemented in some SOEs (Kane-Berman, 2016). All these problems and challenges depict the volatile nature of the environment SOEs in South Africa finds themselves in.

6. State-Owned Enterprises in South Africa: Governance Oversight

SOEs are known by different names such as government business enterprises, government corporations, parastatals, public enterprises, state-owned companies (SOCs) among others. SOEs have different mandates in relation to some aspects of public service and/or social outcomes and their definition varies across countries with respect to institutions they consider 'SOEs' (PriceWaterhouseCoopers (PWC), 2015; Organisation for Economic Co-operation and Development (OECD), 2015a). SOEs (or public entities) are defined as independent bodies partially or wholly owned by government and perform specific functions and operate in accordance with a particular Act (Pillay, 2011; Wendy Ovens and Associates, 2013). In South Africa, Section 1 of the Public Finance Management Act (PFMA) (No.1 of 1999) introduces the term national government business enterprise which means an entity which, a) is a juristic person under the ownership control of the national executive; b) has been assigned financial and operational authority to carry on a business activity; c) as its principal business, provide goods or services in accordance with ordinary business principles; and d) is financed fully or substantially from sources other than, i) the National Revenue Fund, and ii) by way of tax, levy or other statutory money.

All national government business enterprises are by definition 'national public enterprises' as described and referred to in the PFMA (No. 1 of 1999), of which some are companies and some are not (PWC, 2012:3). On the other hand, Section 1 of the Companies Act (No. 71 of 2008) introduces the term 'state-owned company' which means an enterprise that is registered in terms of this Act as a company which either, a) is listed as a public entity in Schedule 2 or 3 of the PFMA (No. 1 of 1999), or b) is owned by a municipality, as contemplated in the Local Government: Municipal Systems Act (No. 32 of 2000), and is otherwise similar to an enterprise referred to in paragraph a). According to PWC (2012:4), SOCs fall within the ambit of the PFMA (No.1 of 1999) which means that they need to comply with additional provisions over and above of the Companies Act.

The Presidential Review Committee on SOEs established in 2010 reported that there were 715 such entities listed in the PFMA in the country

(Kane-Berman, 2016). The PFMA lists approximately 300 public organisations consisting of nine constitutional institutions, 21 major public entities, 153 national public entities, 26 national government business enterprises, 72 provincial public entities, and 18 provincial government business enterprises. Constitutional institutions are listed as Schedule 1 organisations, major public entities as Schedule 2 organisations, and the remainder as Schedule 3 organisations (Fourie, 2014). Some of the largest state entities in South Africa include among others; Eskom, Central Energy Fund, Transnet, South African Airways (SAA), South African Post Office (SAPO), Passenger Rail Agency of South Africa (Prasa), South African National Roads Agency (Sanral), Trans-Caledon Tunnel Authority, Denel, Telkom, SABC, Industrial Development Corporation (IDC), Airports Company of South Africa (ACSA) and Alexkor (Kane-Berman, 2016). Some of these entities are listed as one of the 21 'major public entities' in the PFMA. Respective government departments, either jointly or individually as shareholder representative on behalf of government, are entrusted with the oversight responsibility of SOEs, provide strategic direction, align their priorities to national growth, create efficient, competitive and responsive economic infrastructure network and ensure that SOEs are implementing their mandates and are delivering the intended outputs (McGregor, 2014).

According to McGregor (2014), the Department of Public Enterprises (DPE) is the largest department responsible for Energy and Mining, Manufacturing and Transport, together with the specific functional departments, while other departments such as Communications, Defence, the Trade and Industry, and Agriculture, Forestry and Fisheries are responsible for other specific SOEs. As its primary mandate, the DPE provides oversight and strategic direction for the SOEs (DPE, n.d.). As shareholder representative, the departments have responsibility for providing strategic direction, the alignment of priorities to national growth and creating an efficient, competitive and responsive economic infrastructure network. Part of their role is to ensure that SOEs are implementing their mandates and are delivering the intended outputs. This involves the analysis of the operations and performance, improving the delivery and maintenance of infrastructure, achieving policy and regulatory clarity, improving operational efficiencies and providing operational indicators of each of the required outputs. (McGregor, 2014:6; DPE, n.d.).

This clearly shows that the management of SOEs is currently dispersed across different shareholder departments on behalf of government. Some SOEs are managed by line ministries or entities in central government and some are managed by local government which have the ownership rights (Marrez, 2015). Each ministry has a shareholder department overseeing the SOEs under its responsibility. The Board of Directors of SOEs is the governing body of the SOE with absolute responsibility for the performance of the SOE and is fully accountable for the performance of the SOE (National Treasury, n.d.). According to Marrez (2015:6), such a governance structure is not an ideal setup for avoiding political interference in the day-to-day management of the companies, or guaranteeing a separation between the authorities' ownership and policy-making functions. Adherence to sound corporate governance principles is therefore utmost significant to ensure that SOEs perform the role they were created for.

7. Conclusion and Recommendations

Governance, in particular of SOEs, is central to comprehending how well a country is performing, as it is one of the indicators used in sovereign rating of a State. Governance is the way in which organisations are directed and controlled. It focuses on performance and conformance, and is different from management. This applies to corporations in the realm of corporate governance, and to governments in the realm of public sector governance. However, the performance of many SOEs in South Africa remains in distress as a result of poor corporate governance. Good corporate governance systems ensure that the business environment is fair and transparent, that company directors are held accountable for their actions, and that all business contracts made by the company can be enforced. Similarly, company committed to good corporate governance has strong board practices and commitment, effective internal controls, transparent disclosure, and well-defined shareholder rights. Therefore, the critical role of SOEs in the economy and in advancing the agenda of a developmental state is pivotal to exploring and understanding the need for transformation in the SOE sector's corporate governance challenges. Accordingly, addressing corporate governance challenges can contribute to improved performance of SOEs as part of a comprehensive and contextually relevant approach that also includes policy reforms, restructuring, external incentives, such as increased competition, and more

private sector participation, as well as fiscal discipline. The complex nature of the SOE environment required a review of the legislative environment in order to clarify their mandates and funding issues.

References

- Armstrong, P., Segal, N. & Davis, B. 2005. Corporate governance, South Africa: a pioneer in Africa. *Global Best Practice, Report No. 1*. South African Institute of International Affairs.
- Chilenga, A. 2016. *State Owned Enterprises: A Policy Analysis of South African Airways*. Unpublished Masters thesis. Durban: University of KwaZulu-Natal.
- Corrigan, T. 2014. Corporate Governance in Africa's State-owned Enterprises: Perspectives on an Evolving System. *SAIIA Policy Briefing 102*. South African Institute of International Affairs.
- Edoun. 2015. The Impact of Governance on State Owned Enterprises (SOEs) in Africa. *Mediterranean Journal of Social Sciences*, 6(1):352-358.
- Fourie, D. 2014. The role of Public Sector Enterprises in the South African Economy. *African Journal of Public Affairs*, 7(1):30-40.
- Institute of Directors in Southern Africa. 2009. *King code of governance for South Africa*. IDSA.
- International Federation of Accountants. 2013. *Draft International Framework: Good Governance in the Public Sector*. IFAC and CIPFA.
- International Federation of Accountants and Chartered Institute of Public Finance and Accountancy. 2014. *International Framework: Good Governance in the Public Sector*. IFAC and CIPFA.
- Kane-Berman, J. 2016. Privatisation or bust. @*Liberty*, 4(27):1-33.
- Kanyane, M. & Sausi, K. 2015. Reviewing state-owned entities' governance landscape in South Africa. *African Journal of Business Ethics*, 9(1):28-41.
- Links, F. & Haimbodi, M. 2011. Governance challenges in the SOE sector. Anti-Corruption Research Programme, Paper 7. Institute for Public Policy Research.
- Marrez, H. 2015. The role of state-owned enterprises in Romania. *ECFIN Country Focus*, 12(1):1-8.
- McGregor, L. 2014. *Improving Corporate Governance of South African State Owned Companies (SOCs): A Think Piece for Hans Siedel Foundation*. .
- Moyo, N.J. 2010. *South African principles of corporate governance: legal and regulatory restraints on powers and remuneration of executive directors*. Masters Dissertation, College of Law, University of South Africa.
- Nevondwe, L., Odeku, K.O. & Raligilia, K. 2015. Ethics in the State-Owned Companies in the Public Sector: A Thin Line between Corporate Governance and Ethical Leadership. *Mediterranean Journal of Social Sciences*, 5(15):661-668.
- Organisation for Economic Co-operation and Development. 2015. Corporate governance: State-owned enterprise reform. South Africa Policy Brief, OECD Publishing.
- Organisation for Economic Co-operation and Development. 2015. *Guidelines on Corporate Governance of State Owned Enterprises: 2015 Edition*. OECD Publishing.
- Pillay, U. 2011. Rethinking the role of state-owned enterprises. *HSRC Review*, 9(3):16-17.
- Presidential Review Committee. 2013. PRC report on state-owned enterprises, Volume 2. Pretoria: Government Printers.
- PriceWaterhouseCoopers. 2012. State-owned companies: The new Companies Act, PFMA and King III in perspective. Steering Point No: 4. PWC.
- PriceWaterhouseCoopers. 2015. State-owned enterprises: Catalysts for public value creation? Public Sector Research Centre.
- Republic of South Africa. 1996. *The Constitution of the Republic of South Africa of 1996*. Pretoria: Government Printer.
- Republic of South Africa. 1999. *Public Finance Management Act No.1 of 1999*. Pretoria: Government Printer.
- Republic of South Africa. 2003. *Local Government: Municipal Finance Management Act No.56 of 2003*. Pretoria: Government Printer.
- Republic of South Africa. 2008. *Companies Act No.71 of 2008*. Pretoria: Government Printer.
- Wendy Ovens and Associates. 2013. *The Role and Significance of State Owned Enterprises, Public Entities and other Public Bodies in the Promotion of Urban Growth and Development in South Africa*.
- White, G., Heymans, C., Favis, M. & Hargovan, J. 2000. *Development co-operation report: democracy and good governance*. Report on Democracy and Good Governance for the Swiss Development Cooperation (SDC). SDC.
- World Bank. 2014. *Corporate governance of state-owned enterprises: a toolkit*. Washington DC: World Bank.
- Youssef, M.T. Corporate Governance: An overview – around the globe. Egyptian Institute of Directors.
- Zinkin, J. 2010. *Challenges in implementing corporate governance: Whose business is it anyway?* Singapore: John Wiley and Sons (Asia) Pte. Ltd.

Public Sector Employee Perceptions of Risks and Rewards in Terms of Entrepreneurial Orientation

I Malatjie

National School of Government, South Africa

Abstract: The paper aims to examine the influence of dimensions of EO on the performance of public sector organisations. A survey method was used to collect data from 231 managers in selected public sector organisations. Results indicate a positive and significant relationship between variables. The outcomes of the study point out that the findings might have important practical implications that can assist public sector organisations in becoming more entrepreneurially orientated, and can thus lead to higher performance. The findings of this study can therefore be used to develop policies and strategies that can be used within the public sector as a whole to improve performance.

Keywords: Entrepreneurial Orientation, Innovativeness, Performance, Rewards, Risk

1. Introduction

Entrepreneurial orientation (EO) is receiving increased empirical attention among entrepreneurship scholars, it is seen as an effective strategic process in pursuing market opportunities and enhancing organisational performance. However, most research to date has focused on defining and refining the construct. (Lumpkin & Dess, 1996; Brown, Davidson & Wiklund, 2001; Tang, Tang, Marino, Zhang & Li, 2008; Saeed, Yousafzai & Engelen, 2014). A large stream of research has examined EO theoretically and empirically. Considerable effort was invested to comprehend the area of EO for the past 30 years since it has critical importance to many organisations which aspires to grow continuously (Baskaran, Mahadi, Rasid & Zamil, 2018). Most of the research on the link between EO and organisational performance focus on the mature market economy and the nature of this relationship in the context of a transitional economy is still relatively under researched (Bruton, Ahlstrom, 2003; Chow, 2006). Therefore, in-depth investigation in this area is needed to fill in the research gap in a more comprehensive understanding of the relationship between EO and organisational performance.

Schindehutte, Morris and Kuratko (2000) as indicated by Nikolov and Urban (2013) noted that a spirit of entrepreneurship needs to permeate organisations. It is essential to ensure continuous flow of innovation and entrepreneurship becomes a specialised function in organisations. Entrepreneurship has been characterised by a number of researchers

as a combination of innovativeness, risk taking ability and pro-activeness (Sharma & Dave, 2011). In today's economic environment, achieving heightened performance and efficiency is more important than ever to improve competitiveness, deliver better service and reduce costs (Sanderson, Harshak & Blain, 2010). Appointing people or teams that drive and stimulate entrepreneurial activities, like creating new ventures, culminate in active change where organisational support and self-efficacy play crucial roles for employees who are willing to take charge in organisations (Onyishi & Ogbode, 2012).

Leaders in the public sector look to inject entrepreneurial spirit and innovation into the traditional structures and processes of government. This means that public servants will need to think and act like entrepreneurs – building new relationships, leveraging resources and working across sector lines. Therefore within organisations this means stimulating innovation through a problem solving spirit and a natural bent for working more closely with citizens. Across systems, it means building coalitions and cross-sector collaborations that can improve outcomes control cost and sustain access in ways that span the traditional silos of government (Centre for Public Impact, 2016). Many previous studies have supported the relationship between EO and firm performance. The studies further indicate that EO is a combination of risk taking, pro-activeness and innovativeness and that it is positively related to performance (Wiklund, 1999; Lee & Peterson, 2000; Kroeger, 2007). The influence of EO on performance of firms in the private sector has been extensively

researched. However, the effort to extend this EO-performance relationship to the public sector is still low (Koe, 2013:25).

In general the public sector is perceived as bureaucratic, conservative, monopolist, politically influenced, non-performing, non-entrepreneurial and very lacking in innovation (Zampetakis & Moustakis, 2007; Mabala, 2012; Koe, 2013). Therefore this study seeks to dispel this myth and to prove that public sector organisations can be as entrepreneurial as their private sector counterparts. The present study makes the following contributions; first, the study extends knowledge of EO in general and risk taking in particular with regard to its applicability in one distinct organisational context, which is the public sector. Second, the study sheds light on the influence that risk, rewards have on entrepreneurial orientation and the performance of an organisation, thereby advancing knowledge of EO in the public sector.

2. Literature Review

2.1 Entrepreneurial Orientation (EO)

De Jong, Parker, Wennekers and Wu (2011) recognised that entrepreneurial behaviour by employees within organisations matters for economic progress. Recent findings based on survey data from Global Entrepreneurship Monitor suggest that inter-company entrepreneurship is even more important than previously thought. They also recognised that entrepreneurial activities in organisations are barely studied and that more research is needed to understand the conditions that foster such activities.

The relationship between EO and firm performance is well established in both conceptual and empirical literature on EO. Since in the 1980's scholars argue for a positive and significant relationship between EO and firm performance. Majority of the empirical studies in this area have validated this relationship (Covin, Green & Slevin, 2006; Wales *et al.*, 2013a). EO is an independence of an action which paves way towards new ideas exploration while constantly pursuing new markets to attain market leadership status while portraying to commit itself into entrepreneurial behaviour. Literature considers the concept of EO as the perspective of policy development in order to improve efficiency. This concept refers to three dimensions that can be used to study, analyse and test performance of organisations. These dimensions

are innovativeness, risk taking and pro-activeness (Belgacem, 2015; Janney & Dess, 2006).

EO reflects the organisational processes, methods and styles that firms use to act entrepreneurially. Various researchers have found positive associations among risk taking and other aspects of entrepreneurial behaviour. For instance, in organisations that are characterised by innovation and pro-activeness, risk taking appears to be substantial (Lumpkin & Dess, 1996; Rauch, Wiklund, Freese & Lumpkin, 2004). Different studies have suggested that the dimensions of EO should be viewed as separate but related constructs, rather than as one unifying characteristic. That is, organisations can vary in degree of innovativeness, pro-activeness and risk taking so that they are not equally entrepreneurial across all dimensions (Lumpkin & Dess, 1996; Lyon, Lumpkin & Dess, 2000; Naldi, Nordqvist, Sjoberg & Wiklund, 2007). EO is regarded as inevitable for firms that want to prosper in competitive business environments. Therefore the positive impact of EO on firm performance and growth has been supported by several studies (Lumpkin & Dess, 1996; Wiklund, 1998; Zahra, Jennings & Kuratko, 1999). Various scholars have considered EO as a major contributor to firm's performance and have found that dimensions of EO, which is innovativeness, pro-activeness and risk taking have significant influence on performance of firms (Wiklund & Shepherd, 2005; Madsen, 2007; Soyninen, Puumalainen, Sjogren & Syrja, 2012). However, there is a limited study on the influence of EO towards the performance of public sector organisations.

2.2 Participation in Entrepreneurial Orientation Initiatives: Risk and Rewards

Risk taking is the degree of risky behaviour in the strategic entrepreneurial process and is considered a fundamental element of entrepreneurship (Cai, Liu, Deng & Cao, 2014). In the study by Chiva and Alegre (2009), risk taking is characterised as the level of tolerating with uncertainty, ambiguity and errors. Naldi *et al.* (2007:34) argue that the relationship between risk taking and performance is better understood by taking into account the organisational context and especially the relationship between and the nature of ownership, governance and management.

In the study by Sharma and Dave (2011:43), risk taking ability is found to play the most important part

in the performance of an organization. Fostering EO demands a more enlightened approach to management including decentralisation of authority, participation in decision making, cooperation, avoidance of bureaucracy and encouragement of risk taking and creativity (Antoncic & Hisrich, 2001; Loof & Heshmati, 2002; Hayton, 2005). In the study by Rauch, Wiklund, Freese and Lumpkin (2004) as quoted by Naldi *et al.* (2007), it was found that the risk taking dimension is positively related to performance, even if significantly smaller than other aspects of EO and that risk taking is not an isolated phenomenon. Processes and practices related to risk taking are correlated with innovative and proactive behaviours.

Risk taking may be higher in some type of firms than in others, supporting the argument that organisational and governance contexts need to be taken into account in order to gain a deeper understanding of the relationship between risk taking and entrepreneurship in established firms. The relationship between risk taking, entrepreneurship and performance may depend on organisational context (Naldi *et al.*, 2007). Buurman, Delfgaauw, Dur and Van den Bosch (2012) indicate that public sector employees are more risk averse than employees in the private sector. Preferences and work motivations of public sector employees differ from those of private sector employees. Some of these differences stem from sector differences in the nature of the job. In the public sector many jobs involve service delivery, helping people in need or contributing to society at large. To achieve an entrepreneurial climate, it is important for organisations to continuously self-renew, hence focus on capturing opportunities and be innovative. Creation of Strategic entrepreneurial vision requires that the department develops norms and behaviours that foster entrepreneurial processes in the organisation (Ireland *et al.*, 2009). Therefore, an organisation is required to inculcate an organisational culture driven by EO which enables continual survival (Baskaran *et al.*, 2018).

Hornsby, Kuratko & Morgan (1999); Hayton, (2005) indicated that HR practices are important in fostering EO in an organisation. There are five success factors that linking HR practices to EO. These include the appropriate use of rewards, the provision of management support for innovation, the availability of resources for innovation, an organisational structure conducive to learning and cooperation and individual risk taking. Top level managers are

responsible for establishing pro-entrepreneurship organisational architectures where the workplace exhibits structural, cultural, resource and system attributes that encourage entrepreneurial behaviour, both individually and collectively. (Martins & Martins, 2002; Morris, Kuratko & Covin 2008).

One of the major requirements for developing EO is through the appropriate use of rewards. Researchers regard individual performance assessment and compensation as critical for entrepreneurial participation. Encouraging risk-taking and innovative behaviours must be consistent with individualised performance assessment and compensation. If employees cannot see a clear link between performance and reward, they may remain unwilling to participate in entrepreneurial initiatives (Kuratko, Morris & Covin, 2011; Grandori *et al.*, 2011).

A number of studies have indicated the need for a proper reward system in order to encourage risk taking and promote EO amongst individuals. It appears that some form of reward must be offered to encourage acceptance of greater than normal risk by employees. These studies point out that EO can be influenced by perceived management support; availability of resources and the presence of appropriate reward systems (Chandler, Keller & Lyon, 2000; Hayton, 2005; Grandori *et al.*, 2011). Rewards and reinforcement develop the motivation of individuals to engage in innovative, proactive and moderate risk taking behaviour. Scholars stress that an effective reward system that spurs entrepreneurial activity must consider goals, feedback, emphasis on individual responsibility and performance based incentives. The use of appropriate rewards can also enhance employee's willingness to assume the risk associated with entrepreneurial activity (Goosen, 2002; Hough & Scheepers, 2008).

Bhardwaj, Sushil, & Mumaya (2011) highlighted that a reward system in the organisation influences the behaviour of employees to assume specific roles and responsibilities that encourages entrepreneurial intentions. Generally, creation of entrepreneurial behaviour among employees will not materialise unless the employees perceive that they will be rewarded accordingly. Recognition for their significant contribution or exceptional entrepreneurial performance is what an employee expects in pursuit of entrepreneurial activation. However, Moggadham (2017) claims that rewards may not necessarily influence a decision-making process to attempt new endeavours.

2.3 Participation in Entrepreneurial Orientation Initiatives: Innovativeness

Innovation is defined as the production, adoption and implementation of novel use and useful ideas; including products or processes from outside an organisation. Innovative work behaviour is then seen as an individual's behaviour aiming to achieve the initiation and intentional introduction of new and useful ideas, products, processes or procedures (de Jong, Parker, Wennekers & Wu, 2011). Entrepreneurship and innovation have become imperative for the sustained growth and development of organizations across industries and political geographies. Therefore innovation is one of the most important factors that enable an organisation to stay competitive (Bueno & Ordonez, 2004; Valliere & Peterson, 2009). Baregheh, Rowley and Sambrook, (2009) indicate that as marketplaces become more dynamic, interest in innovation, its processes and management has escalated. Organizations need to innovate in response to changing customer demands and lifestyles and in order to capitalise on opportunities offered by technology and changing marketplaces, structures and dynamics. Organizational innovation can be performed in relation to products, services, operations, processes, and people. Entrepreneurship literature provides adequate evidence that innovation is the widely examined dimension of EO (Baskaran *et al.*, 2018).

In the works of Kuratko and Hodgets, 2004 as quoted by Hough and Scheepers, (2008) innovative organisations are characterised by providing rewards based on performance, offering challenges, increasing responsibilities and promoting the ideas of innovative people throughout the organisation. Studies conducted by Hayton (2005) and Grandori *et al.* (2011) offer evidence for the need to reinforce risk taking and innovative contributions with extrinsic rewards, therefore the outcome indicated that compensation is the most important aspect of innovation.

Kearney and Meynhardt (2016) have indicated that opportunities for innovation in the public sector arise from conditions specific to the public sector, and innovation is much less focused on commercial considerations than in the private sector. Therefore it is important to recognise these differences to develop entrepreneurship within the public sector and obtain the benefits that are generated by an

effective entrepreneurial culture. In order to engender entrepreneurship in the public sector, there is a need to create an environment conducive to exploration, generating trust and motivating staff to be entrepreneurial and innovative (Kearney, Hisrich & Roche, 2007).

In order for public sector organisations to survive and prosper in the rapidly changing environment, greater innovation and creativity is required from managers and employees alike. EO is gaining momentum in the public sector. It is a strategic approach to the management of public resources and involves a quest for efficiency and effectiveness in public service delivery. Therefore, it is imperative to activate EO among employees, which also creates entrepreneurial competencies (Turner & Pennington, 2015).

3. Research Objectives

Research in the international business area has shown that various factors are important in understanding the EO-performance relationship fully. Therefore, a deeper examination of the factors that may drive the EO-performance relationship in the public sector is necessary. By combining insights from literature on EO in the public sector and performance the purpose of this article is two-fold. The first is the perception of managers and employees about reward and risk attributes that encourage EO behaviour. The second is to examine the relationship between risk taking and performance in the public sector. The study makes two important contributions. First the study extends knowledge of EO in general and risk taking in particular with its applicability in the public sector. Secondly, more light is shed on the influence that risk taking and rewards dimension have on EO and performance in the public sector.

4. Research Methods

4.1 Population

No sampling was done as the population was a reasonable number (231) of all employees between level 9 (junior/supervisory) and level 16 (executive management). The target population was all the managers in selected public organisations under the leadership of the Minister of Public Service and Administration (MPSA). The selected organisations were the Centre for Public Service Innovation (CPSI),

Department of Public Service and Administration (DPSA) and the National School of Government (NSG).

4.2 Research Instrument and Data Collection

As this study was quantitative in nature, questionnaire survey was regarded as appropriate. The instrument used in this study was a self-administered questionnaire known as the Corporate Entrepreneurship Assessment Instrument (CEAI). This instrument had been used in several researches before and it was adapted for this study to ensure content validity. As the instrument was mainly used in the private sector, a few items had to be adjusted, or taken out, to ensure that it fits the public sector environment. Data were collected using a questionnaire drawn from the CEAI and measured EO in five dimensions namely: management support, autonomy/work discretion, rewards/reinforcement, time availability and organisational boundaries. It comprised three parts addressing each of the set objectives while the first part of the questionnaire focused on demography and experience. In order to increase the response, rate the questionnaire was first emailed to all respondents which held valid email addresses. Then a first reminder was sent to the respondents after one month and a second reminder was sent to respondents 3 weeks after the first reminder.

4.3 Variables Measurements

All items for EO were adapted from existing literature and they covered five dimensions namely: management support, autonomy/work discretion, rewards/reinforcement, time availability and organisational boundaries. Four more dimensions were added to the questionnaire to measure performance namely: innovation, EO, risk and perceived organisational performance and measured on a four point Likert scale (1= strongly disagree to 4=strongly agree). A total of 75 items were developed and after pre-testing and consultation the questionnaire was refined and ended with 50 closed ended questions.

4.4 Reliability and Validity

Sekerak and Bougie (2009) indicated that the stability of items measuring the variables, also known as reliability can be determined through internal consistency. Cronbach Alpha is considered to be the most popular indicator of internal consistency.

For the purpose of this study, Cronbach's alpha coefficient was used as a reliability coefficient to estimate the internal consistency of the indicators. According to Bryman and Bell (2007), Cronbach Alpha calculated the average of all split-half reliability coefficients. A computed alpha coefficient varied between 1 (denoting perfect internal reliability) and 0 (denoting no internal reliability).

The validity of this study was examined from a number of different perspectives, including face, content, criterion-related and construct. Validity refers to the ability of the measuring instrument to measure the right elements that need to be measured (Zikmund, 2009). The Corporate Entrepreneurship Assessment Instrument (CEAI) has been used in various research studies, and was found to be valid. Various South African researchers, such as Chaka (2006), Gantsho (2006), Kriel (2010), Groenewald (2010) and Mabala (2012) have used the instrument and found it to be valid. To further validate the questionnaire factor analysis was conducted.

5. Findings and Discussion

From the statistical analyses performed, the results indicate that there is a significant relationship between EO and performance. While each dimension of EO was studied separately, the significance of risk taking was found to be the highest for better performance. The finding seemed to support Fairuz, Hirobumi and Tanaka (2010), Hameed and Ali (2011) and Koe (2013), in which it was indicated that assuming risk is related to firm's performance. The findings of the study indicate that risk taking has a higher impact on performance as compared to other dimensions of EO. Therefore, employees should be risk takers in order to promote EO that will ultimately lead to improved performance. Public sector organisations need to cultivate a culture of entrepreneurship in order to improve performance and service delivery. The entrepreneurship literature has discovered that in order for an organisation to spur entrepreneurial mind-set amongst employees, it should have in place an effective reward system which must consider individual responsibility, their goals and resulting feedback driven by results based incentives (Baskaran *et al.*, 2018). Platin and Ergun (2017) indicates that an existence of appropriate reward system encourages a risk-taking behaviour which in turn creates a tendency to behave more entrepreneurially. In previous research undertaken

by various scholars it was indicated that adoption of appropriate reward system is expected to motivate middle managers and create a desire for them to be innovative and pro-active while assuming required level of risks associated with entrepreneurial activity. In other words, there is positive association between reward system and employee EO when compensation systems are in place to contributing employees on the basis of value added to the organisation (Salvato, 2002; Bhardwarj, Sushil & Momaya, 2007). This theory was not supported by the findings of this study which indicated that there is no statistical significance between rewards and EO.

Rewards and performance management in the public sector is relatively more complicated due to the absence of the single overriding goal which ultimately dominates private sector companies. That is the motivation to make profits and provide satisfactory returns to shareholder interests (Boland & Fowler, 2000:440). One would normally expect that the prospect of higher financial gain would be a prime motivator for participation in entrepreneurial activities; however, in this study rewards did not have a strong correlation with EO. Therefore, it was concluded that employees in the public sector are not motivated by rewards.

A number of studies have indicated that entrepreneurship would not exist without innovation. In line with this claim, literature provides adequate evidence that innovation is the widely examined dimension of EO. Therefore, there is an intertwined connection and relationship between EO, innovation and performance (Zahra, Jennings & Kuratko, 1999; Covin & Miles, 1999; Bueno & Ordonez, 2004; Edison, Nauman & Torkar, 2013). The results of this study indicate that innovativeness did not have statistical significant relationship with EO, this could be due to the fact that the public sector is different from the private sector in that the environment is very bureaucratic, full of red tape, very rigid, governed by strict rules, policies and legislation, and as a result being innovative might not be possible.

The findings of the study indicate that public sector organisations can influence EO through the creation of an entrepreneurial culture – this can be done by an organisation that promotes entrepreneurship with support from management, encouraging risk taking and innovation, delegating of responsibility and avoiding overly rigid controls. This finding is supported by Hayton (2005) and Grandori *et al.*

(2011) who indicated that perceived management support and organisational reward systems promote innovation and support an entrepreneurial culture.

Organisations are required to pursue those dimensions that are deemed appropriate to improve their performance. As previously identified in the literature review, EO and organisational performance linkage tends to be inclusive due to the fact that this relationship is context specific. Therefore, a conclusion is drawn from this study that EO has a relationship with organisational performance and that this is not only in the private sector but also in the public sector.

6. Conclusion and Recommendations

This study was performed with the aim of examining the influence of dimensions of EO on the performance of public sector organisations. Statistical tests revealed that dimensions of EO significantly and positively influenced the performance of organisations in the public sector. Risk taking was identified as the most important factor influencing perceived organisational performance and innovation was the only one that did not have a positive relationship with performance in this regard. Thus hypotheses 1 and 2 of this study were supported. This study provided several significant implications which contributed towards theory and also practice. The outcomes of the study point out that the findings might have important practical implications that can assist public sector organisations in becoming more entrepreneurially orientated, and can thus lead to higher performance. The findings of this study can therefore be used to develop policies and strategies that can be used within the public sector as a whole to improve performance. EO can be developed through training; employees should be trained on EO and on the benefits thereof. Management must promote new ideas, use the latest technology and collaborate with universities to improve EO in the public sector. In order to achieve sustainability management must have clear vision for the organisation, plan and develop appropriate strategies.

This study has numerous limitations. First the study was carried out only in departments and organisations that are under the MPSA, therefore the results cannot be generalised to other departments. Furthermore, although the study findings

may provide guidance to other organisations in the public sector, the specific MPSA environment may limit the study's generalisation. Future study must work on these limitations and take into account some other factors like culture of the organisation.

References

- Baregheh, A., Rowley, J. & Sambrook, S. 2009. Towards A Multidisciplinary Definition of Innovation. *Management Decision*, 47(8):1323-1339.
- Baskaran, S., Mahadi, N., Rasid, S.Z.A. & Zamil, N.A.M. 2018. Continuous Creation of Entrepreneurial Orientation: A Reward and Reinforcement Perspective. *Journal of Technology Management and Business*, 5(2):29-42.
- Belgacem, B. 2015. Entrepreneurial Orientation and Firms' Performance: The Case of Tunisian Companies. *International Journal of Economics, Commerce and Management*, 3(3):1-15.
- Bhardwaj, B., Sushil, S. & Mumaya, K. 2011. Corporate Entrepreneurship Model: A Source of Competitiveness. *IIMB Management Review*, 19(2):131-145.
- Boland, T. & Fowler, A. 2000. A Systems Perspective of Performance Management in Public Sector Organisations. *The International Journal of Public Sector Management*, 13(5):417-446.
- Buurman, M., Delfgaauw, J., Dur, R. & Van Den Bosche, S. 2012. Public Sector Employees: Risk Averse and Altruistic? Cesifo Working Paper No. 3851.
- De Jong, J.P.J., Parker, S.K., Wennekers, S. & Wu, C. 2011. Corporate Entrepreneurship at The Individual Level: Measurement and Determinants. Available at: www.Entrepreneurship-Sme.Eu.
- Hayton, J.C. 2005. Promoting Corporate Entrepreneurship Through Human Resource Management Practices: A Review of Empirical Research. *Human Resource Management Review*, (15):21-41.
- Hough, J. & Scheepers, R. 2008. Creating Corporate Entrepreneurship Through Strategic Leadership. *Journal of Global Strategic Management*, (3):17-25.
- Ireland, R.D., Covin, J.G. & Kuratko, D.F. 2009. Conceptualising Corporate Entrepreneurship Strategy. *Entrepreneurship and Practice*, 33(1):19-46.
- Kearney, C., Hisrich, R. & Roche, F. 2007. Facilitating Public Sector Corporate Entrepreneurship Process: A Conceptual Model. *Journal of Enterprising Culture*, (4):295-313.
- Kearney, C. & Meynhardt, T. 2016. Directing Corporate Entrepreneurship Strategy in The Public Sector to Public Value: Antecedents, Components And Outcomes. *International Public Management Journal*, 19(4):543-572.
- Koe, W.L. 2013. Entrepreneurial Orientation and Performance of Government-Linked Companies. *Journal of Entrepreneurship, Management and Innovation*, 9(3):21-41.
- Moghaddam, J.M. 2017. Motives/Reasons for Taking Business Internships and Students' Personality Traits. *The International of Organisational Innovation*, 9(3):93-105.
- Naldi, L., Nordqvist, M., Sjoberg, K. & Wiklund, J. 2007. Entrepreneurial Orientation, Risk Taking and Performance in Family Firms. *Family Business Review*, 1:33-47.
- Platin, N. & Ergun, H.S. 2017. The Relationship Between Entrepreneurial Orientation and Performance; Evidence From Turkish SMEs. *Business and Management Studies*, 3(2):78-79.
- Sanderson, M., Harshak, A. & Blain, L. 2010. Elevating Employee Performance in The Public Sector: How To Get The Best From Your People. Available at: http://www.Booz.Com/Media/Uploads/Elevating_Employee_Performance.Pdf. [179] Oecd. Accessed on 10 March 2018.
- Sharma, A. & Dave, S. 2011. Entrepreneurial Orientation: Performance Level. *SCMS Journal of Indian Management*, 43-52.
- South Africa. Centre for Public Impact. 2016. Briefing Bulletin. Available at: <https://www.Centreforpublicimpact.Org/Public-Entrepreneurship-Briefing-Bulletin/>. Accessed on 5 March 2018.
- Turner, T. & Pennington, W.W. 2015. Organisational Networks and the Process of Corporate Entrepreneurship: How the Innovation, Opportunity and Ability to Act Affect Firm Knowledge, Learning and Innovation. *Small Business Economics*, 45(2):447-483.
- Valliere, D. & Peterson, R. 2009. Entrepreneurship and Economic Growth: Evidence from Emerging and Developed Countries, *Entrepreneurship & Regional Development*, 21(5-6):459-480.
- Zikmund, W.G. 2009. Business Research Methods. 8th Ed., Mason, Ohio: Thompson.

Risk Management: Can it be a Panacea for State-Owned Enterprises Ills?

KR Chauke and MP Sebola
University of Limpopo, South Africa

Abstract: There is a requirement in terms of King IV code of good practice that the directors should disclose their role on the risk oversight function of an entity, this disclosure should be covered in the annual financial statements. The board's oversight role on risk functions includes amongst others, how the risk function is administered as well as the impact that such oversight role has on the entity's processes. What could be the impact of failure in the oversight role and what are the contributors of such failure in the performance of such oversight role. The failure of boards and individual directors that is experienced in the state-owned enterprises, what could be the contributing factor or factors to such failures, can it be attributed to their laxity in the implementation of risk management programs or is there any other cause? The paper will review the background on risk management function and its attendant programs. Also, the wider duties of directors of state owned enterprises and their duties will be briefly analysed before a coming to any conclusion that can be made that could enable and capacitate directors in the implementation of risk management programs. The relationship will be drawn between the successes and failures in the implementation of risk management programs and the failure of boards in the state-owned enterprises. The article will show that risk management programs can play an important role in performance of fiduciary duty of directors in the state-owned enterprises as is the case in the private sector. It will further indicate the consequences on the director who fails in carrying out this fiduciary duty of proper performance of the oversight role on risk management.

Keywords: Directors, Disclosure, Entity, Risk, State owned enterprise

1. Introduction

The establishment of every organisation is premised on a mission that it should accomplish which is based on the goals that they set for themselves (Braig, Gebre & Sellgery, 2011:1-2). As a result of the envisaged mission that needs to be accomplished, it can therefore be inferred in absolute general terms that such organisation has the responsibility to protect itself against any event that have the possibility of placing the pursuit of such mission in jeopardy or at risk (Venturini & Verbano, 2013:187; Kaplan & Mikes, 2016:2; Braig, Gebre & Sellgery, 2011:1-2). The concept of risk can be understood as the possible damage that is connecting to the situations of uncertainty, which could culminate in the negative outcome (Venturini & Verbano, 2013:187; Eloini, Dulmin & Mininno, 2007:548). According to King IV code of good practice, risk consists of three parts which are; uncertain events happening, the likelihood of the event occurring and its effect then the resultant outcome which could either be positive or negative (King IV:30). King IV outlines that the understanding of risk as having to make a balance between the negative embedded in a risk and the opportunities that are inherent in a risk. In terms of

principle 11 of King IV code of good practice, it deals with the governing of risk in the organisation with the aim of setting and achieving strategic objectives of an organisation.

According to the report by PriceWaterhouseCoopers (2015:8, 2012:3), State Owned Enterprises ('SOE') are branded by different names which include, Government Corporation, government linked companies, parastatals, public enterprises, government business enterprise, public sector enterprise or units etc. SOE's possess influence and they are growing force that is used most frequently by governments to better their global economic positions (Vergotine & Thomas, 2016:675; PWC, 2015:6, 2012:3; Hood & Rothstein, 2000:1-2).

2. Risk Management Principles

Risk management addresses all kinds of substantial and material risks that can have an impact to the objectives of the institution (Venturini & Verbano, 2013:187; Kirkpatrick, 2009:6-7). Board of companies must be clear when it comes to strategy and risk appetite (Kirkpatrick, 2009:5). Such risks do not have to be bias toward any risk control function as such

(Reid & Rietchie, 2011:330). Risk management must address all fragments of the institution and no part of the institution can absolve itself from participating in the processes (Chornous & Ursulenko, 2013:122; Acharyya, 2013:4). It is expected of the risk management ultimately work its way through the entire organisation in order to ensure that all levels of management participate in such processes (Naude & Chiweshe, 2017:3; Eloini *et al.*, 2007:548). Prevailing risks and associated functions such as security risk management, insurance, health and safety risk management, etc. must also align their activities with the organisation's risk management plan being pursued in the organisation (Venturini & Verbano, 2013:187; Acharyya, 2013:6). It can therefore be inferred that this configuration of activities will then allow for risk management to reconfigure as Enterprise Risk Management. In the public-sector environment, risk management is recognised as an appropriate technique to deal with the prevailing organisational risks (Hood & Rothstein, 2000:1-3; Kirkpatrick, 2009:6-7).

The concept of risk management is not new in organisations; nevertheless, what is new and recent is the need for organisations to assess and plan how to integrate and deal with the identified risks that can have impact on the strategic and decision-making processes that affect the organisation (Hardy, 2010:7; Venturini & Verbano, 2013:187-188). The legislations that include the Public Finance Management Act (PFMA) and the Municipal Finance Management Act (MFMA), together with corporate governance codes such as King IV expect institutions or organisations to implement their risk management plan (King IV, 2016:4; Department of Environmental Affairs, 2013:7). As results of organisational failures and crisis that have been experienced in the past, the stakeholders do not want to be caught unaware and unprepared by risk events (Venturini & Verbano, 2013:187; OECD, 2014:13). They have expectation that assurance division in the organisation, which are inclusive of management, internal control and other risk mitigation mechanisms will be based on a thorough assessment of institution wide risks assessment (Chornous & Ursulenko, 2013:122). It can therefore be inferred that the stakeholders are awake and alert to the realities of risks that if not attended to could destroy the value of companies.

In terms of the past practices, the Members of the Accounting Authorities were not involved in

risk management because they viewed risk management as an operational function (Naude & Chiweshe, 2017:3). It can therefore be argued that this could be one of the main causes of corporate failures because there was no attention given to risk management and the stakeholders requires assurance providers and management to take the necessary steps that will protect their interest (OECD, 2014:13). It can be further inferred that it is the view of the stakeholders that the management will always protect and operate at their best interest. In terms of corporate governance, accountability for risk management has been placed in the hands of the Accounting Authority/Officer to ensure that they adhere to that. Due to the responsibility of risk management that have been placed on them, the executive authorities, accounting authorities, accounting officers and stakeholders now want to know more about the risks facing the institutions that they are responsible for (Naude & Chiweshe, 2017:3; Eloini *et al.*, 2007:548).

Risk management as a field, is a management discipline that has its own techniques and principles that must be understood by the business organisations (Reid & Rietchie, 2011:330; Naude & Chiweshe, 2017:3). Risk management is a recognised management science as such it is used in businesses and has been formalised by international and national codes of practice, standards, regulations and legislations which can be used when making assessments (Reid & Rietchie, 2011:330). Due to the nature of risk management, it is part of management's core responsibilities and it therefore forms an integral part of the processes of an institution (Eloini *et al.*, 2007:548). Due to the usage of enterprise risk management and its prevalence, enterprise risk management has become a popular way of describing the application of risk management throughout the institutions (Eloini *et al.*, 2007:548; Acharyya, 2013:4). The use of risk management refers to the deliberate way in which they focus on all risks of an institution and how they can be either mitigated or eliminated (Naude & Chiweshe, 2017:3).

To provide understanding of risk management, there is need to describe it. Risk management can be described as a systematic process of identification, evaluation and addressing on a continuous basis the risks that exists in an organisation, before such risks can impact negatively on the institution's service delivery capacity (Eloini *et al.*, 2007:548). This is not the only way in which enterprise management can

be described, as there are many other alternative ways in which risk management can be described that are also used by the enterprise risk management community (Naude & Chiweshe, 2017:3). Proper execution of risk management provides a reasonable assurance that an organisation will successfully execute its strategic objectives thereby achieving its set goals (Chornous & Ursulenko, 2013:122).

As already indicated in terms of King IV, risk management falls within the ambit of corporate governance as contained in principle 4 and 11 of the king code. In order to supplement and complement risk management and monitoring, organisation make use of risk-based internal audit that incorporate strategic direction with written assessment to board of directors that details the adequacy and effectiveness of internal controls.

3. Risk Management Processes

The risk management process is based on risk management requirements and they are comprised of the platform from which the enterprise risk management process is developed (Naude & Chiweshe, 2017:3; Reid & Rietchie, 2011:331). Risk management policy is connected to the strategic objectives, goals and the nature of an organisation's activities and must be developed to deal with the relevant risks (Chornous & Ursulenko, 2013:122; Reid & Rietchie, 2011:331; Venturini & Verbano, 2013:187). Enterprise risk management demands that strategic risk should be identified and be dealt with as they have the propensity to detail the achievement of organisation's strategic goals (Reid & Rietchie, 2011:335; Venturini & Verbano, 2013:188).

The management of risk has become a strategic business domineering matter, thereby forcing the heads of organisations to place an increasing emphasis on the management of all types of risks that are rampant in their organisations (Vergotine & Thomas, 2016:677; Venturini & Verbano, 2013:187; Reid & Rietchie, 2011:330). The prevalent of corporate scandals have highlighted the need for boards of directors of companies to evaluate a wide range of risks within environment of growing regulations, and one in which institutional investors regards robust risk management process as constituting a worthy cost of business (Hardy, 2010:7). In addition, the boards of directors are progressively anticipated to take ownership of managing company risk as

outlined in particular in King Report on Corporate Governance. There is lack of consensus on models of risk management and on the application of existing models in business.

The success of risk management depends on the existence and usefulness of management framework that lays the foundation for embedding the process across the organisation (Naude & Chiweshe, 2017:3; Eloini *et al.*, 2007:548). Traditionally risk management involves the process of identifying, measuring, monitoring and reporting on risk with little formality, structure or centralisation (McPhee, 2005:2-6). The management of risk has evolved from a traditional silo-based approach to non-silo-based approach, which is known as enterprise risk management and is a process that is endorsed across an organisation and applied in the development of organisational strategy (Naude & Chiweshe, 2017:1; Vergotine & Thomas, 2016:678; MCPhee, 2005:2-3). It equates to integration and links strategic objectives and organisational growth opportunities to potential risk exposure as well as identifies risk factors in a business, assess the severity of such risk, quantities its magnitude and mitigates the exposure (Venturini & Verbano, 2013:188; Department of Environmental Affairs, 2013:7).

Enterprise risk management can also be described as a systematic approach that purposes to evaluate and manage all sources of risks that have the capacity to can negatively influence the achievement of organisational objectives (Acharyya, 2013:4; Hardy, 2010:7). Enterprise risk management can also unite organisational internal procedures with the external risk environment with the aim of heightening the organisation's return on investment (Acharyya, 2013:4). By using enterprise risk management, an organisation can be able to direct and control the risk management system which is imbedded with the responsibility, accountability and authority (Acharyya, 2013:4). The use of risk management also assists in strengthening the rules and procedures that can be used in decision making (Acharyya, 2013:4). ERM can also provide a structure that will ensure that the organisation's strategic, operational and financial risk are identified, rated and managed within the organisation's risk appetite (Naude & Chiweshe, 2017:3); National Audit Office, 2010:8-9; MCPhee, 2005:2). Risk management process also demands that an organisation addresses its risk in a comprehensive and coherent manner and it is expected that the risk management process

outcomes will be aligned with the corporate governance and organisational strategy (Naude & Chiweshe, 2017:3).

4. Risk Management at State Owned Enterprise Level

As indicated above, risk management is established with the aim of providing structure that will ensure that the organisation's strategic, operational and financial risk are identified, rated, a mitigated and managed within the organisation's risk appetite (Naude & Chiweshe, 2017:3). In 1999 the PFMA was promulgated and the act became effective on the 1st April 2000. The promulgation and the use of PFMA has given effect to the Constitutional provisions as contained in the Constitutions of the Republic of South Africa, no. 108 of 1996, which relate to national, provincial spheres of government as well as government entities. The PFMA adopts an approach to financial management which focuses on outputs and responsibilities. According to Public Finance Management Act, national government business enterprise is defined in section 1 as an entity which is:

- *"A juristic person under the ownership control of national executive;*
- *Has been assigned financial and operational authority to carry on a business activity;*
- *As its principal business, provides goods or services in accordance with ordinary business principles; and*
- *Is financed fully or substantially from sources other than The national revenue fund; or*
- *By way of tax, levy or other statutory money."*

According to this definition as stated above, all national government business enterprises are national public entities, these are entities as per the definition, can either be companies or others. According to the Companies Act, 2008 state owned company is defined in Section 1 as:

- *"An enterprise that is registered in terms of this Act as a company, and either*
- *Is listed at a public entity in Schedule 2 or 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); or*

- *Is owned by a municipality, as contemplated in the Local Governance, Municipal Systems, 2000 (Act. 32 of 2000), and is otherwise similar to an enterprise referred to in paragraph (a)."*

The state-owned companies fall within the realm of the PFMA which have more extensive provisions in contrast to those in the Companies Act, which means that state owned enterprises need to conform to additional provisions over and above those that are contained in the Companies Act.

King codes IV of good practice introduced supplements to the codes that directly deals with entities (King IV, 2016:111). There is a King IV supplement that deals directly with state owned entities (King IV, 2016:111). The supplements are not necessary independent of the King IV codes of good practice, they should be read together with them (King IV, 2016:111). The decision to have Presidential committee that was to deal with the review of state owned enterprises have created a foundation that is expected to underpin economic growth and transformation as South Africa is regarded as a developmental state (King IV, 2016:111). The King IV supplement applies to all public that is listed in Schedule 2 and 3 of the PFMA. King IV is underpinned by governance outcomes and principles and they apply to State Owned Entities (King IV, 2016:111). King III had 75 principles and the King IV has 17 principles and King IV has summarised the principles and they are now 17, and one of the principles deal with risk management. King IV, have also adopted the position of apply and explain contrary to previous one in King III which was apply or explain and the aim in King IV was to move away from compliance of tick box. In the apply and explain mode of application of King IV report it entails how company achieve the application or how it is striving to achieve the application.

In the compliance with King IV there is expectation of four outcomes which are; ethical and effective leadership, performance and value creation which should be pursued in a sustainable manner. Additional, these outcomes should be premised on the adequacy and effective controls, trust, good reputation and legitimacy. These are the outcomes that are expected from King IV. The seventeen principles of King IV are addressed under each outcome and they are applicable to institutional investors, while other organisations must comply with the sixteen principles. Under the outcome of performance

and value creation, the first principle that is discussed herein, which is principle 4, deals with the governing body that should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. In this outcome, one of the areas that the issue of risk have been raised, however under the outcome of adequacy effective control, principle number eleven is outlined that deals with the governing body's role of governing risk in a way that will support the organisation in setting and achieving its strategic objectives (Department of Environmental Affairs, 2013:7). In dealing with risk, the areas that will need to be attended to include the positive and negative effect of risk, the appetite termination and mitigation risk as well as monitor the effectiveness of risk management (Department of Environmental Affairs, 2013:7). In the sector supplements for state owned enterprises, similar principles are dealt with, which is principle 4 and 11 that deal with risk and how risk should be governed.

The legislations that are applicable to state owned enterprises include, the Companies Act, the PFMA and King IV report and they share principles of good governance and alignment of that these are not only possible, but desirable in the spirit of the overarching governance principles of accountability, fairness, transparency and responsibility. In instances where there are areas of conflicts between the Companies Act and the PFMA, the later supersedes particularly where there are irreconcilable differences. PFMA demands more burdensome requirements in one instance than compliance with the Companies Act is needed. PFMA provisions that relate to the role and functions of the board can be matched to an appropriate King IV principle and requires the board of state owned enterprises to interpret the legislation within the wider framework of King IV.

Compliance with risk management of any other business activity, should take place within the context of leadership and rigorous governance principles. The board of an organisation has duty and responsibility to ensure that the organisation complies with all applicable laws and rules. In addition, the board also has a responsibility to consider adherence to codes and standard as none adherence could result in regulatory risk (PWC, 2012:3; National Audit Office, 2010:6).

In terms of section 66(1) of the Company's Act 71 of 2008, State Owned Enterprises must have a board, and such board should have the authority to exercise all the powers and must perform the functions that are conferred on such enterprise. The exercise of these powers as bestowed by section 66(1) must however be carried out within the limitation as contained in the section or such should be carried out in terms of Memorandum of Incorporation. The accountability that the board of state owned enterprises have the same powers in terms of section 49 of the PFMA and is aligned to King IV (King IV, 2016:12). The principle that necessitates the board to act as the principal point and guardian of the corporate governance (King IV, 2016:12). It can therefore be inferred that the ultimate accountability of a State-Owned Enterprise rests with the board.

In terms of section 66(1) the affairs and business of the State-Owned Enterprise should be managed under the direction of the board because the board has the authority to perform and exercise all the functions that is in a company. The PFMA in section 51 stipulates that the board should maintain effective, efficient and transparent systems of financial and risk management and internal control and make use of combined assurance.

Risk is common in all organisations, irrespective of the origins, being whether private or public. It should be noted that despite the practical difference that exists between private organisations and state-owned enterprises, risks exist in respect of them and they experience different risk exposures and their categories (Department of Environmental Affairs, 2013:7). The commonalities that exist between private and state-owned enterprises suggest that the process of managing risk at state owned enterprises is no different to that which applies in the private sector. The management of risk as practiced in the public sector is a general management function and which is applicable to all managers and its aim is to support government imperatives (Naude & Chiweshe, 2017:3; OECD, 2004:53-57; Hood & Rothstein, 2000:1-3). Corporate governance standards pertaining to state owned enterprises and legislative requirements regulate and control the use of public funds as such they place pressure on state owned enterprises that must develop effective, efficient and transparent system of risk management (OECD, 2004:53-57).

Risk in state owned enterprises environment is never static; as such there should always be constant monitoring of risk. According to Vergotine and Thomas (2016:688), there are several common enterprise wide risk management assessment processes that have been identified across the state-owned enterprises. For the organisation to maintain consistent and structured risk management the method that need to be adopted in these companies includes the world accepted standards such as, Australia and Standard New Zealand, the COSO and the ISO 31000 risk management standard. In the South African context, such should be applied with the inclusion of the practices of the South African Institute of Risk Management code of practice (Hardy, 2010:7-8).

5. Impact of Lack of Risk Management in an Organisation

Corporate scandals have highlighted the need for boards of directors to assess a wide range of risk within environment of growing regulatory interventions, and one in which institutional investors regard robust risk management processes as constituting a worthy cost of business. The board of directors are expected to take ownership of managing risk as outlined in King IV Report on Corporate Governance in principle 4 and 11 (IOD, 2016). There is still absence of agreement on models of risk management and on the application of existing models in business.

In 2011, The Auditor General found that 69% State Owned Enterprises were not complying with the regulatory requirement that are related to risk management which is one of the key areas that should have been monitored (Vergotine & Thomas, 2016:675). The office of the Auditor General also found that 61% of the State-Owned Enterprises did not maintain risk management strategies while 61% of them lacked business continuity and disaster recovery plan, which means that in the event of a disaster they will not have backup plan or fall-back position (Vergotine & Thomas, 2016:675).

The decision to include components of risk management as part of the business strategies is key for the success of state owned enterprise. The non-inclusion of risk management strategies can have far reaching consequences (Yimaz & Flouris, 2010:162-163). The absence of risk management will therefore deny an organisation the opportunity

to understand the risk position, while the enterprise wide risk management processes will allow the state-owned enterprises an opportunity to explore the potential opportunities that are presented by risk exposure. The identification of risk can serve as a checklist that will ensure that the major areas of risk management are adequately identified, assessed, mitigated and strategies devised to proactively deal with the risk exposure (Reid & Rietchie, 2011:330).

The concept of governance, includes risk management, and is an act or process of providing oversight, authoritative direction and control (McPhee, 2005:2-6). The lack of risk management could result in the poor governance, leadership and discipline which could culminate in value creation activities of an organisation overriding the risk concern. Therefore, lack of risk management could also distort risk early warning raised by the independent risk management function and lead to an organisation failing to deal decisively with the risk (McPhee, 2005:2-6). It can also create lack of board focus on risk oversight, which could result in directors failing to take tough decision and asking the tough questions at the appropriate times (McPhee, 2005:2-6). Lack of risk management could result in myopic focus on the short-term goals, which could result in the organisation mortgaging the future for the present when taking risk and therefore end up with short life span which could have been avoided (McPhee, 2005:2-6). It can also result the failure to deliver on the strategic intent of the organisation, which could be regarded as having elements of reckless risk taking by the organisation (Naude & Chiweshe, 2017:1; Vergotine & Thomas, 2016:678; MCPhee, 2005:2-6). Such action could be labelled value killer instead of having appropriate risk appetite with its capacity to deal with and the resultant accountability which will ensure prudent risk taking by the organisation (Kirkpatrick, 2009:5; Venturini & Verbano, 2013:187-188; MCPhee, 2005:2-6). The organisation could also end failing to implement effective enterprise risk management, which will be lead to non-existence, infective or inefficient risk assessment (Hood & Rothstein, 2000:1-3; Kirkpatrick, 2009:6-7; MCPhee, 2005:2-6). This could culminate in not integrating risk management with strategy setting and performance management which could result in the failure of the organisation which could have been avoided, had the organisation taken the necessary steps (Naude & Chiweshe, 2017:1; Vergotine & Thomas, 2016:678; MCPhee, 2005:2-3).

6. Conclusion

It can therefore be concluded that risk management has become a critical issue in all businesses and organisations. There is a need for organisations to have proper risk management strategy in place to address critical issues in a timely manner. The responsibility of risk assessment and strategy formulation, is the responsibility of an organisation irrespective of whether it being in the private or public sector. It is evident as was established in the study by Vergotine and Thomas (2016:690), that the acceptance of internationally recognised frameworks and methodologies to guide enterprise wide strategies are crucial in any organisation. The institution of governance structures involving the boards of directors and operational committees are key contributors in the management and mitigation of risks. The practice of identification of specific enterprise wide risk management focus areas, or processes that covered the management of business continuity, the prevention of fraud, compliance with the laws and regulations, financial coverage risk and the undertaking of internal audit are based on risk management (Pankaj & Hare, 2016:27). It can therefore be inferred that risk management is not a solution of every problem in an organisation, but it assists in ensuring that a company is not caught unaware of what is happening in and around it. It is evident from the materials referred to in this article particularly King IV, that the issue of risk management is key critical for the success of business. The risk measures have been adapted to varying degrees by state owned enterprises to address risk with board of directors tasked with providing an oversight role (McPhee, 2005:2-6). The themes that can be extracted from the literature referred to above indicate the importance of governance in general and state-owned enterprises. It is evident that it is important to embed the culture of risk management in the organisation and the leadership thereof have the responsibility to show commitment to risk management process (Pankaj & Hare, 2016:27-29; MCPhee, 2005:2-6). It is important that entities will have to adhere to sound enterprise wide risk management methodologies and framework. There is no doubt that with the pronouncement made by political heads of government that there is a need for a sound governance of state-owned enterprises which ardently will have an impact on the organisational culture and leadership in these entities. It can therefore be inferred that the failure of risk management could result in

poor governance, reckless risk taking, inability to effectively implement Enterprise Risk Management, non-existence of risk assessments and the organisation strategies could end up not being integrated in the organisational strategy setting with the resultant performance management (Pankaj & Hare, 2016:27-29; MCPhee, 2005:2-6). It can therefore be concluded that the establishment of Enterprise Risk Management can provide a structure that will ensure that strategic, operational and financial risks are identified, rated, and managed within the organisation's group risk appetite (Venturini & Verbano, 2013:187-188; Kirkpatrick, 2009:5). This process will ensure that state owned enterprises are not caught unaware and they will know of the risks before they happen.

References

- Acharyya, M. 2013. The Benefits of Implementing Enterprise Risk Management: Evidence from the non-life insurance industry. Centre for Finance and Risk. The Business School. Bournemouth University.
- Braig, S., Gebre, B. & Sellgery, A. 2011. Strengthening Risk Management in the US Public Sector. McKinsey & Company.
- Chornous, G. & Ursulalenko, G. 2013. Risk Management in Banks: New Approaches to Risk Assessment and Information Support. *Ekonomika*, 92(1):120-132.
- Department of Environmental Affairs. 2013. Risk Management – Guide. Department of Environmental Affairs. Pretoria: Government printers.
- Eloini, D., Dulmin, R. & Mininno, V. 2007. Risk Management in ERP Project Introduction. Review of Literature. *Information & Management*, 44(2007):547-567.
- Hardy, K. 2010. Managing Risk in Government. An introduction to Enterprise Risk Management. Financial Management Series. IBM for the Business of Government.
- Hood, C. & Rothstein, H. 2000. Business Risk Management: Pitfalls and Possibilities. National Audit Office. Centre for Analysis of Risk and Regulation. London: London School of Economics and Political Science.
- Kaplan, R.S. & Mikes, A. 2016. Risk Management – the Revealing Hand. Harvard: Harvard Business School.
- King IV. 2016. Report on Corporate Governance. Institute of Directors South Africa.
- Kirkpatrick, G. 2009. The Corporate Governance Lessons from the Financial Crisis. Financial Market Trends. OECD.
- McPhee, I. 2005. Australian Institute of Company Directors in Conjunction with Institute of Internal Auditors Australia. Public Sector Government Risk Forum.
- National Audit Office. 2010. Good Practice Managing Risk in Government. Financial Management and Reporting. Precision Printing.

- Naude, M.J. & Chiweshe, N. 2017. A Proposed Operational Risk Management Framework for Small and Medium Enterprises. *South African Journal of Economics and Management Sciences*, 20(1):1-10.
- OECD. 2004. OECD Principle of Corporate Governance. OECD Publication Service.
- OECD. 2014. Risk Management and Corporate Governance. Corporate Governance. OECD Publishing.
- Pankaj, B. & Hare, C. 2016. Best Practices in Government Financial Management. *Journal of Government Financial Management*. AGA.
- Reid, S. & Ritchie, B. 2011. Risk management: Event Managers, Attitudes, Belief, and Perceived constraints. *Event Management*. Vol 5 pp.339-341. Cogniznt Communication Corporation.
- Republic of South Africa: Companies Act 71 of 2008. Pretoria: Government printer.
- Republic of South Africa: *Constitution of the Republic of South Africa* 1996. Pretoria: Government printer
- Republic of South Africa: Public Finance Management Act 1 of 1999. Pretoria: Government printer.
- The Institute of Risk Management. 2002. A Risk Management Standard. 6 Lloyd's Avenue. London: UK.
- Venturini, K. & Verbano, C. 2013. Managing Risk in SMEs: A Literature Review and Research Agenda. *Journal of Technology Management & Innovation*, 8(3):187-197.
- Yilmaz, A.K. & Flouris, T. 2010. Managing Corporate Sustainability: Risk Management Process based perspective. *African Journal of Business Management*, 4(2):162-171.

Export Performance and Foreign Direct Investment in Zimbabwe: An ARDL Approach

S Zhanje and R Garidzirai

University of Limpopo, South Africa

Abstract: Zimbabwe's international exposure after the attainment of independence in 1980 and through the introduction of structural adjustment programs was meant to, among other macroeconomic objectives, enhance export performance. The Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim-ASSET), a developed economic blue print for the country, with the intention of re-engaging the international community has motivated this research study to investigate export performance in Zimbabwe. Therefore, the purpose of this research study is to examine the effect of FDI on Zimbabwe's export performance considering the influence of other variables such as economic growth and terms of trade. To investigate such a relationship, the research study employed the Autoregressive Distributed Lag Analysis (ARDL) on time series data for the period 1980 to 2016. The results show a positive relationship between export performance and FDI. Furthermore, other control variables such as economic growth and terms of trade were also positively related to exports. Thus the study recommends the government of Zimbabwe to maintain political stability in the economy to attract FDI. Moreover, the government should loosen the local industrial laws to promote exports.

Keywords: ARDL, Export Performance, Foreign Direct Investment, Zimbabwe

1. Introduction

Economic performance in most African countries has been impeded by a lack of capital caused by low levels of domestic savings and foreign exchange constraints (Adams & Atsu, 2014). The investment-saving-import-export identity theoretically portrays that the import-export gap must be equally matched by an identical investment-savings gap (Clunies-Ross, Forsyth & Huq, 2009). Since domestic savings have remained subdued the situation has been exacerbated by the fact that SADC countries such as Mauritius, Mozambique, Malawi, Madagascar, Swaziland and Zimbabwe, just to mention a few, have experienced unfavourable trade balances for more than 10 years (World Bank, 2018). Overall, when the Balance of Payments through the Current Account is not generating surpluses to close the savings-investment gap, other foreign resources such as inward Foreign Direct Investment (FDI) can be considered to close such gap. This will ease foreign exchange constraints and in the process fuel economic activity. Given the existence of an unfavourable trade balance experienced by Zimbabwe from 2002 to 2016 (World Bank, 2018), the Zimbabwean policies should be designed in such a way as to take advantage of the export-FDI nexus. This in turn enhances export performance, which also accelerates Zimbabwe's

economic recovery as envisaged by the country's blue print, the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim-ASSET).

The theoretical literature reviewed reveals that the linkages between FDI and trade are complementary, substitutive in nature or just neutral (Koroci & Deshati, 2016). The complementary view on export-FDI relationship is supported by a major strand of empirical literature (Kutan & Vuksic, 2007; Sun, 2012; Davaakhuu, Sharma & Oczkowski, 2015; Akoto, 2016; Li & Park, 2016; Koroci & Deshati, 2016), whereas the substitution view of the export-FDI relationship is also supported empirically (Kuntluru, Muppani & Khan, 2012). There are also advocates of the claim that the relationship between export performance and FDI is neutral (Banga, 2006; Singh & Tandon, 2015). Given such mixed views from both the theoretical literature and empirical evidence it is therefore the intention of this study to objectively investigate the nature of the export-FDI relationship in Zimbabwe using the Autoregressive Distributed Lag (ARDL) bounds testing technique for the period 1980 to 2016. The rest of the paper is organised as follows: Section 2 reviews the theoretical and empirical literature of export performance and FDI. Section 3 outlines the empirical model, estimation methods and the data used in this research study. In Section 4 estimated results are reported and discussed. Lastly in Section 5 conclusions are drawn.

2. Literature Review

The relationship between export performance and FDI is of utmost importance to the host country such as Zimbabwe, the country where FDI is bolted or located. Such a relationship should be investigated in order to determine whether FDI enhances or impedes export performance or its effect is just neutral. The complementarity, substitutability and neutrality of FDI with respect to export performance depends on the relative magnitude of FDI inflows, motives of FDI, characteristics of FDI, policy options for host countries, policy actions on FDI by a host developing country and the type of FDI resident in the host country (Clunies-Ross *et al.*, 2009). Further the application of either horizontal models of FDI or vertical models of FDI can yield different export performance outcomes from the perspective of the host country. When FDI is horizontal in nature it implies that Multinational Enterprises (MNEs) locate their subsidiaries (to produce the same goods and services) in the different respective countries of interest where transport costs could be exorbitant or just favouring to be closer to the market (Helpman, Melitz & Yeaple, 2004). Koroci & Deshati (2016) in Helpman *et al.* (2003) argues that horizontal FDI is mostly known to have a negative impact on export performance which reinforces the substitution relationship between exports and FDI.

The substitution relationship between trade and FDI is also supported by the Heckscher-Ohlin-Samuelson (HOS) theory. The theory propounds that two countries in question should be identical except the resource endowments (Leamer, 1995). For instance, a country that is labour abundant should produce goods that require more labour export. Conversely, a country that has its capital abundant should also export goods that are capital intensive. Thus HOS theory holds that when the factor mobility assumption is relaxed, exports and FDI become substitutes and the factor endowment differential between countries is reduced due to factor mobility and eventually trade flows are reduced (Urkude & Jadhav, 2013).

The complementarity relationship between exports and FDI becomes a reality when MNEs divide the production process among various countries in an attempt to curtail or contain costs (Urkude & Jadhav, 2013) and in the process take advantage of relative factor endowment differential prevailing between host developing countries. A host country such as Zimbabwe becomes the recipient of international

capital flows for economic development, technology and management knowledge transfer and the resultant spillover effects empowers the host country's related industries which eventually enhances the host country's international trade (Koroci & Deshati, 2016). The neutrality of FDI on exports will be addressed by empirical evidence which follows among other view points to be discussed.

The positive relationship between exports and FDI is well documented as empirical evidence. On that note, Kutan & Vuksic (2007) estimated the impact of FDI inflows on exports using the Generalised Least Squares (GLS) technique on data for 12 Central and Eastern European Countries (CEEC). The empirical results showed that FDI inflows increase the domestic supply capacity and in turn boosts exports for all economies included in the research study. Complementing the supply capacity-increasing effects are the FDI specific effects on exports which were associated with the new member states of the European Union. The research study results indicated that when FDI stock of European Union countries is increased by 1% the export performance is improved by 0.42% in the long run due to the specific impact only. Such specific effects can arise from possible improvement in competitive advantage enjoyed by domestic producers in the host country.

Sun (2012) explored the impact of FDI on Chinese exports by applying a feasible and efficient two step Generalised Method of Moments (GMM) IV Estimation on domestic firms' panel data for the period 1991-2007. The study results revealed that a positive relationship between FDI and exports exist since a 1% increase in foreign presence encourages domestic firms to boost their exports by 0.57%. In other words, due to positive productivity spillovers emanating from foreign firms, domestic firms respond by increasing their exports despite the fact that FDI may push up production costs and in the process make the domestic market more profitable. Since FDI is not the sole determinant of export performance, Davaakhuu, Sharma & Oczkowski (2015) analysed the determinants of export performance by applying Fixed Effects Methodology on Mongolian panel data (from mining, manufacturing and primary sectors) for the period 1995-2012. The empirical outcome suggested that not only FDI inflows can influence exports but also increased world income and higher export prices that Mongolian exports can fetch in the international markets.

In support of the exports-FDI complementary view, Li & Park (2016) investigated the trade features of FDI inflows and the dynamic link between FDI inflows and the Chinese international trade using probability regression models on Eastern, Middle and Western regional firms for the period 1992-2006. The study results indicated that FDI inflows are significantly and positively related to international trade with respect to China's provinces and also to regional trade. Research study results also revealed that the contribution of FDI to imports outweigh the FDI contribution to exports. Underpinning positive perspective Koroci & Deshati (2016) determined the effect of FDI on Albania's export performance by applying regression analysis on time series data covering the period 1996-2014. The study results showed that there is a positive relationship between FDI and Albanian exports.

Exploring the same line, Akoto (2016) used Vector Error Correction Model (VECM), VAR Granger causality test and impulse response analysis to determine the responsiveness of exports to FDI shocks. This analysis was conducted on the South African quarterly time series data for the period 1960Q1 to 2009Q4. The unit root test results showed that the model variables (real exports, real non-export GDP and FDI) were stationary at first difference. The co-integration test suggested that variables were co-integrated based on the trace test outcome. The long run VECM results suggested that FDI positively influences export performance significantly. That is, a 1% increase in FDI leads to a 0.187% increase in exports. The VAR Granger causality test confirmed a bi-directional causality relationship between GDP and exports, while a uni-directional causality running from FDI to exports seems to hold for the South African case. But the results from the variance decomposition analyses indicated that exports are not very sensitive to changes in FDI inflow.

Jana, Sahu & Pandey (2017) also investigated the FDI-export nexus by using the Vector Error Correction Model (VECM) and VEC Granger causality test on Indian time series data for the period 1996-97 to 2016-17. The Johansen's co-integration test suggested that there is a significant positive long run co-movement between the FDI and Indian exports.

The substitution view on the export-FDI nexus was supported by Kuntluru *et al.* (2012) who analysed the impact of FDI on the export performance of 103 pharmaceutical firms' data in India using the

Tobit Fixed Effects Model using data from 1997-98 to 2004-05. Although the research study had hypothesised the existence of a positive relationship, the study results revealed that FDI has a significant inverse or negative impact on the firm export performance.

The neutrality perspective on the export-FDI relationship was justified by Banga (2006) who examined the impact of FDI on export diversification using Fixed Effects and Random Effects Models on Indian panel data for the period 1994-2000. The empirical results showed that the Indian export diversification is both directly and indirectly caused by US FDI. On the contrary research study results confirmed an insignificant impact of Japanese FDI on Indian export performance. In support of the neutrality perspective, Singh & Tandon (2015) analysed the causal relationship between FDI and exports by applying unit root test, Johansen Co-integration test and Granger causality test on Indian time series data covering the period 1990-2013. The empirical results showed that neither FDI Granger cause exports nor exports Granger cause FDI. In this case a neutrality verdict was justified between FDI and export performance.

Other studies also endeavoured to set a foot print with respect to the exports-FDI nexus debate. Chiappini (2011) investigated the Granger causality between FDI and exports of goods and services using the panel data set of 11 European countries covering the period 1996 to 2008. The rejection of the null hypothesis of the existence of a unit root when the panel unit root tests were applied to panel data led to the evaluation of the causal relationship between FDI and exports. The research study results from a heterogeneous panel justified the existence of a causal relationship running from FDI to exports. Further a strong heterogeneity evidence of the causal relationship running from exports to FDI was found.

Adhikary (2012) investigated the effect of FDI (including other variables such as trade openness, domestic demand and exchange rate) on export performance by applying Vector Error Correction Model (VECM) on the time series data of Bangladesh for the period 1980-2009. The co-integration test results supported the existence of a co-integrating relationship between the variables. The study results revealed that FDI is an important variable which significantly explains the variation in exports

in both the short term and long term. Calegario *et al.* (2014) used the Moderated Multiple Regressions and Generalised Linear Models to test the impact of FDI on exports and imports on 11 Brazilian industries covering the years 1996 to 2009. The study results revealed that FDI and increased exports are correlated in the short term but not in the long term. A positive relationship between FDI and exports was proved to be associated with the preponderance of resource seeking strategies by export oriented industries. A positive relationship between imports and FDI was said to exist in the short run for import oriented industries, while a negative relationship between FDI and imports was suggested to prevail in the long term.

For the Chinese economy, Chang, Su & Dai (2017) investigated the causal relationship between FDI and exports through the Knowledge Capital Model using the Bootstrap Granger Full Sample and Sample Rolling Window Causality test covering years 1994 to 2014. Study results from the full sample indicated that the causal link running from FDI to exports does not exist, but such an outcome was derived from an unreliable sample as emphasised by the authors. When the Rolling Window Causality test was applied on a dynamic causal link, the results showed that a significant impact of FDI on exports was realised mostly around time periods associated with increasing levels of FDI in Hong Kong, Macao and Taiwan which outweighed negative impacts in China.

3. Research Method

The research study investigates the relationship between export performance and FDI in Zimbabwe using the Autoregressive Distributed Lag (ARDL) bounds testing methodology. Some complementing econometric testing techniques are also employed to improve the efficiency of model results. The Augmented Dickey Fuller and Phillips Perron unit root tests are used to determine stationarity of model variables and the order of integration. The ARDL bounds testing technique is applied to initially justify the presence of co-integrating relationship between the variables. When the existence of co-integration among the variables is established, the ARDL analysis is then used to determine both the short run and the long run relationships present in the model. To check for the robustness and reliability of results, diagnostic tests are then conducted. Testing for the normality

of residuals, the absence of serial correlation and heteroscedasticity and the stability of the model is justified in this case.

4. Data and Model Specification

The Zimbabwean data that was analysed in this research study was obtained from the World Bank Data base (World Bank, 2018) for the period 1980-2016. The empirical research study used the export model of the form:

$$X_t = f(FDI_t, GDP_t, TOT_t) \quad (1)$$

Removing brackets, Equation 1 is transformed into

$$\begin{aligned} LNX_t = & \alpha_0 + \alpha_1 LNFDI_t + \alpha_2 LNGDP_t \\ & + \alpha_3 LNTOT_t + \varepsilon_t \end{aligned} \quad (2)$$

where:

LNX_t = natural logarithm of exports at time 't', $LNFDI_t$ = natural logarithm of Foreign Direct Investment at time 't', $LNGDP_t$ = natural logarithm of Gross Domestic product (proxy of economic growth) at time 't', $LNTOT_t$ = natural logarithm of terms of trade at time 't', $\beta_0, \alpha_1, \alpha_2, \alpha_3$ are model coefficients and alphas are elasticities, ε_t = represents a random variable called an error term at time 't'.

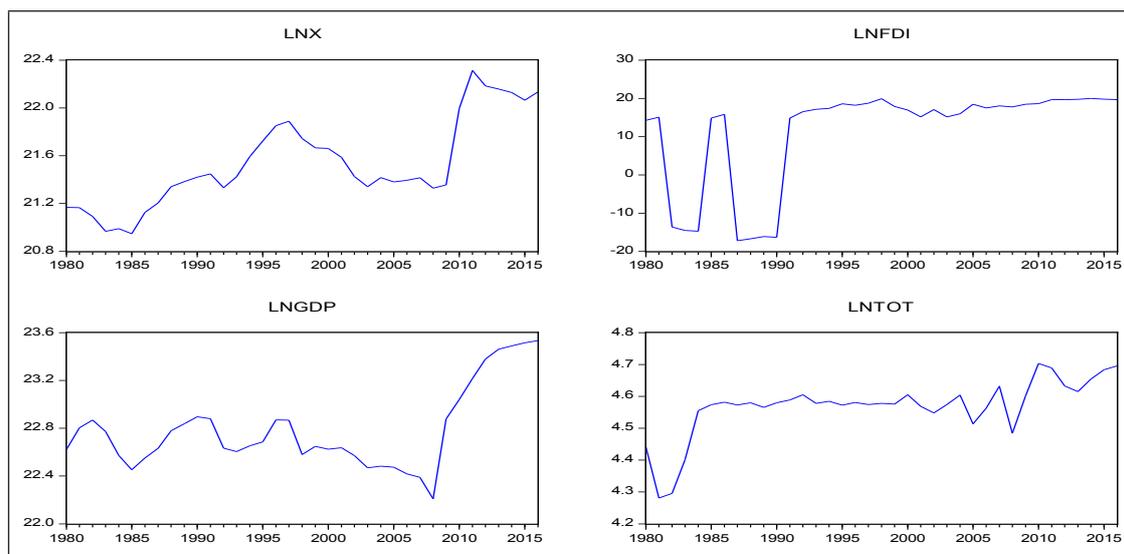
The $LNGDP$ and $LNTOT$ are control variables used in the model to minimise omitted variable bias, thereby improving the efficiency and reliability of model results (Adhikary, 2012; Davaakhuu, Sharma, & Oczkowski, 2015). The unrestricted error correction model (UECM) of ARDL to co-integration is applied to determine both the short run and the long run relationship (Mohapatra, Giri, & Sehrawat, 2016). It takes the form:

$$\begin{aligned} \Delta LX_t = & \varphi_0 X_t + \sum_{i=1}^n f_{ix} \Delta LNX_{t-i} + \sum_{i=1}^n g_{ix} \Delta LNFDI_{t-i} \\ & + \sum_{i=1}^n h_{ix} \Delta LNGDP_{t-i} + \sum_{i=1}^n k_{ix} \Delta LNTOT_{t-i} + \psi_{1X} LNX_{t-1} \\ & + \psi_{2X} LNFDI_{t-1} + \psi_{3X} LNGDP_{t-1} + \psi_{4X} LNTOT_{t-1} + \gamma_{1t} \end{aligned} \quad (3)$$

where Δ is the first difference operator.

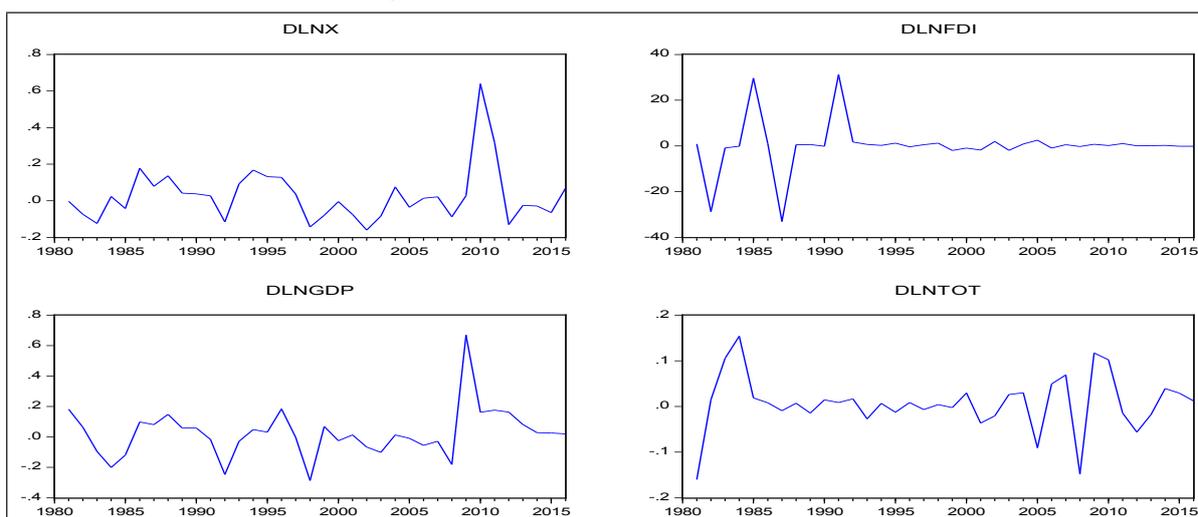
Mohapatra, Giri & Sehrawat (2016) hold that the first ARDL test is the justification of a long run relationship among the variables. Such a determination is conducted using an F-test which represents the joint significance of the coefficients of the lagged levels of variables. The two asymptotic bound critical values give the test for co-integration when independent variables are

Figure 1: Time Series in Levels



Source: Own Computation, 2018

Figure 2: Time Series in 1st Difference



Source: Own Computation, 2018

$I(d)$ where $(0 \leq d \leq 1)$. When the F-statistic computed is greater than the upper critical value, the null hypothesis of no co-integration is rejected. If the F-statistic calculated falls between the lower and the upper critical values, the result is inconclusive. When the calculated F-statistic falls below the lower critical value, then the null hypothesis of no co-integration cannot be rejected (Pesaran & Shin, 1999). The acceptance of the existence of a cointegrating relationship justifies the estimation of a conditional ARDL long run model for LNX_t . Orders of ARDL (q_1, q_2, q_3, q_4) models are then selected using Akaike Information Criteria (AIC). Eventually, the short run dynamic parameters together with long run estimates are derived from

an error correction model which also establishes the speed of adjustment coefficient.

5. Findings and Discussion

5.1 Unit Root Tests

Unit root tests are conducted to test for stationarity. Whether the variables are stationary at level or at first difference is of critical importance since variables stationary at second difference cannot be included in the model used in this research study. Figure 1 depicts the LNX , $LNFDI$, $LNGDP$ and $LNTOT$ in levels. Since the variables' time series graphs seem not to oscillate around their respective means,

this implies that the time series may not be stationary at level.

Eventually, when time series variables are transformed to their first difference status in Figure 2 (see previous page), *DLNX*, *DLNFDI*, *DLNGDP* and *DLNTOT* appear to hover around their mean. But the graphical approach cannot be used to make conclusive statements about stationarity since such can be done after more efficient and robust unit root tests (Augmented Dickey Fuller-ADF and the Phillips Perron-PP unit root tests) are applied to the Zimbabwean data.

Table 1 highlights the unit root test results derived from the application of ADF and PP unit root techniques. The unit root results reveal that variables *LNX* (exports), *LNGDP* (proxy for economic growth) and *LNTOT* (terms of trade) are not stationary in levels hence they contain a unit root. *LNFDI* (Foreign Direct Investment) is stationary at 1% and 10% when

ADF and PP unit root tests are applied respectively. When variables *LNX*, *LNGDP*, and *LNTOT* are transformed to first difference as *DLNX*, *DLNGDP* and *DLNTOT* all become stationary at 1% level when both ADF and PP unit root testing procedures are employed (Akoto, 2016). Hence the econometric model is composed of both I(0) and I(1) variables and in such a case ARDL bounds testing procedure is more applicable (Klasra, 2011).

6. ARDL Co-Integration Tests: Short Run and Long Run Form

In Table 2 on the next page, the ARDL Co-integration test results show that the calculated F-statistic is 5.783301 which is on the right side of the 1% upper critical value of 4.66. Therefore, the null hypothesis (No long run relationship exists) is rejected at 1% level, meaning that *LNX*, *LNFDI*, *LNGDP* and *LNTOT* are co-integrated in the long run (Adhikary, 2012; Jana, Sahu, & Pandey, 2017).

Table 1: Augmented Dickey Fuller (ADF) and the Phillips Perron Unit Root Test Results

Series	Model	ADF Lags	ADF Statistic	PP Bandwidth	PP Statistic	Conclusion & Order of Integration
LNX	τ_τ	0	-2.796685	3	-1.832504	Do not reject H_0 : Series contains unit root, (= series not stationary), I(1)
	τ_μ	0	-1.494880	4	-1.078188	
	τ	0	1.130154	0	0.927324	
DLNX	τ_τ	0	-4.436988***	7	-3.779930**	Reject H_0 : Series contains unit root, (= series is stationary)
	τ_μ	0	-4.497786***	3	-3.836119***	
	τ	0	-4.331076***	1	-3.883369***	
LNFDI	τ_τ	0	-3.959098**	1	-3.375282*	Reject H_0 : Series contains unit root, (= series is stationary), I(0)
	τ_μ	0	-5.377971***	2	-2.302939	
	τ	0	0.663626	2	-1.581024	
LNGDP	τ_τ	0	-1.093540	1	-1.093540	Do not reject H_0 : Series contains unit root, (=series not stationary), I(1)
	τ_μ	0	-0.573951	1	-0.762849	
	τ	0	0.938334	0	0.938334	
DLNGDP	τ_τ	0	-5.319721***	9	-5.313031***	Reject H_0 : Series contains unit root, (= series is stationary)
	τ_μ	0	-5.108452***	8	-5.108452***	
	τ	0	-5.117172***	1	-5.113586***	
LNTOT	τ_τ	0	-2.876885	9	-2.745509	Do not Reject H_0 : Series contains unit root, (=series is not stationary), I(1)
	τ_μ	0	-2.135236	8	-1.687133	
	τ	0	1.489416	1	1.620881	
DLNTOT	τ_τ	0	-6.325475***	9	-6.983016***	Reject H_0 : Series contains unit root, (= series is stationary)
	τ_μ	0	-6.215032***	8	-6.693597***	
	τ	0	-5.897832***	1	-6.515950***	

H_0 : There is unit root, * mean significant at 10%, ** imply significant at both 5% & 10% and *** indicate significant at 1%, 5% & 10%.

Source: Own Computation, 2018

Table 2: ARDL Co-Integration Test Results

Test Statistic	Value	K
F-statistic	5.783301	3
Critical Value Bounds		
Significance	I0 Bound	I1 Bound
10%	2.37	3.2
5%	2.79	3.67
2.5%	3.15	4.08
1%	3.65	4.66

Source: Own Computation, 2018

Table 3: ARDL Cointegrating and Long Run results

Cointegrating Form				
Variable	Coefficient	Std. Error	t-Statistic	Prob
D(LNX(-1))	0.057082	0.115922	0.492420	0.6267
D(LNFDI)	0.002900	0.001542	1.881289	0.0716
D(LNFDI(-1))	-0.002637	0.001759	-1.498555	0.1465
D(LNGDP)	0.302767	0.101751	2.975574	0.0064
D(LNGDP(-1))	0.465870	0.107972	4.314740	0.0002
LNTOT	0.002933	0.003482	0.842310	0.4076
CointEq(-1)	-0.414013	0.082742	-5.003649	0.0000
Cointeq = LNX - (0.0131*LNFDI + 0.3070*LNGDP + 2.4309*LNTOT + 3.2753 + 3.2753)				
Long Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
LNFDI	0.013144	0.003022	4.350090	0.0002
LNGDP	0.307030	0.148977	2.060922	0.0499
LNTOT	2.430879	0.719614	3.378032	0.0024
C	3.275315	2.858522	1.145807	0.2627

Source: Own Computation, 2018

The estimated long run relationship is deduced from Table 3 as follows:

$$LN X_t - (0.0131 LNFDI_t + 0.3070 LNGDP_t + 2.4309 LNTOT + 3.2753) = 0 \tag{4}$$

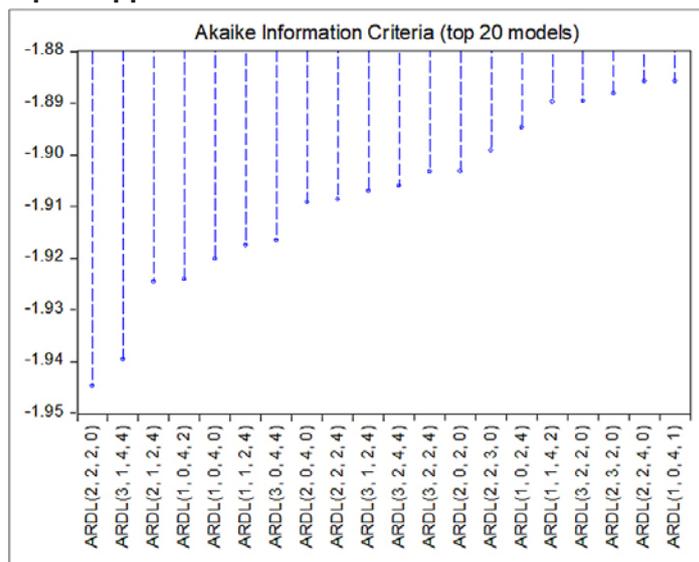
$$LN X - 0.0131 LNFDI_t - 0.3070 LNGDP - 2.4309 LNTOT - 3.2753 = 0 \tag{5}$$

Rearranging to make $LN X_t$ the subject of the formula, Equation 5 becomes:

$$LN X = 3.2753 + 0.0131 LNFDI_t + 0.3070 LNGDP + 2.4309 LNTOT = 0 \tag{6}$$

Equation 9 and the results in Table 3 indicate that Foreign Direct Investment ($LNFDI$) and export performance ($LN X$) relationship is positive and significant at 1% level (Kutan & Vuksic, 2007; Sun,

2012; Davaakhuu, Sharma, & Oczkowski, 2015; Li & Park, 2016; Koroci & Deshati, 2016). The $LN X-LNFDI$ relationship is inelastic implying that export performance is less responsive to changes in FDI although the relationship is significant (Akoto, 2016). A 10% increase in FDI leads to a 0.1314% improvement in export performance. The study results also reveal that both the control variables, that is, economic growth ($LNGDP$) and terms of trade ($LNTOT$) are significant (at 5% and 1% level respectively) and positively related to export performance. The relationship between export performance and the control variables is inelastic and elastic with respect to economic growth and terms of trade respectively. A 10% increase in economic growth ($LNGDP$) results in a 3.070% enhancement of export performance ($LN X$), whereas a 10% improvement

Figure 3: Top 20 Applicable Models Based on Akaike Information Criteria

Source: Authors

Table 4: Summary of Diagnostic Test Results

Diagnostic Tests						
Test Statistics	LM Version			F version		
	Type	N×RS/Stat*	P-Value	F-dimensions	F-statistic	P-Value
Serial Correlation: Breusch-Godfrey [H_0 : No serial correlation]	Chi-Sq(2)	0.965998	0.6169	F(2,23) =	0.0076	0.7248
Heteroscedasticity: Breusch-Pagan-Godfrey [H_0 : No Heteroscedasticity]	Chi-Sq(9)	10.18351	0.3358	F(9,25) =	1.139868	0.3731
Normality of Residuals [H_0 : Residuals are normally distributed]	Jarque-Bera	0.990192	0.609512	Not applicable		

* where N×RS/Stat stands for number of observations multiply by R-squared or Statistic.

Source: Own Computation, 2018

in terms of trade enhances export performance by 24.3088%.

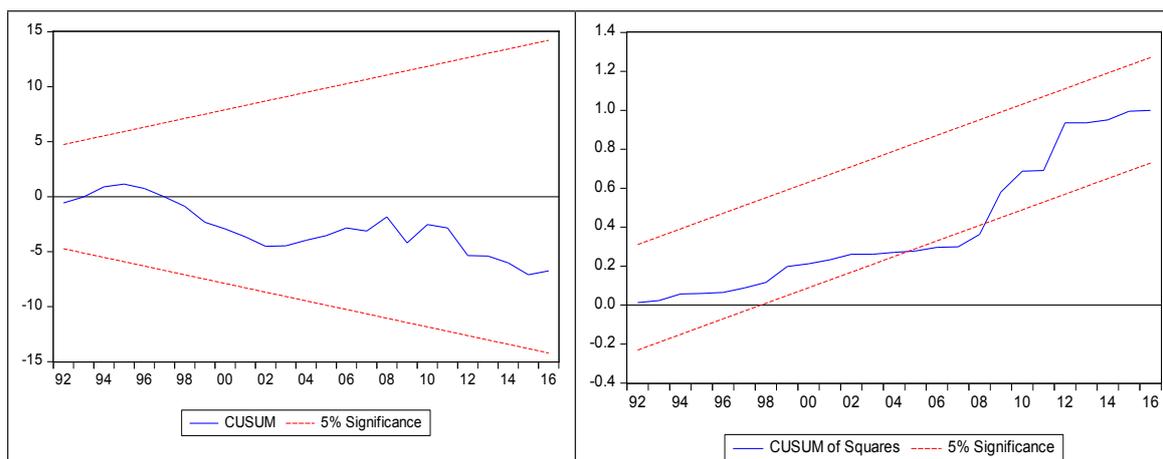
Table 3 on the previous page also shows the short run results which includes the speed of adjustment of -0.414013 having an expected sign and significant at 1% level. Since the speed of adjustment is negative it means that the whole system will converge to a steady state equilibrium which then justifies the validity of the model. Hence 41.40% of the disequilibrium in the previous year is rectified towards the long run steady state equilibrium in the following year (Ibrahiema, 2015). The selection of the superior model [ARDL(2,2,2,0)] among the best top 20 models in Figure 3 also justifies the validity of the model selected in this research study. Therefore, the results displayed in Table 3 are more reliable

as compared to the other possible 19 outcomes suggested by the Akaike Information Criteria.

6.1 Diagnostic Tests

Table 4 shows the diagnostic test for serial correlation, heteroscedasticity and normality of residuals using the Breusch-Godfrey Serial Correlation LM Test, Breusch-Pagan-Godfrey heteroscedasticity Test and the Jarque-Bera normality test. All the probability values of the three tests are above 10% level of significance. Therefore, all the null hypotheses cannot be rejected. This means that the model is free from serial correlation, heteroscedasticity and residuals are normally distributed as shown by the absence of asterisks in Table 4. Such an outcome reinforces the reliability and robustness of the research results.

Figure 4: Plot of CUSUM and CUSUMSQ



Source: Own Computation, 2018

6.2 Stability Test Results

The tests show that when the plots of the CUSUM and CUSUMSQ residuals remain within the critical bounds of 5% level of significance, all regression coefficients of the model are stable (Mohapatra *et al.*, 2016). The inspection of the plots in Figure 4 shows that CUSUM and CUSUMSQ statistics are well within the acceptable 5% critical bounds although the CUSUMSQ plot breaks the 5% critical bounds for a short period and then returns back to the recommended space. Therefore, despite the short stint of the CUSUMSQ, generally it can be concluded that both the short run and the long run coefficients in the ARDL models are stable.

7. Conclusion and Recommendations

This research study investigated the relationship between export performance and FDI by incorporating into the model, economic growth and terms of trade as control variables covering the period 1980 (the dawn of Zimbabwean independence) and 2016. Both the Augmented Dickey Fuller and the Phillips Perron unit root test results show that exports, economic growth and terms of trade are I(1) variables, integrated of order (1). They become stationary after being differenced once while FDI proved to be an I(0) variable, stationary at level. The ARDL Bounds test results confirmed the existence of a cointegrating relationship among the variables. While the ARDL cointegrating and long run results indicated that FDI and other control variables, economic growth and terms of trade are significant and positively related to export performance. The diagnostic tests revealed that the model is bereft of the

problems of serial correlation, heteroscedasticity and residuals are normally distributed. The stability tests confirmed that the short run coefficients and the long run coefficients in the ARDL models are stable. Hence the suggestion of the direction of policy formulation is based on robust research study outcomes. Therefore, the Zimbabwean government should create a conducive economic-political environment which promotes FDI and exports to reclaim its lost glory of being the bread basket of Africa.

References

- Adams, S. & Atsu, F. 2014. Aid dependence and economic growth in Ghana: *Economic Analysis and Policy*, 44:233-242.
- Adhikary, B.K. 2012. Impact of Foreign Direct Investment, Trade Openness, Domestic Demand and Exchange Rate on Export Performance of Bangladesh: A VEC Approach: *Economics Research International*, 2012:1-10.
- Akoto, W. 2016. On the nature of the causal relationships between Foreign Direct Investment, GDP and Exports in South Africa: *Journal of International Development*, 28:112-126.
- Banga, R. 2006. The export-diversifying impact of Japanese and US foreign direct investment in the Indian manufacturing sector: *Journal of International Business Studies*, 37:558-568.
- Calegario, C.L., Bruhn, N.C. & Pereira, M.C. 2014. Foreign Direct Investment and Trade: A Study on Selected Brazilian Industries: *Latin American Business Review*, 15:65-92.
- Chang, H.L., Su, C.W. & Dai, Y. 2017. Does Foreign Direct Investment promote exports in China? *China Finance Review International*, 7(2):185-202.
- Chiappini, R. 2011. FDI and Trade: A Granger causality analysis. *Economics Bulletin*, 31(4): 2975-2985.
- Clunies-Ross, A., Forsyth, D. & Huq, M. 2009. *Development Economics* (5th ed.). London: Mc Graw-Hill.

- Davaakhuu, O., Sharma, K. & Oczkowski, E. 2015. Has foreign investment played a role in Mongolia's export success? *Post-Communist Economics*, 25(2):256-267.
- Helpman, E., Melitz, M.J. & Yeaple, S.R. 2004. Export versus FDI with Heterogeneous Firms. *The American Economic Review*, 94(1):300-316.
- Ibrahiema, D.M. 2015. Renewable electricity consumption, foreign direct investment and economic growth in Egypt: An ARDL approach: *Procedia Economics and Finance*, 30: 313-323.
- Jana, S.S., Sahu, T.N. & Pandey, K.D. 2017. Foreign Direct Investment and Exports in India: Some Empirical Insights: *Journal of Commerce and Management Thought*, 8(4):684-702.
- Klasra, M.A. 2011. Foreign direct investment, trade openness and economic growth in Pakistan and Turkey: An investigation using bounds test: *Qual Quant*, 45:223-231.
- Koroci, A. & Deshati, E. 2016. How Does FDI Affect Albania's Export performance. *Sociology Study*, 6(11):731-736.
- Kuntluru, S., Muppani, V.R. & Khan, M.A. 2012. Foreign Direct Investment and Export Performance of Pharmaceutical Firms in India: An Empirical Approach. *Journal of Economics and Finance*, 4(5):216-226.
- Kutan, A.M. & Vuksic, G. 2007. Foreign Direct Investment and Export Performance: Empirical Evidence: *Comparative Economic Studies*, 49:430-445.
- Li, X. & Park, S. 2016. Trade characteristics of foreign direct inflows in China: Empirical evidence from China. *China Finance Review International*, 6(2):177-207.
- Mohapatra, G., Giri, A.K. & Sehwat, M. 2016. Foreign aid, macroeconomic policies and economic growth nexus in India: An ARDL bounds testing approach: *Theoretical and Applied Economics*, 23(4):183-202.
- Pesaran, M.H. & Shin, Y. 1999. An Autoregressive Distributed Lag Modelling Approach to Co-integration Analysis. In S. Storm (Ed.), *Econometrics and Economic Theory in the 20th Century: The Ragnar Frisch Centennial Symposium*. Cambridge: Cambridge University Press.
- Singh, A.B. & Tandon, P. 2015. Causality Between FDI Inflows and Exports with Reference to India: An Analysis: *The IUP Journal of Applied Economics*, 14(3):59-70.
- Sun, S. 2012. The role of FDI in domestic exporting: Evidence from China: *Journal of Asian Economics*, 23:434-441.
- Urkude, A.M. & Jadhav, P. 2013. Relationship between Trade and FDI: Evidence from Food Processing Sector in India: *International Journal of Research in Commerce and Management*, 4(7):24-26.
- World Bank. 2018. Available at: <http://data.worldbank.org/>. Accessed on 28 March 2018,

Developing Tomorrow's Leaders: Applying Neuro-Linguistic Programming Techniques in Public Affairs Education and Human Resources Development

EJ van Rooyen

University of Limpopo, South Africa

S Ebrahim

Management College of South Africa, South Africa

Abstract: Neuro-linguistic Programming (NLP) is a fast-growing educational, mentoring and coaching tool which embodies extensive applications in business school environments and public sector organisational contexts. Practitioners of NLP are excited by the prospect that this tool may assist to promote excellent performance and the expression of constructive leadership in various professional public affairs contexts; NLP techniques focus on reframing mind-sets positively, by taking cognisance of the sensory awareness functions of individuals, thus enhancing the flexibility to deal with evolving dynamics in the world we operate in. NLP can theoretically be infused in contemporary learning and teaching approaches to improve personal-professional development. It may enrich and innovate traditional methods, thereby increasing the extent of cognitive absorption (and comprehension) of complex managerial theorems and solving leadership quagmires. By emphasising the visual, auditory and kinaesthetic sensory functions, learning capabilities may be enhanced, and desired personal, inter-personal and organisational outcomes may be achieved to a greater extent. In other words, it may serve to reinforce efficient communication in organisations, hence establishing and maintaining high-level rapport between parties. In this paper, initial extrapolations are made from extensive desktop (secondary) research on NLP techniques in teaching and learning and mentoring and coaching, focusing on *process over content*. The above postulate is based on limited observations made by tracking a cohort of senior business students over a period of one year. The case example used is a Public Sector Accountancy module, which is traditionally viewed with apprehension because of the perceived 'difficulty' of such subject matter. Subsequently, an applied research phase is prefigured which should *practically* explore the impact of the introduction of NLP as a tool in teaching and learning at institutions of higher education and practical mentoring and coaching processes; therefore, engaging in an extensive longitudinal research voyage.

Keywords: Auditory, Emotional intelligence, Neuro-linguistic Programming, Sensory awareness

1. Introduction

Across the world, among many organisational settings, therapeutic environments, education and training endeavours and informal human social interaction gatherings, NLP principles have been applied with notable measures of success – often without conscious intent – to modulate successful human behaviour and to facilitate excellent achievements. In many cases, extraordinary individual personal-professional leadership acumen has been attributed to NLP. It is often remarked that certain individuals have a "knack" for such-and-such, which seems to render them successful in their pursuits. They may have achieved success in sales and marketing, others may be heralded as charismatic leaders with an ability to motivate and enthuse. Such individuals are admired and envied.

Consequently, it may be postulated that if such behaviour or actions were to be 'modelled', analysed, understood and emulated (*modelled*), then others may be able to apply the 'recipe', *unequivocally reaping the effect that the NLP precept may offer*.

In other words, if successful people's 'secret to success' could be unravelled to benefit others who may wish to perform similar actions in similar or near-similar situations, an essential part of NLP may be implemented in teaching and learning. 'Modelling' therefore, as a central key concept to the NLP methodology, seeks to deconstruct how desired personal-professional behaviour and organisational functional/operational excellence may be achieved through (re-)directing brain function (neuro), language (linguistic) and process (programming). In the ensuing narrative, NLP is presented as

a possible approach towards pursuing this quest for excellence in conduct and performance in a teaching and learning environment.

The research undertaken thus far does not differentiate between teaching and learning amongst employed or unemployed adults, nor does it proffer to totally address the complexities associated with teaching and learning within the South African education reality. The glaring systemic inadequacies due to historic and prevailing socio-economic disparities, which impact on the individual learner's ability to successfully navigate the challenges of becoming educated, work mature and ready to lead, or for that matter the teacher's ability to educate effectively, still need to be factored into subsequent research.

This paper essentially seeks to unveil how NLP may promote teaching and learning to address this (currently) challenging process in the South African public affairs human resources development reality, and to establish the foundation for longitudinal empirical research.

2. Research Method

The methodology used for the research conducted thus far, simply involved scrutiny of selected and notable secondary research conducted by individuals and institutions who seek to understand how teaching and learning may be aided, if at all, through the application of NLP techniques. Empirically, some research was undertaken by interviewing experienced NLP experts and practitioners to gain some perspective from practice. One of the authors of this paper, a practicing life coach and university lecturer, functions as 'participant researcher' and will in the subsequent research be instrumental in executing the in-classroom and on-location (inside organisational) field research.

Subsequent *infra* research of empirical and longitudinal nature should extend into conducting in-depth, in-class research among a segmented and stratified sample of learners in a tertiary education environment and in mentorship and coaching settings.

3. Understanding Neuro-Linguistic Programming

NLP is a decades old approach in dealing with human cognitive issues which seeks to understand,

predict and direct human behaviour. NLP portrays a 'user's manual' (Bodenhammer & Hall, 1999) how the mind works and how the mind influences human behaviour, thus delivering a particular behaviour. NLP showcases how a person comprehends information through sensory awareness which is contingent upon the subjective preference of the five senses (smell, sight, taste, hearing and touch), thereby allowing a person to filter the information coming in through the subconscious 'files' of stored responses relating to similar occurrences that has transpired in the past. Therefore, what is 'seen' is the *person's own map of his/her reality* and not necessarily the actual reality. The term Neuro-linguistic programming (NLP) was coined by Dr Richard Bandler and Professor John Grinder, of the University of California, in the mid-1970s. The researchers focused their attention on investigating and deciphering the differentiation of people's interpersonal skills ranging from unacceptable to outstanding within the context of communication and social interaction. To carry out their research, they developed a methodology that is known as *modelling*, which emphasises the 'mapping' of phenomenological experience alongside the use of language models.

The principles which form the basis of NLP in particular contexts and cases have been *modelled* from individuals (*key people*) who produce desirable results, from the systems theory and natural laws (<https://anlp.org/presuppositions-of-nlp>). Freeth (2013:166) states that NLP is the study of the relationship between the brain, language and behaviour. Therefore, NLP refers to "...Neuro as in the function of the brain, Linguistic as in the language and Programming as in the following of defined patterns and routines" (Freeth, 2013:168). Mosby's Medical Dictionary (2009), defines NLP as "a complementary therapeutic strategy based on the premise that a 'thought' characterised as a representation of sensory experience, can impact the behaviour and can be modified to achieve a desired result by changing the patient's thought patterns and mental strategies to give the patient more choices in problem solving which is used for behaviour modification and the management of psychosomatic disorders and stress." Practically, NLP rests on particular pre-suppositions, being:

- **Have respect for other person's model of the world** – All people are unique and experience the world in different ways;

- **The map is not the territory** – People respond to their 'map' of reality and not to reality itself because 'sense-making' occurs through their senses and from personal experience;
 - **Mind and body form a linked system** – your mental attitude affects you physically and your behaviour;
 - **If what you are doing isn't working, do something else** – the ability to adapt (flexibility) is the key to success;
 - **Choice is better than no choice** – the possibility to pursue different options enhances the opportunity to achieve desired results;
 - **We are always communicating** – even when we are not (non-verbal communication accounts for a large portion of a message);
 - **The meaning of your communication is the response you get** – while the intended message may be clear to the transmitter, the receiver's interpretation and resulting response remains the measure of effectiveness of the communication;
 - **There is no failure, only feedback** – 'failure' serves as a catalyst for solution seeking and improvement;
 - **Behind every behaviour, is a positive intention** – for the most part people's behaviour and words don't carry ill-intent and consequently doesn't warrant a reciprocal negative reaction; and
 - **Anything can be accomplished if the task is broken down into small enough steps** – NLP assists to deconstruct sizable undertakings/activities/tasks into manageable (less overwhelming) components, thus improving effectiveness and efficiency (<https://anlp.org/presuppositions-of-nlp>).
- **Flexibility** – Techniques for developing personal flexibility and awareness of others; and
 - **Language** – Language models from hypnosis and therapy.

4. Applying Neuro-Linguistic Programming Techniques in Teaching and Learning in Higher Education

Higher education institutions often lament the performance of their students and cite a general inability of their learners to master subject matter, which should be within the average student's grasp. Different reasons may be attributed to this problem, ranging from a teaching and learning dysfunctionality, socio-economic or psychological factors or even mismatched student-subject choices. Educators have for many years researched and debated these challenges and to some extent scientific panacea are available to, for the most part, to mitigate some of the shortcomings experienced within the education environment. The different remedies depend on the ability of the teacher to effectively identify the learners' specific needs and thereafter, to provide appropriate responses to improve the situation. This may prove to be a complex and often impossible quest if appropriate detection, response knowledge or common or specialised resources are unavailable.

Many educators and councillors with a vested interest in improving teaching and learning, have turned toward NLP as a possible means and solution towards addressing the above challenges. The premise of NLP in a teaching and learning context is simply that pre-identified desirable traits of successful teachers, facilitators, speakers *and* learners, should be *modelled* (copied), thus creating effective communicators (Freeth, 2013:8).

Once these desirable traits have been modelled, such may be moderated and translated into appropriate 'training styles' and 'learning styles', which often mirror different sides of the same coin.

Fundamentally, NLP tools and approaches can be said to encapsulate four categories of endeavour:

- **Outcomes** – Strategies and approaches for self-motivation and the motivation of others;
 - **Rapport** – Approaches for building rapport and influencing others;
- **Flexibility** – Techniques for developing personal flexibility and awareness of others; and
 - **Language** – Language models from hypnosis and therapy.

4.1 The Process of Learning

Ultimately the objective in education is to articulately lead learners successfully through the process of learning. Dedicated educators should consider that successful learning is measured by the extent to which learners are moved from a state of '*not*

'knowing how to' to a state of 'knowing how to', thereby resulting in a change of behaviour which may be in concert with what is desired (*re-framed* to the pre-defined desired state and so-called *anchoring*). Yet, for this transition to occur, a conscious (cognitive) decision should be made to have an embracing attitude towards acquiring new knowledge, irrespective of the possibility that the 'new knowledge' may be viewed with some animosity (e.g. a fear of accountancy because of the belief that one cannot do arithmetic or failure to understand assets and liability theory). The activities associated with re-framing are indicated in the sample lesson plan, which is attached (Appendix A) and serve to create a condition during a teaching session where both learners and teachers attune themselves to deliberately (consciously) prepare to attach different meanings to particular emotions. Re-framing is such a common and frequently occurring part of our everyday experience that often we need only change a single word in our description of an experience in order to change the meaning of that experience significantly. In life, we often do this inadvertently, and the only difference would be that we now have the opportunity (or seek) to do it consciously and purposefully; A meaning reframe can be usefully delivered in response to a cause-and-effect statement (whenever X happens I respond Y) (<http://www.microdot.net/nlp/reframing/reframing-5.shtml>). As far as anchoring is concerned, it may be described as a conscious process used in conjunction with re-framing whereby anchors are employed in the process of association to focus awareness, re-access cognitive knowledge and internal states, connect experiences together in order to enrich meaning and consolidate knowledge and transfer acquired learning and experiences to other relevant contexts (<http://www.nlpu.com/Articles/artic28.htm>).

Therefore, moving from unknown territory to known territory – process of learning – involves the well-known four steps to learning, encompassing the stages of '*unconscious incompetence*', '*conscious incompetence*', '*conscious competence*' and finally, '*unconscious competence*'. (Freeth, 2013:40). Jassat (2017) emphasizes the importance of the above process of learning, but prefers to refer to its components as the *Quadrants of Learning* where the four steps are expressed towards the learner as:

First Quadrant – "I don't know that/what I don't know";

Second Quadrant – "I know that I don't know";

Third Quadrant – "I know that I know"; and

Fourth Quadrant – "I don't even know that I know".

According to Jassat (2017), a person (learner) should be enticed to become curious in exploring their world when they are perpetually residing in essentially the 1st quadrant, yet marvelling in the state of being that is presented in the 4th quadrant. The value of being in the 1st quadrant state of mind is that the learner embraces the spirit of continuous knowledge seeking and an enthusiastic ongoing pursuance of excellence. The role of the educator is therefore to apply techniques and create conditions, which lead to an environment where the learner enthusiastically takes charge of their own learning experience, thus creating the passion and hunger for striving to attain the sought after knowledge they intended to seek in the first place. Research undertaken regarding efficacy of using NLP techniques in teaching and learning, highlights many aspects of education, but for the purposes of this paper, one important aspect is particularly paramount: *Personalising learning*.

In a Research Paper entitled *Leading learning through relationships: The implications of Neuro-linguistic programming for personalisation and the children's agenda in England* the authors Churches and West-Burnham (November, 2008) mention that "Personalised learning is much more than a portfolio of effective teaching and learning strategies focusing on the individual. It is primarily about an ethos, or culture, which is expressed through a number of pivotal components." The mentioned pivotal components include:

- **Achievement:** personalising learning has to be focused on maximising the achievement of every individual through understanding of the full spectrum of definitions – taking cognisance most notably that all of the components of "Every Child Matters".
- **Aspiration:** central to personalising learning is a culture of high expectations and aspiration, again expressed in every dimension of a child's, or young person's, life but focused in particular on their entitlement to achieve optimum success at school.

- **Inclusion:** personalisation applies equally to the gifted and talented and those with special needs. In many ways it offers a powerful strategy to ensure ideal provision for all young people, which is geared towards their particular needs and gifted talents.
- **Relational:** learning is an interpersonal process and personalisation offers scope and opportunities to maximise the quality of learning relationships between learners and all those involved in supporting them including parents and fellow learners.
- **Accountability:** personalising learning clarifies personal and professional responsibilities and places added significance, highlighting increased performance for all those involved in the learning process. It assists in eradicating dependency across the system and outlines the effective individual outcomes and strategies.
- **Meta-learning Theory** – learning depends largely on the learner's ability to plan and manage their own learning; and
- **Co-operative Learning Theory** – successful learning depends on the ability to create a co-operative learning experience with a focus on 'how' learning occurs rather than only focusing on the learning content ('what') (Erasmus & Van Dyk, 1999:89).

Irrespective of the particular theory, Erasmus & Van Dyk (1999:93) pronounces that motivation is an important principle in the process of learning. In this regard, motivation refers to the extent to which a learner wishes to absorb the learning content and this factor depends on to which extent the teacher/trainer/coach/mentor has successfully been recognised and accepted by the learner (legitimation as the conveyor of knowledge and information). It should be noted that the learner may be intrinsically or extrinsically motivated to learn, yet the above conditions remain dependant on the issue of motivation.

4.2 Planning the Teaching by Understanding the Learning

According to Erasmus & Van Dyk (1999:87) many theories exist concerning learning and the acquisition of knowledge. However, learning may simply be described as "a permanent change in behaviour that occurs as a result of exercise and/or experience". Contextualised in an education and training perspective, this definition may imply that learning occurs when a learner has acquired an ability to perform a function as a measure of doing something that they were not previously able to execute. Placed within a human resources development and skills acquisition context, different theorems may deserve scrutiny. Theories on learning may include, but are not exclusive to:

- **Behaviourist Theory** – learning occurs as a result of a stimulus of some sort;
 - **Humanistic Theory** – humans are driven by the pursuit of personal objectives;
 - **Gestalt Theory** – learning is a complex cognitive process involving the whole personality;
 - **Experimental Theory** – learning is a complex process which cannot be explained with simplistic models;
- Freeth (2013:86) agrees that motivation serves as an important function in pursuance of successful learning and continues to mention that 'carrot' or 'stick' motivation both have a place in the learning environment where incentives or penalties for performance or non-performance are both strong motivators. Therefore, the principle from a NLP point of view is that the language used to communicate the consequences of performance or non-performance or success or failure, should be clear and unambiguous; behaviour change will only result if the language used is outcomes based. "Learners need to be informed of the outcomes if the request is complied with. If people are to be motivated away from problems, you need to tell them what they will avoid if they do what you ask." (Freeth, 2013:89). As much as teaching and learning modalities are complex and multifaceted, for the purposes of this research, the key aspect which warrants scrutiny is the role of a learner's sensory system when learning is underway.

Essentially, three sensory systems are employed in learning, being: visual (V), auditory (A) and kinaesthetic (K). These sensory functions are essential to the learning process, and if the teacher is attuned thereto, effective and efficient learning may be enhanced. It should be noted that a close

dependency exists between the sensory aspects, and the above mentioned motivational aspects as well. In a practical context, some learners have a propensity towards visual learning, where others are more auditory based or kinaesthetic (feeling). Although at times a combination of the three may prevail, one will always be the dominant or preferred choice of processing information.

Freeth (2013:96) emphasises that our senses are all influenced by the language context within which the learning occurs; hence the linguistic element in the NLP equation is a critical component of communication. It is therefore important to note that if the way in which learning is presented to the learner is set in a type of language which is clear, unambiguous and congruent with the type of learner (learning style – *personalised*), the objectives of the teaching outcomes may be better met.

4.3 Sensory Preferences

As alluded to in the previous section, individuals react differently to environmental stimuli, depending on their sensory preferences. Good communicators hone their communication to align – 'suit' – their audience's sensory preferences. To explain further, the communicator who wishes to influence (lead through communication) needs to be attuned to an audience's sensory preference and adapt this stimulus in accordance thereto. As mentioned by Freeth (2013) essentially, V, A and K are the most dominant sensory factors. Table 1 explains the three sensory preference styles for 'taking in' and representing the world. It should be noted that 'typical' behaviour of individuals who fall into the different categories are highlighted, yet the

table does not present an exhaustive list; these are merely by way of example.

4.4 Personalising Learning

In addition to the notes relating to personalising learning made *supra*, the role of the leader (teacher – trainer/mentor/coach) in this process is important because: *Firstly*, the notion of the leader as a *model of appropriate behaviour* is vital (legitimation). The ethical imperative has to be matched by morally consistent behaviour. There is, therefore, a moral imperative on teachers to adopt a model of personal effectiveness, which exemplifies the values which are supposed to be already inculcated within themselves, whilst transferring these to the respective learners, hence modelling the translation of principle into practice. *Secondly*, both from a principled and pragmatic stance, a growing understanding of neurological functioning indicates the fact that learning is an emotionally based activity. Effective brain functioning is reliant on a positive emotional environment. Anger, stress and tension actively blocks effective brain functioning, whereas a positive and relaxed climate will enhance the learning process. The aforementioned applies to adults as much as it does to children. In all of the differing opinions surrounding the concept of the learning organisation, the importance of the emotional climate should be encouraged. This implies the absence of tension and the creation of positive self-concept and self-awareness for mutual regard for each other – a fundamental trait of positive leadership for the highest good of all participants intended.

Finally, leadership effectiveness is a product of personal effectiveness, which is in turn grounded

Table 1: Sensory Styles

V - Visual Style	A - Auditory Style	K - Kinaesthetic Style
Revolves around vision and sight	Revolves around hearing	Revolves around tactileness and motion
Typical behaviour/uses phrases:		
Talks fast, uses visual phrases e.g.: <ul style="list-style-type: none"> • "I can see clearly"; • "Let me paint the picture"; • "In view of"; • "see what I am saying" • "It looks like"; and • "It is still cloudy to me". 	Talks methodically and carefully selects words e.g.: <ul style="list-style-type: none"> • "To tell the truth"; • "Clear as a bell"; • "That clicks with me" • "I hear what you are saying"; • "What an earful"; • "It sounds good"; and • "Loud and clear". 	May talk slowly, sometimes excessively slowly. Uses phrases such as: <ul style="list-style-type: none"> • "Catch my drift"; • "Get in touch"; • "Get a handle on it" • "Hang in there"; and • "Cool and calm".

Source: (Nadler, 2011: 281)

in emotional self-awareness and emotional intelligence (EI or EQ). The consistency and quality of sustained and significant leadership engagement with others is a chief ingredient of success. Therefore, it is crucial to develop leaders (teachers) who have a traditional range of knowledge, skills and qualities but who are capable, indispensable in a highly sophisticated way, to cultivate emotionally mature and intelligent learners that enable learning in both curricular and social settings triumphantly.

Emotional self-awareness and emotional intelligence may be described as the ability to be constantly aware (attuned to) of *yourself*, being able to manage yourself and thereby understanding *others* and managing *others* (Nadler, 2011:9). Nadler continues to state that "People who possess high Emotional Intelligence, are the ones who truly succeed in work – building flourishing careers and long-lasting relationships as well as having balanced work and home life". For the sake of clarification, D'Ambra (2007:7) defines Emotional Intelligence as: "Our EQ, or emotional intelligence quotient, is, by definition complex because it combines many different qualities, often almost indiscernible from each other, such as self-awareness, the ability to read our own feelings, control our impulses and communicate with others. It cannot be quantified in the same way as IQ (Intelligence Quotient). It needs to be evaluated in terms of self-awareness and our relationships with others".

The importance of emotional intelligence aspect in leadership is in fact the very essence of what it is all about: Being *aware* (observant) of peoples' preferred or 'stronger' sensory preferences, makes it easier to effect leadership and to be an effective leader. As explained *supra*, being aware of the three essential NLP sensory differentiators, being the *visual*, *auditory* or *kinaesthetic* sensory strengths or preferences, will result that the leader's communication to the recipient(s) – information tailored specifically to their preference – to have greater effect and impact (Nadler, 2011:280).

5. Applying Neuro-Linguistic Programming Techniques in Mentoring and Coaching

Mentoring and coaching are concepts which often cause confusion. To understand mentoring and coaching from an NLP perspective, the difference between these two concepts should be

clarified. Mentoring has a focus on 'Professional Development' and should be conducted by a more senior professional in the organisation who is specifically not the line manager of the mentee. Mentoring is a process that identifies opportunities to expand a staff member's experience and facilitate carer development (Menaul, 2013:9). It may specifically relate to the technical field within which the staff member functions, such as a financial manager, operating within the financial management domain. Here, the mentor may assist the mentee on financial decision making modalities under practical-operational conditions.

Coaching, often also referred to business coaching, corporate coaching, leadership coaching or management coaching, occurs when a specialist person, "works with people in organisations who are in a senior position of authority. The coach is there to provide a sounding board and listening ear to someone who has complex issues and may have no one else to share them with especially if they are right at the top of an organisation. In a leadership capacity, the coach may help them to inspire others create strategic plans and culture plus developing a vision for the company (organisation)" (Menaul, 2013:11). In other words, Menaul (2013:9) reveals that coaching is a 'management style' which seeks to maximise the contribution and performance of an individual in organisational context. It may involve providing guidance, direction, feedback and encouragement. It is a part of a management system and is premised on a teaching and learning philosophy which supports a practitioner through 'Performance Centred Learning'. It should be noted that coaching may occur as part of a natural process in the workplace, which can be done by an external coach or led by the line manager.

A noteworthy distinction, however, is drawn by Lozza (2014:11) where the difference between *business coaching* and *executive coaching* is made:

- Business coaching may be interpreted as a process of a mere general nature, scope and intent; a process relating to general career advancement and pathing, how to navigate certain transitions during a career in an organisation or general leadership development aspects.
- Executive coaching, to the contrary may be defined as: "an experiential and personalised leader development process that builds the

leader's capability to achieve short and long term organisational goals. It is conducted on a one-to-one and/or group interactions driven by data from multiple perspectives and based on mutual trust and respect. The organisation, the executive, and the executive coach work in partnership to achieve maximum impact."

It should be noted from the above that mentoring and coaching are two distinctively different activities, yet both potentially invaluable for staff members and organisations, respectively. The common factor to be noted, however, is that both form part of a teaching and learning process. Both have an invaluable role to play and as much as the teacher should apply their emotional intelligence to gauge their audience and apply NLP principles in a classroom setting, when doing mentoring and coaching, the same should equally apply during such events.

6. Neuro-Linguistic Programming in the Classroom and Beyond: Longitudinal Research

In order to support the development of an understanding of the potential of NLP tools in a public affairs education and human resources development purpose, empirical data collection and discourse are required. Research consistently indicates that what teachers do in the classroom is at the heart of the education institution's effectiveness, and the role of mentors and coaches intra-organisationally therefore aids their competitive advantage in the global human resources development arena and that the environment (classroom practice and experiential learning) are the factors that reign supreme in impacting the learners' progress (Churches and West-Burnham, 2008: (20). The researchers are currently in the throes of designing the study and to secure funding to support the study.

For the purposes of further research on public affairs education and human resources skills development, the following NLP-related aspects may warrant scrutiny:

- To study and develop an appreciation of the importance of interpersonal and intrapersonal skills in public affairs human resources development, in the context of the dynamics of the subject discipline;

- To Identify, define and implement agreed models of 'best practice' of NLP models in Public Affairs teaching and learning;
- To understand the role of body language and non-verbal communication in teaching and learning; and
- To determine the relationship between self-concept, self-esteem and achievement.

For the purposes of debate and explanation, Appendix A serves as an example of a lesson plan, prepared for a lesson in a Public Sector Accountancy module, which incorporates an NLP approach for in-class teaching methodology.

7. Conclusion

In the preceding discussion selected key NLP aspects were cast into a teaching and learning context in higher education and human resources skills development. These aspects do not by any means capture the rich NLP body of knowledge available to teachers or interested parties, but may serve to cast some light on the relevant theory. An attempt was made to indicate and position the key variables which through an NLP lens, may improve teaching and learning in complex higher education settings where learners may find public affairs teaching and in particular, Public Sector Accountancy challenging.

References

- [Author Unknown]. (Undated) Re-framing.2018. Available at: <http://www.microdot.net/nlp/reframing/reframing-5.shtml>. Accessed on 10 April 2018.
- [Author Unknown]. 2008. Leading learning through relationships: The implications of Neuro-linguistic programming for personalisation and the children's agenda in England. Available at: www.cfbt.com. November 2008. Accessed on 10 November 2017.
- Bodenhammer, B.G. & Hall, M.L. 1999. User's Manual for the Brain. Carmarthen, Wales & Bethel, CT: Crown House Publishing.
- Churches, R. & West-Burnham, J. 2008. Leading learning through relationships: the implications of Neuro-Linguistic Programming for personalisation and the Children's Agenda in England. Reading: CfBT Education Trust.
- D'Ambra, G. 2007. Understanding Emotional Intelligence & Measuring Your EQ. New Delhi: Infinity Books.
- Dilts, R. 1999. Anchoring. This report is available at: <http://www.nlpu.com/Articles/artic28.htm>. Accessed on 10 April 2018.

- Erasmus, B.J. & Van Dyk, P.S. 1999. Training Management in South Africa. Second Edition. Halfway house: International Thompson Publishing (Southern Africa) (Pty) Ltd.
- Freeth, P. 2013. NLP – Skills for learning: A practical handbook for increasing learning potential. 1st Edition. Kenilworth, Warwickshire: Communication in Action.
- Grinder, J. & Bandler, R. 1976. The structure of magic II: a book about communication and change, Palo Alto: Science and Behaviour Books.
- Hutchinson, G., Churches, R. & Vitae, D. 2006. The consultant leader programme in London's PRUs and EBD schools; Impact report 3: Towards system leadership. Reading: CfBT Education Trust and the National College for School Leadership.
- Hutchinson, G., Churches, R. & Vitae, D. 2007. NCSL London Leadership Strategy, consultant leaders to support leadership capacity in London's PRUs and EBD Schools: Impact report-roll-out, July 2007, Reading: CfBT Education Trust and the National College for School Leadership.
- Jassad, K. 2017. Personal interview. Mayville, Johannesburg.
- Lozza, L. 2014. The 7 qualities of Brilliant Executive Coaching. 1st Edition. Bookboon.com
- Menaul, J. 2013. Running a Successful Executive Coaching Business. 1st Edition. Bookboon.com.
- Mosby's Medical Dictionary. 2009. Maryland Heights: Elsevier Ltd.
- Nadler, R.S. 2011. Leading with Emotional Intelligence. Hands-on Strategies for Building Confident and Collaborative Star Performers. New Delhi: Tata McGraw Hill Education Private Limited.

Appendix A

Lesson Plan: Public Sector Accounting (1st year Postgraduate)

Scenario: Postgraduate adult learners at an institution of higher learning

- Teaching a cohort of adult learners who vary in their skills and knowledge and attitude of the subject.
 - Their motivations for learning Public Sector Accounting differ.
 - Part of a Programme with a compulsory module.
 - Most learners are learning this subject to advance their career
 - Accounting is a compulsory module in the particular programme curriculum.
 - Some learners would prefer to avoid Public Sector Accounting as they fear the quantification aspects associated with the subject. This state of mind exists as a result of past conditioning resulting in some individuals' innate 'inability' to cope and deal with accounting, where some may experience less apprehension in this regard due to positive framing during past exposure to the subject.
 - Learners attend Public Sector Accounting classes, weekly for four hours.
- Rapport is key in developing an interpersonal relationship with the learners in order for them to trust and feel comfortable with the teacher; thus creating an atmosphere of ease and comfort to learn effectively, which is vital.
 - The teacher maintains an open door policy with the learners, in the event where they require any further assistance for accounting over-and-above their classroom activities.
 - The parties (teacher and learners) all have developed a keen relationship with each other.
 - Classroom discussions are encouraged and repetitive learning through practicing their skills is enhanced.
 - The higher institution has some technology resources to utilize when teaching, namely: white board, a projector, Wi-Fi connectivity and a classroom setup conducive to teaching and learning; Blended learning is therefore well-facilitated.

Lesson Aim:

- Key concepts of Public Sector Accounting are explained to develop the learners' foundation and understanding of the subject matter.

Human Rights Activism for Democracy and Human Development in the Democratic Republic of Congo: A Conceptual Appraisal

P Mbecke

Université du Moyen Lualaba Kalima, Democratic Republic of Congo

Abstract: Debates on the impact of democracy on human development are controversial depending on the theory in use. Through the combination of the democratic theory on good governance and public administration and human development research approaches on service delivery, this paper aims to show that dictatorship and government's lethargy to embark on democratic process and good governance have hampered the development of the Democratic Republic of Congo. Considering the escalating human rights abuses and violence linked to elections and electoral processes, denying or delaying people's right to elections not only falsifies democracy but contributes to underdevelopment. The paper emphasises that democracy can favour development. It recommends that establishing both democracy and good governance can foster development in the one hand and an effective and responsible human rights activism can hold the government of the Democratic Republic of Congo accountable in implementing democratic processes and good governance for service delivery resulting in human development in the other hand.

Keywords: Democracy, Elections, Human development, Human rights activism

1. Introduction

Since its independence in 1960, the Democratic Republic of Congo (DRC) has organised only two elections in 2006 and 2011). In 2006, voters elected national and provincial representatives at the expense of municipal and local elections. These elections were the first experience of democratic votes in the DRC and therefore commended by the international community as peaceful since the agonising dictatorial epoch of Mobutu's monopartite political system. However, during the 2006 and the 2011 elections, cases of gross human rights abuses and violations amounting to casualties, arrests, lootings and the like, were observed. Additionally, as the country was preparing for elections supposed to happen before December 2016 at all levels, voices were raised about the intensity of concealments to delay or cancel the ballots. This situation has resulted in violent demonstrations with negative consequences on people's human rights.

The governments of transition following the fall of Mobutu's dictatorial regime have unfortunately brought less if no hope for development in that country. The enjoyment of democracy can be easily tested through seven key criteria referred to as 'polyarchy' by Dahl (1971): Five of those criteria are important for this paper. They are not cited

and grouped in order of hierarchy; (1) Relatively frequent, fair and free elections; (2) Universal adult suffrage. Elections have not been frequent, fair and free in the DRC for many years. The current delays or denial are a gross abuse of democracy; (3) Control over governmental decisions about policy constitutionally vested in elected officials. If democracy happened in the DRC, the elected leaders could be responsible and accountable and therefore facilitate human development; (4) Freedom of expression; and (5) Freedom of association (i.e. the right to form and join autonomous associations such as political parties, interest groups, etc). The lethargy of the government to implement democratic process and to deliver services should be denounced by individuals and groups within the society. The human rights activists are key leaders in doing such work. In the DRC, freedom of expression and of association and human rights activism are reprimanded which is another great abuse of democracy.

Research culminating into this paper, through mainly literature review on human rights abuses and violations especially those linked to up-coming election times, explores three major issues relating to democracy, human rights activism and their impact on human development. Primo, the paper argues that human rights abuse and violations linked to elections have not only falsified the

democratic process but contributed to worsening the under-development of the DRC. Secondly, the paper establishes that when political decisions assist individuals to acquire the power to decide by means election (Schumpeter, 1942), it means that democracy can facilitate human development. Thirdly, the paper views the democratic theory of development as possible in the DRC and agrees with Michael and Morton (2004) that democracy can strengthen development and contribute to a positive social welfare.

Five main sections are therefore explored in this paper including this introduction (first section). The second section succinctly analyses the theoretical framework which explain the problem at hand and the sourcing of specific appropriate qualitative information. The third section highlights the impact of democracy on human development with an emphasis on elections as a precondition for democracy in the DRC and responds to: (1) how delaying or denying people's basic human rights to elections falsify the democratic process and contribute to under-development; and (2) what is the importance of free and fair elections in building democracy and a political and public administration systems that facilitate service delivery and consequently human development. The fourth section analyses how activism can promote democracy and strengthen human development. The fifth and last section concludes the paper with the researcher's recommendations.

2. Theoretical Framework

This paper is the result of a qualitative research through literature review. It reflects the combination of democratic theory, public administration research approach and human development research approach to explain the problem under study and the recommendations thereof. The democratic theory is an emanation of political theory. It primarily examines the definition and meaning of democracy and the moral foundations, obligations, challenges, and overall desirability of democratic governance (Laurence, 2015). This paper examines the democracy process in the DRC to show that such process has not yet taken off considering both the delays and denial of elections in the country. The public administration approach focuses on the notions of politics and the management of public affairs. In an essay published in the *"Political Science Quarterly"* in July 1887, Woodrow Wilson viewed public administration as a detailed and systematic execution of public

laws and divided government institutions into two, politics and administration sectors. Politics deals with issues and questions relating to policy formulation, whereas administration is mandated with implementing policies. Because of the absence of democratic processes in the DRC, the public administration is politicised and therefore unproductive.

The human development theory emanates from the work of Amartya Sen and focuses on human capabilities with regards to socio-economic (social capital growth, positive well-being) prosperity favouring development. Human Development is therefore defined by the United Nations Development Programme (UNDP) (1997,17) as "the process of enlarging people's choices", said choices allowing them to "lead a long and healthy life, to be educated, to enjoy a decent standard of living", as well as "political freedom, other guaranteed human rights and various ingredients of self-respect". The case of the DRC is that, democracy processes have not taken place leading to an effective public administration and consequently a halt to human development.

The New Public Management theory is a combination of administrative practices or a body of theory that interprets recent developments in public administration according to Stephen (2007). This paper concedes that an appropriate public administration should consist of politics that practices representativeness and political responsiveness and value and protect human rights in one hand and in the other, hand an effective, efficient and public management system to facilitate service delivery for human development.

The paper therefore contends that, when political representativeness and responsiveness fail, when human rights are abused and violated, and when public management does not deliver on socio-economic rights of the people, human rights activism can be one of the ways of holding the government accountable and responsible. This double-theory approach is facilitated through a qualitative research approach based on a selective literature review focussing on specific case studies related to human rights activism and specifically elections and their impact on socio-economic development.

3. Democracy and Human Development

Establishing the causal link between democracy and human development is a controversial debate

and not the focus of this paper. However, of different theories on such causal link, the researcher holds that a certain level of human development is necessary for democracy to take off be sustained in a country and similarly, democratic governance can facilitate the enjoyment of political and socio-economic rights of people leading to human development.

3.1 What is "Democracy"?

Democracy is, according to Boundless (2016), a form of government in which all eligible citizens have an equal say in the decisions that affect their lives. Democracy allows people to participate equally – either directly or through elected representatives – in the proposal, development, and creation of laws, and encompasses social, economic, and cultural conditions that enable the free and equal practice of political determination.

Several variants of democracy exist, but there are two basic forms, both of which concern how the whole body of citizens executes its will. One form of democracy is direct democracy, in which citizens have direct and active participation in the decision making of the government. The other form is the representative democracy, whereby the whole body of citizens remain the sovereign power although political power is exercised indirectly through elected representatives.

3.2 Key Principles of Democracy

Cheema and Maguire (2002:3), view a representative democracy as based on institutions and processes such as free and fair elections, the existence of political parties, the separation of powers, and the presence of representative bodies. This paper emphasises the importance of elections as a key principle for the promotion of democracy in the case of the DRC.

3.3 Denying People's Basic Human Rights to Elections Falsifies Democratic Process

According to Tuzin, Newman and De la Vega (2007), the Universal Declaration of Human Rights ("UDHR") asserts the right to vote and the right to public participation in government in its Article 21 stipulating that: 1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives; 2) Everyone has the

right of equal access to public service in his country; and 3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

Article 25 of the International Covenant on Civil and Political Rights ("ICCPR") codifies these rights, requiring that: Every citizen shall have the right and the opportunity, without any of the distinctions mentioned in article 2 and without unreasonable restrictions: 1) To take part in the conduct of public affairs, directly or through freely chosen representatives; 2) To vote and to be elected at genuine periodic elections which shall be by universal and equal suffrage and shall be held by secret ballot, guaranteeing the free expression of the will of the electors; and 3) To have access, on general terms of equality, to public service in his country.

Furthermore, the right to vote is protected under several regional human rights instruments, including Article 13 of the African Commission on Human and People's Rights ("ACHPR"), Article 23 of the American Convention on Human Rights ("ACHR"), and Protocol One of the European Convention on Human Rights ("ECHR"). The right to vote is fundamental and not supposed to be denied in any circumstance. The fact that the DRC has not had elections at provincial and local levels since 2006 and that the 2016 elections have been postponed indicates that the democratic process is flawed and therefore falsified. The rise in human rights activism is therefore justified.

3.4 Human Development

Understanding the concepts development and socio-economic development is not an easy task and not the focus of this paper. However, discussing development is a matter of considering how the low standard of living of the mass of the population in the developing world (as it is the case of the DRC) is singled out as a key issue (Szirmai, 2005:1). This researcher considers two critical topics in defining the dynamics of socio economic development: 1) development of per capita income over time; and 2) factors influencing economic development or stagnation. Espousing Myint's 1980s theory, Szirmai emphasises two approaches in discussing development: 1) the fight against poverty which is still a main dilemma for many developing countries;

and 2) analysing the long term economic and social development (Szirmai, 2005), which is the interest of this paper. The human development notion is very important in considering the impact of democracy on development. The human development approach is a new terminology that means the measurement of three non-weighted three variables: 1) the index of per capita gross domestic income; 2) life expectancy at birth, and 3) the level of education (Szirmai, 2005:15). The three different indicators can also be understood as: 1) the Basic Human Needs; 2) the Foundations of Wellbeing, and 3) the Opportunity. These indicators are weighted equally in the overall Human Development Index.

Developed by economist Mahbub ul Haq, human development is defined as the process of enlarging people’s freedoms and opportunities and improving their well-being. Human development is about the real freedom ordinary people have to decide who to be, what to do, and how to live (Szirmai, 2005). The human development concept can also be measured through the Social Progress Index. According to Social Progress Imperative, a non-profit organisation, the Social Progress Index is based on the writings of Amartya Sen, Douglass North, and Joseph Stiglitz. It measures social progress, not wealth. It analyses the extent to which a country provides for the social and environmental needs of its citizens through fifty-two indicators in the areas of: 1) basic human needs; 2) foundations of wellbeing, and 3) opportunity. These indicators show the relative performance of countries.

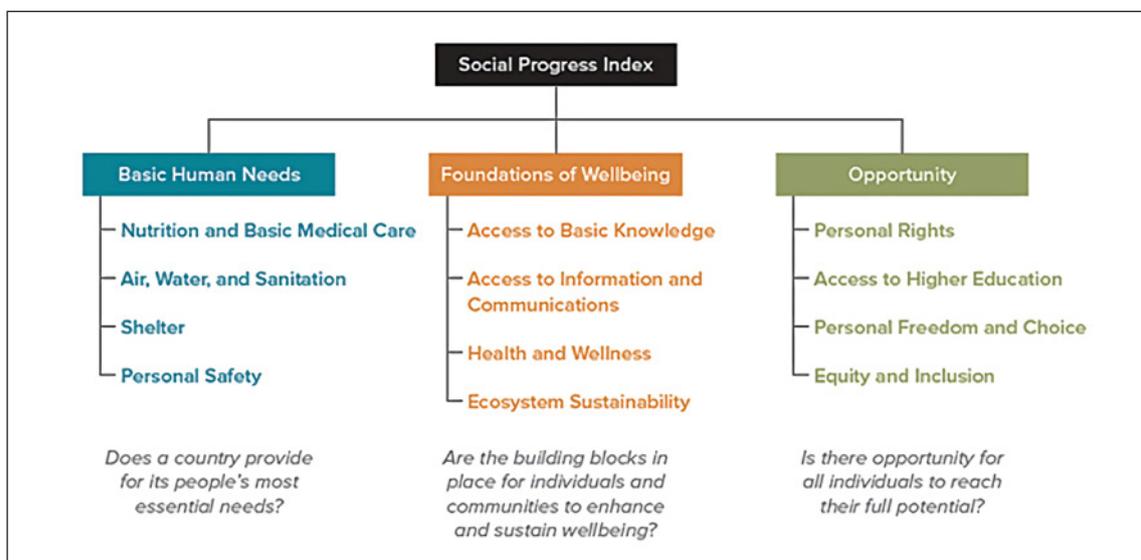
The notion of the human development and that of the Social Progress Index as compared to development and socio-economic development, emphasise the notion of public participation; thus, the impact of democracy on human development.

3.5 Impact of Democracy on Human Development

It is not the purpose of this paper to deeply analyse the direct impact of democracy and good governance on development. A quick assessment however, shows a mixed reaction. Rodrik, Arvind and Francesco (2004) argue that good governance implies the rule of law and emphasises property rights thus having a positive impact on economic prosperity. Similarly, Siegle, Michael and Morton (2004) view democracy as strengthening development and thus contributing to a positive social welfare. These two ideas are rejected by many other authors. For instance, Ross (2006) argues that democracy has no significant impact on economic prosperity and on social welfare considering welfare indicators such as health, education, etc. This paper considers the link between democracy and development as argued above.

Those who appreciate the positive impact of democracy and good governance on economic prosperity and social welfare understand that the participation of the population through their elected leaders is crucial in putting their issues on the government’s agenda. They also argue that elected leaders have

Figure 1: Social Progress Index



Source: <http://iasgyaanvaani.blogspot.cz/2014/04/gyaan-irnss-banking-license-social.html>

the duty to respond to the needs of their electorate and that democracy has a certain level of checks and balances in so far as once not addressing the needs of the electorate, an elected leader cannot be re-elected. Democracy and good governance imply an open and direct flow of information from the elected leader to the electorate which facilitate responsibility and accountability thus transparency and less if no corruption. Democracy implies a smooth leadership succession and a predictability based on the performance of the current elected leaders and good governance can provide services because those with political and administrative powers need to commit to the rule of law.

For Przeworski, Alvarez, Cheibub and Limongi (2000), the normative theory of democracy is best. They argue that "democracy is a good thing intrinsically and instrumentally". Intrinsically, democracy can be compared to the ability of people to live as free and autonomous possible. Instrumentally, democracy becomes an institutional pledge that government's laws and policies address the needs and interests of people. For these authors, democracy determines people's quality of life. This paper fully supports this theory.

The Council on Foreign Relations (2003) is of the view of the proponents of the normative theory of democracy whereby democracy and good governance facilitate and promotes economic prosperity and social welfare. It concedes that democracies have outperformed autocracies in the consistency of their growth. Growth in democracies was also at a faster rate than in autocracies. Considering an analysis of the 80 worst economic performers in the last 40 years, the Council observed that all but three countries have been autocracies. Council concludes that, in some cases up to 50% of cases, democracies have performed substantially better than autocracies in the social welfare dimension of development or Social Progress Index if not human development in general (life expectancy, child mortality and literacy).

3.6 Importance of Elections in Building Democracy and Human Development

Cheema and Maguire (2002:2) emphasise the importance of elections in promoting democracy that contributes to human development. They argue that, in addition to the causes of poverty in many developing countries, democracy and good governance – that is, the institutions and processes

of democratic governance and their quality, are critical factors that influence, and are influenced by the positive and negative changes. They maintain that, when governance is democratic, meaning that it upholds the principles such as participation, rule of law, transparency and accountability, it goes a long way toward improving the quality of life and the human development of all citizens. For development to be sustainable, transparent and accountable institutions through electoral bodies, parliaments, human rights institutions and the judiciary are an imperative. The national and local capacity to formulate and implement people-centred policies, and legal and regulatory frameworks that facilitate development can therefore be possible through public participation which can only be possible through representation. Regular free and fair elections are therefore the basis of political legitimacy in any country that embraces the democratic route. Through regular free and fair elections, people's development needs can be incorporated in public policies through their representatives and services and goods delivered through responsible public governance.

4. Activism for Democracy and Human Development

This paper emphasises political rights such as the right to vote as paramount in the enjoyment of human development. This focus does not mean that democracy is solely defined by elections but only justifies the importance of free and fair elections in a country that has endured dictatorship and a myriad of transitional governments that have not fostered human development.

4.1 Link Between Elections and Democracy

Some minimalist and maximalist definitions of democracy by Cheema and Maguire (2002:5-6) assist in linking democracy directly to elections. The minimalist definition of democracy by Joseph Schumpeter as cited by Cheema and Maguire (2002:5) as: "institutional arrangement for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for the people's vote, is not applicable to the current democratic process in the DRC because the elections are not taking place and have been delayed for no valid reason, thus the rise of human rights activism currently underway in the DRC. In this case, human rights activism to claim the organisation of elections in the DRC is justified.

The maximalist definition of Larry Diamond as cited by Cheema and Maguire (2002:6) enumerates rights and liberties to be associated with a competitive and inclusive system of government such as: civilian rights, constitutional rights, a multiparty regime, regular, free and fair elections, extensive civil liberties (freedom of expression, freedom of the press, freedom to form and join organisations); effective power for elected officials; and functional autonomy for legislative, executive and judicial organs of government. Enjoying these rights has been impossible in the DRC prompting the rise of recent human rights activism campaign claiming not only the elections but the respect of the Constitution.

4.2 Human Rights Activism in the DRC: The Case of "Filimbi" and LUCHA

"Filimbi" means a whistle in Swahili, one of the official languages of the DRC. It is a movement of mainly young people who reclaim their rights to democratic governance in the DRC, the respect of the constitution and the organisation of elections by the government. LUCHA (Lutte pour le Changement) means "Struggle for Change". It is another youth-led movement that opposes the third consecutive term for the current president and the delays in organising elections. According to Amnesty International (2016), the DRC government is violating the rights to freedom of expression, association and peaceful assembly pushing the country into crisis by preventing dissenting voices from organising and expressing themselves on elections and term limits. The consequences of such repression have been not only the casualties (more than 40 on 19-20 September and almost the same on 19-20 December 2016 but economic losses and perturbations with regards to school calendars etc.

The acts of the government of the DRC amount to a gross abuse of basic human rights according to the definition of democracy. The civilian rights and constitutional rights and the extensive civil liberties to freedom of expression, freedom of the press, freedom to form and join organisations have been denied to many human rights organisations and the hold-up of regular, free and fair elections.

4.3 Why is Human Rights Activism Not Respected in the DRC?

There are various reasons why human rights activism is not thriving in the DRC. In other words, human rights activism has not yet successfully claimed

the enjoyment of basic human rights in the DRC. Balogun's 2012 argument about the problem of human rights activism in Nigeria applies in the case of the DRC. The actor analyses a three-fold problem of Ayo Obe (a renowned Nigerian female activist and former President of the Civil Liberties Organisation (CLO) in Nigeria). The three-fold problem is included in the following quick assessment:

- The political class is composed of inexperienced elites who are motivated by personal interests. They have no notion of democratic practices. They are corrupted and do not observe the principles of good governance. This political class is suspected of advising the current president to hang illegally into power at any cost in order for them to greedily benefit.
- In the DRC, as well as in many countries worldwide, human rights activism has been associated with terrorism; a way for governments to arbitrary arrest and detain activists. The government of the DRC has accused the Filimbi and LUCHA movements of functioning illegally as they were not dully registered locally and internationally. Balogun, (2012) refers to arbitrary, unaccountable, vindictive, lawless and self-deceiving government under which human rights groups and activists struggle to operate, constitutes the greatest problem facing human rights activism.
- The United Nations and the international community's willingness not to enforce the respect of international human rights principles and practices contributes to the lethargy of the government to implement democracy in the DRC. The different United Nation missions deployed in the DRC witness helplessly the abuse of human rights as their mandate is not advantageous to the people.
- In many instances, human rights activism movements are punctual and not structured. This creates a situation whereby the actions of the human rights activists are not consistent and permanent as they are meant to address singular issues that might not necessarily address the key issues faced by the population. For Balogun (2012), some human rights groups and activists are not genuinely focused – some are more liberal, while few are beyond the fringe. The author also argues that people do not usually have confidence in activism and in themselves; as a result, such attitude and beliefs discourage virile and effective activism.

- Poverty and illiteracy have contributed to the inertia of people to claim and defend their basic human rights. In one way, they are not aware of their rights to claim them and they are interested in making their living than spending time to claim their rights in another way.
- A well trained and responsible political class and public administration should be able to distinguish between a human rights activism and terrorism and allow human rights activists to claim the rights of the people in a structured way. The government of the DRC should therefore be able to register its human rights movements and establish their functioning according to the local and international laws and regulations.

5. Conclusion and Recommendations

Balogun (2012) views human rights activism and activism in general as an international action to facilitate social and political change. Human rights activism is therefore a necessity for the promotion of democracy and good governance to lead economic prosperity and social welfare (human development) in the DRC. This paper agrees with the proponents of a democratic theory as opposed to the authoritarian theory of development without necessarily establishing the link between democracy and development in the DRC as democracy has not yet happened in that country. The paper therefore suggests that democracy and good governance should be initiated, implemented and sustained in the DRC in order to facilitate human development. A democratic government should therefore lead to human development whereas an effective human rights activism should hold government responsible and accountable and facilitate credible actions to reclaim the basic human rights of the citizens.

A way of assuring checks and balances in the implementation of democratic processes and good governance is therefore a responsible human rights activism representing the electorate and the people in general against the government. Since human rights activism seems to be a new concept in application in the DRC and considering the factors hindering the success of activism, the following recommendations are crucial:

- Democracy and good governance mean the rule of law, responsibility and accountability. The political class as well as the public administration of the DRC need to uphold patriotism, loyalty and nationalism in order to foster democracy and good governance. A code of ethics and professionalism on democracy and good governance should therefore be developed and signed by each active politician and public office bearer. Regular training on democracy and good governance is therefore mandatory for all active politicians and public administration officials.
- The United Nations and the international community should be involved in making the government to respect the local and international laws and regulations with regards to democracy and good government. Mechanisms such as political and economic sanctions should be initiated once the government is found to be willingly abuse basic human rights and impeding democracy and good governance. The mandate of the United Nation missions deployed in the DRC should be modified to include the protection of basic human rights. Interventions against the abuse of human rights activist are therefore important by such mission as well as the protection of victims of human rights abuses.
- For human rights activism to thrive, human rights activists need to be structured, coordinated and organised. Human rights activists need also to be trained in basic human rights, democracy and good governance. Such training will facilitate the actions of the human rights activists for a positive impact than just punctual actions. It will also create a certain level of confidence of the people in the actions of the human rights activists.
- Creating a responsible citizenry is the responsibility of both the government and the human right activists. The government should lead the process of training and informing people on their human rights, democracy and good governance. Such awareness will assist the government in the sense that people will claim their genuine rights in a structured and official way. The human rights activist should also assist in training and informing people on their human rights and the democratic processes and good governance as to earn their confidence for activism actions to bear positive impacts. Poverty and illiteracy are key human development indicators which will depend on a democratic theory of development as promoted by this paper.

It is however cautious that two imperatives should be considered in order for democracy to thrive in the DRC. Firstly, the right to elections is non-negotiable in cementing democracy and good governance. Secondly, the action of a responsible and credible human rights activism whereby citizens hold the government accountable and responsible for implementing democratic processes (and a good governance that respects human rights is needed. If achieved, these two imperatives democracy can facilitate human development in the DRC. Being a preliminary analysis, this paper sets a foundation for various research topics on democracy, good governance and human development in the DRC. It established that democracy and good governance have not yet been possible in the DRC. Establishing the link between democracy and human development is therefore premature at this stage. One critical research topic is on how to establish a democratic system and good governance in the DRC. The outcomes of such research can therefore be used to set up indicators of democracy in the DRC and how such indicators can be used in facilitating the democratic theory of development.

References

- Amnesty International. 2016. Dismantling dissent DRC's repression of expression amidst electoral delays. Available at: <https://www.amnesty.org/en/documents/afr62/4761/2016/en/>. Accessed on 28 November 2016.
- Balogun, T.E. 2012. Towards a viable language of human rights activism in Nigeria. *European Scientific Journal*, 8(4):1-14.
- Boundless. "Democracy." *Boundless Political Science*. Boundless, 8 Aug 2016. Available at: <https://www.boundless.com/political-science/textbooks/boundless-political-science-textbook/american-politics-1/the-tenets-of-american-democracy-22/democracy-127-7090/>. Accessed on 7 December 2016.
- Cheema, S.G. & Maguire, L. 2002. 'Democracy, Governance and Development: A Conceptual Framework', *4th Global Forum on Re-Inventing Government*. New York: US, pp. 27-33.
- Council on Foreign Relations, 2003. The Relationship between Democracy and Development: Implications for Policy Available at: <http://www.cfr.org/democratization/relationship-between-democracy-development-implications-policy/p5778>. Accessed on 27 December 2017.
- Dahl, R.A. 1971. *Polyarchy: Participation and Opposition*. New Haven, CT: Yale University Press.
- Laurence, M. 2015. *Democratic Theory*. Available at: <http://www.oxfordbibliographies.com/view/document/obo-9780199756223/obo-9780199756223-0162.xml>. Accessed on 23 April 2017.
- Page, S. 2007. Gurus, Theory and Practice: A Reply to Catlaw and Chapman. *Public Administration Review*, 67(2):342.
- Przeworski, A., Alvarez, M.E., Cheibub, J.A. & Limongi, F.L. 2000. *Democracy and Development: Political Institutions and Well-Being in the World, 1950-1990*. Cambridge: Cambridge University Press.
- Rodrik, D., Arvind, S. & Francesco, T. 2004. Institutions rule: The primacy of institutions over geography and integration in economic development. *Journal of Economic Growth*, 9(2):131-165.
- Ross, M. 2006. Is democracy good for the poor? *American Journal of Political Science*, 50(4): 860-874.
- Schumpeter, J. 1942. *Capitalism, Socialism and Democracy*. London: Harper Perennial.
- Siegle, J.T., Michael, W. & Morton, H. 2004. Why democracy excel. *Foreign Affairs*, 83(5):57-72.
- Tuzin, A., Newman, F.C. & De la Vega, C. 2007. *The Right to Vote: A Basic Human Right in Need of Protection*. Berkeley, USA: Human Rights Advocates.
- United Nations Development Programme. 1997. *Human Development Report 1997*. Available at: https://books.google.co.za/books?id=0x7V0d6cRj4C&pg=PA15&redir_esc=y#v=onepage&q&f=false. Accessed on 27 December 2017.

The Effects of Political Leadership on Public Administration Within South African Local Government

MM Mehlape

University of Limpopo, South Africa

Abstract: Politics-administration interface is perceived as the heart of practice of public administration and aims at fostering relationships between administrators on one hand and political leaders and the public on another hand. The interface is the direct opposite of the dichotomy and advocates for a complementary model to be adopted where both politicians and administrators work hand in hand. Woodrow Wilson, widely acknowledged as the founder of Public Administration as an academic discipline, famously asserted that proper administrative questions were not political questions, meaning political questions are different from administrative questions. In his view, politics was outside the purview of public administration. However, it can be argued that politics cannot be separated from public administration because one needs the other. The findings indicate that politics do play an important role in public administration of the country however; the problem starts when the discipline of public administration tries to separate the two. The academic writings try to separate politics from administration nevertheless; it may be possible in writing but difficult in practice. Hence the paper seeks to probe the effects that politics has on public administration specifically in South African public administration. The political leadership in the South African context contributes to the effectiveness of public administration in the country. The paper seeks to analyse the benefits or rather seeks to look at how the political leadership contributes or affect running of public administration. Furthermore, the relationship between politicians and administrators at the local level is the point of view. A comprehensive literature survey or review in the study was the most important research method to gather relevant data that supports the study. Thus, recommendations are that, since politics cannot be separated from administration in practice, the relationship between political leadership and public administration should be strengthened.

Keywords: Dichotomy, Politics, Political leadership, Public Administration

1. Introduction

The public sector is comprised of both politicians and administrators, who should work cooperatively and mutually towards the promotion of common good for all citizens. However public institutions are still grappling to have an in-depth understanding of how administration and politics should interface to realize its set objectives (Ndudula, 2013:1). According to Venter (2000:117), politics and public administration are connected, but distinct. Section 197(1) of the South African Constitution (1996) provides that within public administration there is a public service for the Republic, which must function and be structured in terms of national legislation, and which must loyally execute the lawful policies of the government of the day.

According to Bayat and Meyer (1994:4), public administration may be defined as that system of structures and processes operating within a particular society as the environment, with the objective of facilitating the formulation of appropriate

governmental policy and the effective and efficient execution of the formulated policy. Political administrative interface has been established in South African context in order to outline the relationship between politics and administration, however the interface on the other hand it is regarded as a challenge not only in South Africa but as well as in other developing states. It is important that the auxiliary and administrative functions be performed in order to meet or satisfy the needs of citizens. Not only the functions of administrators have to be performed in order to fulfil or meet the satisfactory of citizens needs. Thus, it is also important for the politicians to perform their functions in order to grab the attention of citizens by gaining more support through service providing and the satisfaction of citizen needs. That is why there is politics-administration interface.

According to Mandal (2007:380), politics is the process by which groups make decisions. However according to Spicer (2010:1), politics provides us with a means of settling, at least for a time, the

inevitable conflicts of interests and values or conceptions of the good that seem to arise among us without having constantly to take up arms against each other. Basu (1994:118) identifies politics as the means by which society faces up to the issues and decides how to resolve them. Since politics is a complex concept, it is viewed differently by different authors, thus Ndudula (2013:6) views politics as a process that determines who shall occupy roles of leadership in government and how the power of government shall be exercised. It is the authoritative allocation of scarce resources throughout a state or a society with an organized government or a group of persons who have some form of political relationship with one another.

According to Basu (2004:2) administration is a determined action taken in pursuit of conscious purpose. It is the systematic ordering of affairs and the calculated use of resources aimed at making activities happen which one wants to happen. However, it can also be defined as the organisation and direction of human and material resource to achieve desired ends. Administration is defined as organising and maintaining human and fiscal resources to attain group's goals (Khan, 2008:1). Thornhill (2005:180) states that administration primarily concerns the establishment of an enabling framework for the performance of duties.

2. Public Administration and Politics-Administration Interface

According to Ndudula (2013:7), public administration has no generally accepted definition, because the scope of the subject is so great and so debatable that it is easier to explain than to define. Public administration is the management of government affairs (Khan, 2008:1). Furthermore, public administration is the implementation of government policy and also an academic discipline that studies this implementation of government policy and prepares civil servants for working in public services. Public administration is an aspect of the larger field of administration (Marume, 2016). It is the action part of government, the means by which the purposes and goals of government are realized (Naidu, 2005). Public administration can be defined as a field of study and as an activity which is practiced. According to Cameron (2003:53), politics-administration interface is viewed as the heart of the practice of public administration and aims at fostering relationships between administrators

on one hand and political leaders and the public on another hand. The interface is the direct opposite of the dichotomy and advocates for a complementary model to be adopted where both politicians and administrators work hand-in-glove (Ndudula, 2013).

3. Conceptualisation of Politics Administration Interface

According to Hanekom, Rowland and Bain (1996) in Mafunisa (2003:86) politics refers to the aspiration for and or retention of power over a jurisdictional area. The inhabitants of politics by individuals or groups of individuals; inherent is the authoritative allocation of values in order to regulate or accommodate conflict within the community concerned. Administration refers to the provision of goods and services to members of the public with the aid of the administrative and auxiliary functions. Thornhill (2005:182) states that the political/administrative interface is where the tyre hits the road. Memoire (2014:6) indicates that the nature of political/administrative relationship changes not only with respect to a particular policy sector, but it also changes over time and due to changes in the dominant political ideology of the time, or changes in political leadership. Therefore, the very nature of interactions between the political sector and public administration is influenced by many policy variables which range from political/administrative culture in a country, to various sector-specific properties.

Thornhill (2005:182) further adds that the politics/administration interface is probably one of the most complex relationships to manage in any public institution. As already alluded to, this interface is particularly complex on the municipal sphere of government. However, the different acts governing municipal matters are quite clear regarding the respective functions and duties of the political role player (e.g. the mayor) on the one hand and the head of administration (the municipal manager) on the other hand. Hanekom, Rowland and Bain (1996) in Mafunisa (2003:86) continue to state that the senior public service are paid attention as a result of senior public servants having the functions which put them at the centre of concern.

4. Historical Overview of Politics-Administration Interface

The politics-administration interface originated from "dichotomy doctrine" whose advocates were

former American statesman Woodrow Wilson, whose philosophy was subsequently followed by Frank J. Goodnow. The doctrine has presented different views and dialogue on how politics and administration can foster and advance government activities of service delivery to its inhabitants (Ndudula, 2013:1). Mafunisa (2003:93) specified that, in South Africa, the public services have historically been highly politicized. When the National Party (NP) came into power in 1948 it deployed its loyal members to different senior positions in the public service. It was then difficult to separate the National Party (as the government-of-the day) and the public service. The post-1994 political developments certainly saved the debate on the relationship between political office bearers and senior public servants. Naidu (2005:31) indicated that the founding father of Public administration Woodrow Wilson propounded politics-administration dichotomy theory which made a sharp distinction between politics and administration.

Ndudula (2013:2) further adds that the politics administration interface in South Africa on service delivery derives its roots from the apartheid era government. This is whereby public servants were highly politicized to serve the interest of the erstwhile government. However, different scholars have different perceptions on how the politics administration interface originated, that is why Mapungubwe Institute for Strategic Reflection (ND) views politics administration interface as a notion that has always been highly contested subject in the evolution of the administrative state, where the question is, how the irregularity of interdependence can be institutionalised as the defining feature of the interaction. This question simply means how can power relations at the interface be structured to foster the best way to cooperate among actors in the space? Naidu (2013:31) emphasised that after the World War-II, there was an argument that public administration is policy-making and is thus a part of political process. It is no longer believed that administration can be kept separate from policy and politics and that is why they have an interface.

5. The Relationship Between Politics and Administration

Ndadula (2013:7) indicates that administrators ensure policies are executed and implemented as designed by politicians. Even though the political/administrative interface is a small component in the wheel of a

functioning system, it is nevertheless an important one (Memoire, 2014). Politics and administration co-exist in that they demonstrate a complementary role that is underpinned by fostering of cohesion and mutual respect. Memoire (2014:3) holds that political and administrative relations remain one of the most difficult issues to address in public administration reforms in Africa and elsewhere.

The relationship between politicians and bureaucratic leaders has, for many years, been a subject of great interest for scholars and researchers who have submitted theories to characterise public administration (Memoire, 2014). Even if their typologies differ because of the distinct focus, there are interfaces between them. Memoire (2014:8) further adds that bureaucratic leaders on the other hand give up their right to blame or express opposition to the ruling regime in public, but they gain a place in the administration with responsibilities and rewards - tangible and/ or intangible.

6. Models Seeking to Describe and Analyse the Relationship Between Politics and Administration

6.1 Dichotomy Model/Depoliticised Bureaucracy

According to the politics-administration dichotomy theory, the business of politics is policy-making and that of administration is policy implementation. Wilson (1887) argued that administration is separate from politics because administrative questions are not political questions. The field of administration is a field of business hence it is removed from the hurry and strife of politics (Naidu, 2005:31). Mafunisa (2003:87) indicates that the dichotomy model is traced from the politics administration dichotomy, which grew out of the early administrative reform movement and its reaction against spoils system in the period 1887 and later. The politics administration dichotomy holds that political interface in administration would erode the opportunity for administrative efficiency, that the policy-making activities of government ought to be wholly separated from the administrative functions, and that administrators had to have an explicit assignment of objectives before they could begin to develop an efficient administrative system.

According to Ndudula (2013:16), the dichotomy model can be used to try test and understand

whether a clear-cut demarcation line is possible in the South African public sector. This model is also known as the neutral model of administrative responsibility. It is based on acceptance of the politics-administration dichotomy which specifies that the public servant should be neutral in matters of policy, but professionally competent in selecting the appropriate means to carry out policies decided upon by their political superiors. The dichotomy model sees the public service as distinct from political process; it advocates a clear separation between politics and administration and by extension separation between the party and the state (Mafunisa, 2003:87). This model is similar to the separation school whereby, Demir (nd:3), holds that the separation school treats public administration as a world in its own with values, rules and methods divorced from those of politics. The proponents of the separation school express support for a clear structural division of authority between elected and administrative officials to eliminate or minimise undue political influences on public administration as well as potential conflicts.

6.2 Politicised Bureaucracy Model

The politicised bureaucracy model argues that elected office-bearers have a mandate to control the public service. In this context, there is no distinction between politics and administration and between party and state. The challenge is how to manage the relationship between political office-bearers and public servants in a manner that ensure that the public service is not abused for narrow party political agendas, but remains an instrument of service delivery for the people as a whole, but under the policy direction of the ruling party (Mafunisa, 2003). According to Ndudula (2013:17) the politicized bureaucratic model centres itself in the inseparability nature of politics and administration, and it gives politicians the will and power to determine how the bureaucratic public sector operates. The political school positions itself against the separation school and is characterised by outright rejection of the politics-administration distinction (Demir, nd: 4).

6.3 Complementarity Model

According to Mafunisa (2003:89), the complementarity model is a strong foundation for public administration at all spheres of government. Svava (2001) in Mafunisa (2003) highlights that the complementarity of politics and administration is

based on the premise that political office-bearers and administrators join together in the pursuit of sound governance. Complementarity stresses interdependence along with distinct roles; compliance along with independence; respect for political supremacy along with a commitment to shape and implement policy in ways that promote the public interests; deference to elected incumbents along with adherence to the law and support of fair electoral competition; and appreciation of politics along with support for professional standards. Ndudula (2013:17) holds that the complementary model implies that politics and administration exist as separate and distinctive parts, however recognizes the role each can contribute in the entire organizational framework. Henry (2013:47) states that elected officials and administrators have extensive interactions, and there is a growing complementarity between them.

The complementarity model is similar to the interaction model because they explain more or similar things. The interaction school acknowledges the differences between politics and administration in a number of ways such as logical and psychological differences between politics and administration. The school emphasise a high degree of collaboration between elected and administrative officials while maintaining each one's traditional roles and unique perspectives (Demir, Nd:6). In other words, the interaction school and complementarity model are in the middle of the politicised and dichotomy model. Mafunisa (2003:89) further states that complementarity reconciles what have seemed to be contradictory aspects in public administration. How can politicians maintain control and, at the same time, allow senior public servants to maintain their independence, adhere to professional values and standards and be responsible to the public? Political office bearers could, in theory, dominate administrative practice, but they are constrained by a respect for administrative competence and commitment.

7. Nature of Politics-Administration in Local Government

Henry (2013:36) states that every local government has two groups of executive institutions, namely; political executive institution and administrative executive institution. According to Thornhill (2012:32) and Henry (2013:36) in political executive institutions, usually every municipal council

elects from among its members a mayor or an executive committee, depending on the type provided for in the relevant legislation. Furthermore, (ibid), in administrative executive institutions, the administrative activities of municipalities are usually undertaken by departments and/or divisions, and the functions allocated to those departments and divisions are based on specification. Memoire (2014:9) holds that it is obvious that political/administrative relations take place at different levels including local government. It is therefore, important to understand that decentralization inevitably changes the location of power and jobs thereby creating tension between local autonomy and national standards.

7.1 The Role of Administrators in Local Government Administration

Municipal administrators execute local government functions. Each is headed by a municipal manager and staffed with relevant officials (Shah, 2006:63). Mafunisa (2003:96) indicates that, in South Africa, the roles of the senior public servant are clearly defined by the Public Service Act (Proclamation 103 of 1994) and related laws and policies. The municipal manager is the head of the administration therefore this implies that powers and duties are vested in the municipal manager. Olumuyiwa (2015:15) indicates that the task of civil/public servant or administrator is to assist in the formulation and execution of policy as directed by the minister or commissioner. It is therefore his duty to supply his political boss with all the information necessary to arrive at a right decision.

7.2 The Role of Politicians in Local Government

According to the Environment & Urbanization Brief (2009:1), mayors are meant to be guarantors of services, the public good and citizen's participation in local life. Fatima (2010:16) further agrees that the functions of the mayor include presiding at meetings of the executive committee and performing duties which include ceremonial functions and those delegated to him or her by the council or executive committee. Stellenbosch municipality (nd: 26) indicates that the mayor is the political leader. Political leadership is the key to better local government. A mayor in a council manager form of government serves to foster communication and facilitate interaction and to provide a greater sense

of purpose and thus serves as 'the guiding force' in government (Morse, Buss & Kinghorn, 2015:274). Amongst others the following will be discussed:

7.2.1 Finance

In terms of section 52 of the Municipal Finance Management Act 56 of 2003, the mayor of a municipality must provide general political guidance over the fiscal and financial affairs of the municipality; in providing such general political guidance, may monitor and, to the extent provided in the MFMA, oversee the exercise of responsibilities assigned in terms of the MFMA to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities; must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget; must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and financial state affairs of the municipality; and must exercise the other powers and perform the other duties assigned to the mayor in terms of the MFMA or delegated by the council to the mayor.

7.2.2 Providing Political Guidance

According to Venter, Van der Walt, Phutiagae, Khalo and Nieker (2007:63) the mayor provides political guidance on the financial affairs of council and must ensure compliance with the provisions of the Act. The mayor must provide leadership and guidance to council including amongst others, initiating and advising on the development and adoption of policy and strategy, giving strategic advice and ensuring that council is fully briefed and properly advised on new developments, advising the municipal council on the exercise, performance and discharge of its powers, functions and duties as contemplated by the Constitution and providing political guidance in the fiscal and financial affairs of the municipality (Stellenbosch Municipality, nd; 26).

7.2.3 Monitor and Oversee the Exercise of the Responsibilities of the Municipal Manager

It is the role of the mayor to monitor and oversee the exercise of the responsibilities of the municipal manager and chief financial officer and without interference (Venter, Van der Walt, Phutiagae, Khalo & Nieker (2007:63). This simply implies that the mayor has to ensure that what the municipal manager and chief financial officer are doing or performing in the municipality they are clearly monitored and

overseen. In other words, if the mayor does not do as required to him he/she will face what is coming to him or he/she will be accountable for them.

7.2.4 Guide the Budget Process

The mayor must guide the budget process and ensure that the municipality complies with the budget requirements such as service delivery programmes, the budget implementation plan and staff performance agreements (Venter, Van der Walt, Phutiagae, Khalo & Nieker, 2007:63). The mayor must also ensure to submit a budget implementation and finance report to the council quarterly.

7.2.5 Identification of Financial Problems

According to Craythorne (2006:270) if the municipality faces any serious financial problems, the mayor must promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget. Chandler (2007:293) holds that if the government is willing to consult with local authorities on their financial need and hence respond more effectively to problems identified at local level, there will be a significant improvement in financial harmony. In other words, the government must ensure that they consult to the mayors with regard to financial needs since the mayor has the role of identifying financial problems in municipalities.

7.2.6 Interaction with Staff Members

The mayor interacts with staff members in consultation with the municipal manager (guideline document on the roles and responsibilities of councilors and official, South African Local Government Association). Thuynsma (2012:182) emphasise that local government has to transform the spatial and social legacy of a segregated city. Local government, the sphere closest to communities, is best placed to make cities inclusive and to allow its poorer citizens enjoy the benefits of urbanity and access their essential human rights.

8. Conclusion and Recommendations

It is clear that separating politics from administration in the public sector is impossible, thus the public sector was, is and will forever remain a politicised system. Politics and public administration do co-exist on the same social continuum, but as separate and distinct

constellations of logic whose activities sometimes overlap. At far ends of that continuum, political acts (such as appointing to government jobs unqualified nephew) can be distinguished from administrative acts (such as appointing to government jobs the most qualified applicants drawn from a competitive pool) and easily so. A clear separation of powers between political office bearers and public servants is not clear or rather strict enough in outlining the distinction in the roles and responsibilities needed to be carried out by these two parties. However on the other hand, inappropriate political involvement in administrative activities also contributes to the contradiction of mandates between the political office bearers and senior public servants, since it is not clear on who does what in the public sector, as such it can be suggested that the interface to be reviewed as it is regarded as a way of giving out the relationship between politics and administration which has been traced even before 1994 in order to eliminate the challenges not excluding the criticism against the interface. There should also be right and strict procedures whereby the political officials and public administrators account for any misuse/miscellaneous of resources

References

- Basu, R. 1994. *Introduction to Public Administration*. India: Sterling publishers Private Limited.
- Bayat, M.S. & Meyer, I.H. 1994. *Public Administration: Concepts, Theory and Practice*. South Africa: International Thompson Publishers.
- Cameron, R. 2003. Politics-administration interface: the case of the City of Cape Town. *International Review of Administrative Sciences*. 69(3):51-66.
- Chandler, J.A. 2007. *Explaining Local Government: Local Government in Britain Since 1800*. Canada: UBC Press.
- Craythorne, D.L. 2006. *Municipal Administration: the Handbook* 6th Edition. South Africa: Juta & Co Ltd.
- Demir, T. Nd. *Politics and Administration: a Review of Research and Some Suggestions*. Springfield: np.
- Der Visser, B.J. 2010. The Politics Administration Interface in South African Municipalities Assessing the Quality of Local Democracies. *Commonwealth Journal of Local Governance*. Environment and Urbanisation Brief-18.2009. What Role for Mayors in Good City Governance? Vol21, No1, April 2009.
- Fatima, S. 2010. *The Political/Administrative Interface: the Relationship Between the Executive Mayor and Municipal Manager*. South Africa. Guide for Accounting Officers. 2000. Public Finance Management Act. South Africa. Np.
- Henry, N. 2013. *Public Administration and Public Affairs* 12th Edition. United States: Pearson Education, Inc.

- Khan, A.H. 2008. *An Introduction to Public Administration*. United Kingdom: University Press of America.
- Koma, S.B. 2010. The State of Local Government in South Africa: Issues, Trends and Options. *Journal of Public Administration*, 45(11):111-120.
- Local Government Budget and Expenditure Review. 2011. South African National Treasury. Pretoria: Government printer.
- Mafunisa, M.J. 2003. Separation of Politics From the South African Public Service: Rhetoric or Reality? *Journal of Public Administration*, 38(2):85-101.
- Marume, S.B.M. 2016. Generic View of Public Administration. *Journal of Research in Humanities and Social Science*, 4(6):01-05.
- Memoire, A. 2014. *African Association for Public Administration and Management (AAPAM) 36th Annual Conference Round Table Conference*. Ethiopia: Addis Ababa.
- Morse, R.S., Buss, T.F. & Kinghorn, C.M. 2015. *Innovations in Public Leadership Development*. New York: Routledge Taylor & Francis.
- Naidu, S.P. 2005. *Public Administration: Concepts and Theories*. India: New Age International Publisher.
- Ndudula, M.R. 2013. An Analysis of the Politics Administration Interface and its Impact on Delivery of Municipal Services. A Case of the Mquma Local Municipality. Unpublished Masters thesis. Alice: University of Fort Hare.
- Nyalunga, D. 2006. The Revitalisation of Local Government in South Africa. *International NGO Journal*, 1(2):15-20.
- Olumuyiwa, T. 2015. *Bureaucratic Politics and Policy Development: Issues and Challenges*. Nigeria.
- Shah, A. 2006. *Local Government in Developing Countries: Public Sector Governance and Accountability Series*. Washington DC: World Bank.
- South Africa (Republic). 1996. *Constitution of the Republic of South Africa*. Pretoria: Government Printers.
- South Africa (Republic). 1998. *Local Government: Municipal Structures Act* (No. 117 of 1998). Pretoria: Government Printers.
- South African Local Government Association. 2011. Guideline Document on the Roles and Responsibilities of Councillors, Political Structures and Officials.
- Spicer, M.W. 2010. *In Defence of Politics in Public Administration: A Value Pluralist Perspective*. U.S.A: The University of Alabama Press.
- Stellenbosch Municipality. nd. Roles and Responsibilities of Political Structures, Political Office Bearers and the Municipal Manager.
- Thornhill, C. 2005. The Political/Administrative Interface: Time for Reconsideration. *Journal of Public Administration*, Conference Proceedings.
- Thuynsma, H.A. 2012. *Public Opinion and Interest Group Politics: South Africa Missing Links?* Pretoria: Africa Institute of South Africa.
- Venter, A., Van der Walt, C., Phutiagae, K., Khalo, T. & Van Nickerk, D. 2007. *Municipal Management: Serving the People*. South Africa: Juta & Co Ltd.
- Wilson, W. 1887. The Study of Administration. *Political Science Quarterly*, 2(2):197-222.

Communication Tools for the Enhancement of Effective Management and Governance at Institutions of Higher Learning: A Case of the University of Venda

TV Dzaga

University of Venda, South Africa

Abstract: The study investigated the contribution of communication tools for the enhancement of effective management and governance at institutions of higher learning with particular focus on the University of Venda. The study was premised on the fact that identification and availability of communication tools influence the effective management and governance at institutions of higher learning. A total of 523 people – staff, students, alumni and council members were sampled in this mixed method study. Hence, data were analysed both quantitatively and qualitatively. The study revealed that stakeholders are rarely consulted in decision-making processes, for them to support the policies. The study also revealed that when stakeholders are poorly informed they may lose confidence in the institution, particularly the executive leadership. The study further revealed that poor bottom-up communication can result in employees failing to understand the expectations of the institutional leadership which could eventually lead to a communication vacuum. It is envisaged that the study will inform policy formulation and implementation processes within the communication space at institutions of higher learning as improved communication would enhance relationship between institutions and their stakeholders.

Keywords: Communication tools, Governance, Institutions of higher learning, Management

1. Introduction

Unavailability of communication tools is considered one of the reasons why both public and private organisations fail to realise their potential. Ironically some institutions fail to effectively communicate with stakeholders despite availability of a range of communication tools. This is often due to the fact that some of these communication tools are not accessible to some stakeholders. Institutions of higher learning such as universities have various communication tools for both internal and external stakeholders. However, the effectiveness of these communication tools is not evident in the day to day institutional operational activities. There seems to be lack of robust evidence demonstrating the impact of communication tools on leadership and governance at institutions of higher learning. The main problem that this study intended to investigate was the contribution of communication tools to the enhancement of effective management and governance at institutions of higher learning, a case of the University of Venda. It examined the power of communication tools in the enhancement of effective management and governance. The study focused on the fact that identification and availability of communication tools have an effect on the

effective management and governance at institutions of higher learning.

2. Literature Review

A key aspect of good governance is how the management and stakeholders relate to each other and the communication tools used. It is practically impossible for institutions to be effective in the absence of processes that enable the two-way exchange of information. The absence of relevant communication tools will make it impossible to know the needs of stakeholders. Unavailability of communication tools leads to lack of consultation and dialogue between the institution and its stakeholders.

For institutions of higher learning management to engage in effective management and governance practices, it is imperative to maintain a healthy communication environment through latest communication tools which include print, electronic as well as social media. Barnes and Walker (2010) stated that effective communication tools are critical for effective management and governance of institutions (Cornellissen, 2010; Walker, 2010; Walker, 2015; Dimarco, 2017; Kapur *et al.*, 2017; Scott, 2017). It may be difficult to imagine how

institutions of higher learning can be responsive to the needs and expectations of stakeholders without effective communication. Executive Management at institutions of higher learning do not seem to understand the importance of clearly defining tools to communicate with various stakeholders (Cornellissen, 2010; Dominick, 2012; Mishra, Boyton & Mishra, 2014; Walker, 2015; Dimarco, 2017; Kapur *et al.*, 2017). Good internal and external communication is important to keep staff and students as well as other stakeholders informed of news and related information which entails the institution's strategic objectives and values (Welch & Jackson, 2009; Edwards, 2009; Bright, 2016; Dimarco, 2017; Kapur *et al.*, 2017). Poor communication with current and prospective students leads to a situation in which the institutions of higher learning are negatively perceived by these stakeholders. There are instances where prospective students complain about lack of feedback from institutions of higher learning, for example, following submission of application for admission, if institutions do not respond to the applicants, they become frustrated when they do not know the outcome of their application if such information is not effectively communicated. The primary cause of this situation is failure to identify appropriate communication tools to communicate with students from various places (Walker, 2015; Bright, 2016; van Ruler *et al.*, 2017).

According to Miller (2006), communication practitioners are expected to build a good corporate image and handle unfavorable rumors or stories. It does however become difficult for communication practitioners to execute their responsibilities effectively if the available communication tools do not enable them to access information. If communication tools do not enable communication practitioners to access information on decisions taken by various committees including Council, they may not have accurate information which might be difficult for them to provide authoritative information to the media. A lack of participation in decision making committees by communication practitioners leads to a situation where communication practitioners learn about activities taking place in their respective institutions through the media (Mishra *et al.*, 2014; Walker, 2015; Dimarco, 2017).

Some internal stakeholders seem to think that they are not taken seriously particularly when decisions that affect them are communicated through e-mails. Such information may sometimes not reach

service or support staff who do not have access to electronic gadgets. This also affects students when decisions that affect them are taken. At the beginning of 2014 academic year, some institutions of higher learning in South Africa experienced student protests when the National Student Financial Aid Scheme (NSFAS) decided to change the process of allocating funds to students without proper and extensive consultation and communication with students. NSFAS did not use communication tools that enabled students to express their views about the decision prior to implementation (Bright, 2017; Scott, 2017; Kapur *et al.*, 2017). This study therefore investigates the contribution of communication tools to the enhancement of effective management and governance at institutions of higher learning.

Poor bottom-up communication can result in employees failing to understand the expectations of the institution which could eventually lead to communication vacuum. Possible communication gap is likely to be filled by speculations. There seems to be lack of robust evidence demonstrating impact of communication tools on governance at institutions of higher learning. While effective communication between the institution and its stakeholders is vital for getting the buy-in of stakeholders which leads to effective management and governance, this has not been realised at the University of Venda. Lack of communication tools may lead to poor consultation and dialogue between the institution and its stakeholders. As a result, stakeholder understanding and support of institutional policies and plans becomes impossible.

3. Research Methods

3.1 Study Area

The study focused on the communication tools for the enhancement of effective management and governance at institutions of higher learning. These communication tools include e-mail, newsletter, campus radio stations, website, communique, meetings, face to face and social networks. The research was based on a case study of the University of Venda which is situated in Vhembe District of Limpopo Province, South Africa. The study was concerned with the communication tools for the enhancement of effective management and governance at the institutions of higher learning. The University of Venda is a comprehensive University situated in Limpopo Province, about 170 km from Polokwane

in South Africa. It comprises of about 1000 staff and more than 15000 students. The University of Venda was chosen as the case because it is one of the 26 public institutions of higher learning in the Republic of South Africa.

3.2 Research Design

Both qualitative and quantitative methods were used. The qualitative approach is interpretive and seeks to translate and describe and it focuses on words and feelings. Qualitative research is intended to indicate how and why things happen in a particular manner. According to Struwig and Stead (2004) in qualitative research, the emphasis is on concepts and the manner in which people perceive various activities and it is not based on rigid and fixed procedures. The interview was used as one of the primary techniques for collecting data. The interview method enabled the interviewer to probe for more specific answers. The Quantitative approach entails knowledge, opinion or attitude of an individual and it primarily focuses on words and numbers. Struwig and Stead (2004) refers quantitative approach as a form of conclusive research that involves large representative samples and data collection procedures that are structured. According to Dawson (2006) quantitative research is a method that generates statistics making use of questionnaires and the method would enable the researcher to reach a large number of participants. The quantitative research design using questionnaires to collect data was utilised (Struwig & Stead, 2004; Dawson, 2006; Cooper & Schindler, 2006; Walker, 2015; Tronconi, 2016; Dimarco, 2017; Niethammer *et al.*, 2017). Some questionnaires were e-mailed to respondents while others were handed to the respondents to complete at their own time without assistance by the researcher. The questionnaire comprises both open and closed ended questions on issues related to communication. Provision was made in the questionnaire, for respondents to provide their experiences about the communication environments as well as relevant communication tools in their respective environments (Babbie, 2013; Peter, 2015; Tronconi, 2016; Dimarco, 2017; Niethammer, 2017).

3.3 Research Population

The population consisted of internal and external stakeholders of the University of Venda and other identified institutions of higher learning, officials of

communication division as well as university alumni, academic, administrative and service staff members, undergraduate and postgraduate students and members of council. Internal stakeholders comprised of staff and students. External stakeholders included current and former members of council, former employees, as well as alumni. These target respondents were identified to participate in the research because of their familiarity with the institutions of higher learning environment.

3.4 Data Collection Methods/Instruments

The study used structured and semi-structured interviews as well as questionnaires that are closed and open ended. Semi structured interview entails a situation whereby the respondents who have relevant information about the proposed research are interviewed. In order to make provision for flexibility and responses that are not anticipated, open ended questions were more effective. This implies that the study also used closed ended questions (Hesse-Bibber, 2010; Babbie, 2013; Walker, 2015; Dimarco, 2017; van Ruler *et al.*, 2017). The interviewer asked the same questions that were adjusted from time to time depending on the background and educational level of the participants. The participants in the semi-structured interviews included service staff, council members and the University alumni. The respondents were identified from target audience that have participated in a field that is relevant to the area of research. Data was collected through semi-structured interviews (Hesse-Bibber, 2010; Babbie, 2013; Peter, 2015; Dimarco, 2017; Kapur *et al.*, 2017). Questionnaires were used to collect data from targeted stakeholders. This included open ended and closed ended questions. The questions were physically administered by the researcher. The questionnaires were accompanied by a letter outlining the legitimacy of the study. The questionnaires were used to respondents who could read and write which included academic and administrative staff, undergraduate and postgraduate students. In order to encourage the respondents to participate in the research, sensitive questions that were considered not to be necessary were eliminated. In a situation where a respondent was reluctant to participate in the research due to amongst others unavailability of time, it was considered imperative to explain the importance of his/ her participation and to also indicate that the respondent could not be substituted. Respondents were assured of anonymity (Hesse-Bibber, 2010; Peter, 2015; Kapur *et al.*, 2017; Niethammer *et al.*, 2017).

3.5 Sampling

Sampling refers to the process of selecting a portion of the population to represent the entire population. Both purposive and cluster random sampling methods were used. The simple random sampling procedure was used to select respondents who participated in the study. The sample size comprised of 600 questionnaires that were distributed to internal stakeholders and a purposefully selected 10 members of service staff, 3 members of the council and 10 members of alumni participated in the semi-structured interviews. The sample size was put into groups, each group representing various levels of stakeholders. Where a group of people believed to be reliable enough for the study, purposive sampling was used. In order to have accurate results, a statistician was involved in the capturing of data collected through questionnaire. These participants included academic staff, administrative staff, service staff, SRC members, council members, undergraduate and postgraduate students, and alumni.

4. Findings and Discussions

The study revealed that in some instances, available tools of communication are not effectively being utilised. For instance, if a staff member submits a request purchasing an equipment, which is critical for his/her performance, whoever is responsible for processing the order could take very long time without providing feedback to the end users about the progress. Despite availability of communication tools like e-mails, and telephones, some end users had to make follow-up with responsible personnel. The challenge becomes when the end user is told that the equipment had not been delivered due to several varying reasons which in most cases were not communicated promptly. This situation negatively affects the performance of staff in particular and the entire institution in general. In order to avoid this situation, there has to be guidelines on how internal stakeholders should communicate including timelines for providing feedback. It is also of vital importance to have effective monitoring and evaluation system within the institution.

In this study, some students expressed their dissatisfaction about the service which they receive from various departments and schools. For instance, if a student submits an inquiry to a school or department, there are instances where it could take days, weeks and months to resolve such problems. Even

when such problems had been resolved, in order to receive feedback, students have to physically make follow-up with relevant department or school. In this era of technology, provision should be made for students to submit their problems electronically. The use of social media as official communication tools has been recommended by the majority of respondents. In order to monitor effective implementation of the system, there should be mechanisms to monitor such matters electronically.

In order to improve communication with students, the institution should ensure that upon registration, student e-mails are activated. Students should also be encouraged to provide their mobile numbers so that they could be captured onto the system. Communication groups should be created for the purpose of communicating specific messages with relevant target audience. The communication tools that students should use to receive and send messages should be made known to them, more especially during student orientation sessions. Provision should also be made for open communication channels with all stakeholders. This could enable the university management to assess the relevance of available communication tools for the purpose of reviewing their usage.

The study further revealed that internal stakeholders respond to messages as and when they feel like doing that without any sense of urgency. Some respondents indicated that they view and respond to their e-mails at least once per day. Some access their e-mails more than a day or some days later. This could lead to poor performance and ineffective management and governance. In order to address this situation, the institution should make available communication tools to all internal stakeholders and ensure that they are able to access e-mails even through mobile devices which are portable. This implies that internal stakeholders particularly staff could be able to access messages even when they are off campus.

The study also revealed that a very small percentage of internal stakeholders are familiar with available communication strategy and policies. Although some respondents indicated that the information about the policies and other communication tools is brought to their attention during new staff and student orientation sessions, the institution should consider ensuring that through departments and schools, there are campaigns to familiarise all

stakeholders about the availability of communication tools and their effective use.

Most of service staff indicated that they only receive limited information about activities taking place within the institution through their respective supervisors. In order to keep all stakeholders abreast of developments taking place in the institution, it is of vital importance to consider formalising weekly briefing sessions at departmental and or school level. The University management should also consider having regular stakeholder engagement sessions. This could help to ensure that internal stakeholders are familiar with the strategic direction of the institution. The institution should also consider developing a policy or guidelines on stakeholder engagement.

The study also revealed that there are few tools that the University makes use of without having given internal stakeholders the opportunity to make inputs on the determination of such tools of communication. In order to address this matter, the University should list all available tools to communicate information and get buy-in about the use of such tools. For instance, if the agreement between the University management and staff and students is that information will be communicated through e-mails, sms, Univen Radio, website, weekly e-newsletter, the same message should consistently be communicated using all these tools. This implies that if some stakeholders could not receive the message from one or two tools, they would certainly be able to access the message through other tools. It is further recommended that internal stakeholders should receive regular training on communication.

5. Conclusion and Recommendations

Institutions of higher learning cannot not communicate, hence the identification of accessible communication tools to ensure effective management and governance. The success of any institution depends on the organisation's ability to communicate effectively with its stakeholders, both internal and external, using accessible communication tools. The study found that some stakeholders, particularly internal service staff had limited communication from Management during the performance of their respective responsibilities. During times of change, employees have a mild sense of insecurity. Feelings of isolation further exasperate their sense of insecurity. However, if employees are made to feel a sense

of belonging to the organisation, this gives them a sense of purpose, which in turn has a positive effect on employee morale, productivity and confidence in one's employer as well as effective management and governance. From the analysis, UNIVEN staff revealed that effective internal communication can enhance effective management and governance hence improving productivity in the Institution. It is therefore evident that communication tools contribute immensely to the effective management and governance at institutions of higher learning.

The study revealed that in order to keep internal stakeholders abreast of the developments taking place within the institution, there is a need for open lines of communication between management and staff as well as students. This would further ensure that there is effective sharing of information. This is of paramount importance specially to get the buy-in from all strategic stakeholders. The study revealed that some stakeholders do not have access to communication tools used within the institution, like information communicated through e-mail without making provision for those who do not have access to e-mails like service staff and some students to equally receive the information. It is therefore recommended that the same information should be consistently shared with all stakeholders using relevant tools which are accessible by the respective target audience. The study revealed that some stakeholders receive information through grapevine. In order to control the flow of information through the grapevine, timeous and accurate communication must take place. Line managers should ensure that information is promptly communicated with relevant stakeholders in their respective schools and directorates. The study indicated that communication strategy and policies were not clearly defined and not known. It is therefore the responsibility of the Department of Communications and Marketing at the University of Venda to ensure that there is full participation of all the members in policy formulation and that such policies should be made accessible and known by all. The study revealed that most of the respondents believed that communication at the University of Venda was mainly through e-mails and that the University Monthly Newsletter is only in English which makes it difficult for service staff who cannot read English, to follow and understand the information published in the Newsletter. In order to address this situation, it is important to engage service staff so that they could express their views on how they could read and

understand the articles published in the Newsletter. The study revealed that it was determined that staff specially the service staff preferred face to face communication rather than electronic communication. Through effective use of available and accessible communication tools, internal stakeholders could be motivated to support the vision and mission as well as strategic objectives of the institution.

As indicated in the preceding paragraphs, at the University of Venda, the staff are communicated with mainly through email. In order to improve communication and better understanding of activities taking place within the institution, the University should consider making use of social media such as Twitter, Facebook and Instagram to communicate with staff and students. Electronic, mobile communication tools would be better and more up to date communication tools to use in the future, for effective management and governance at the University of Venda. In order to enhance effective management and governance, it is therefore recommended that the University of Venda should consider the following:

- Development of Stakeholder Engagement/ Relations Policy;
- Development of Social Media Policy;
- Making available the University Communication Strategy to all stakeholders;
- Involvement of Senior Communication Practitioners in decision making committees, including Council;
- Formalisation of regular meetings within schools, directorates and divisions;
- Evaluation of available communication tools and their effectiveness;
- Communication tools awareness campaigns including active involvement of stakeholders in the determination of formal and official communication tools.

References

Babbie, E.R. 2010. The practice of Social Research. Belmont: Wadsworth.Cengage Learning.

- Babbie, E. 2013. The Practice of Social Research. New York: Wadsworth Cengage Learning.
- Bright, J. 2016. The Social News gap: How News Reading and News Sharing Diverge. *Journal of Communication*, (66):343-365.
- Cooper, D.R. & Schindler, P.S. 2006. Business Research Methods. Boston: McGraw Hill.
- Cornelissen, J. 2010. Reputation Management: Corporate Image: An audience Centered Model. *An International Journal*, 5(2):119-125.
- Dawson, C. 2006. A Practical Guide to Research Methods. Oxford: How to Books.
- Dimarco, J. 2017. Communication Writing and Design: Integrated Manual for marketing, Advertising and Public Relations. Wiley Blackwell.
- Dominick, J. 2012. The Dynamics of Mass Communication. Boston: Mc Graw Hill.
- Hesse-Bibber, S.N. 2010. Mixed Method Research: Merging Theory with Practice. New York: Guide Press.
- Kapur, G.B. 2017. Effective Communication During Disaster-Making use of Technology, Media and Human Resources. Oakville: Apple Academic Press Inc.
- Miller, K. 2006. Organisational Communication. New York: Thompson Wardsworth.
- Miller, R. 2017. Putting the Social into Internal Communication Thoughts on Internal Communication. New York: John Wiley & Sons.
- Mishra, K., Boyton, L. & Mishra, A. 2014. Driving Employee Engagement: The expanded Role of Internal Communication. *International Journal of Business Communication*, 51(2):183-202.
- Niethammer, C., Gracia, J., Hilbrich, T., Knupfer, A., Resch, M.M. & Nagel, W.E. 2017. Tools for High Performance Computing. Switzerland: Springer International Publishing, AG.
- Peter, L. 2015. Effective Business Communication. New York: McGraw Hill.
- Scott, D.M. 2017. The Rules of Marketing and Public Relations. New Jersey: John Wiley & Sons, Inc.
- Struwig, F.W. & Stead, G.B. 2004. Planning Design and Reporting Research. Cape Town: Pearson Education.
- Tronconi, F. 2016. Organisation, Communication and Ideology. New York: Routledge.
- Van der Walt, L. 2013. The Role of Communication and management Approaches in the Organisational Change Process. In Integrated Organisational Communication. Cape Town: Juta.
- Van Ruler, B., Smit, I., Ihle, O. & Romenti, S. 2017. How Strategic Communication Shapes value and Innovation in Society. London: Emerald Publishing Limited.
- Walker, R. 2015. Strategic Management Communication for Leaders. New York: Cengage learning.
- Welch, M. & Jackson, P.R. 2009. Rethinking Internal Communication: A stakeholder approach. *Corporate Communications: An international Journal*, 12(2):177-198.

Implications of Performance Management System on Service Delivery in the South African Post Office: A Case of the North East Region

KC Khotsa

South African Post Office, South Africa

Abstract: This article argues that mail volumes and drop-in profit margins is becoming a challenge in the world and the South African Post Office in particular. In South Africa, statistics conclusively shows that the postal service is continuously operating at a loss and in 2014 it operated on an overdraft of R250 Million and has recorded a net loss of more than R361 Million. For the South African Post Office to survive this state of paralysis, it must develop strategies which will ameliorate this downward trend and one strategy to be employed is effective implementation of Performance Management System. This paper is therefore based on the study that was conducted in the South African Post office, North East Region. The primary objective of the study was to determine the implications of Performance Management System on the service delivery in the South African Post Office, North East region. The study was to culminate in recommending measures which can be adopted to improve service delivery and deal with declining profit margins trajectory from the public administration point of view. The research method employed in the study was of both qualitative and quantitative approach. In this article, the majority of the respondents strongly disagreed that employees were rewarded for good performance. The study recommends that SAPO should create stakeholder engagement forums wherein the relevant critical performance issues can be discussed. This paper concludes by providing specific suggestions towards improving Performance Management System in the South African Post Office, in the North East Region.

Keywords: Mail volumes, Net loss, Performance Management Systems and Service delivery, Profit margins

1. Introduction

Public Administration as a scientific discipline is concerned with the major goals of the society and with the development of resources for achieving those goals within the context of a rapidly changing political environment (Fox & Meyer, 1996:105; Hughes; 2003:7; Henry, 2010:3; Stillman II, 2010:1). As a practice, public administration can be regarded as an activity done by officials within the spectrum of government institutions to enable different government institutions to achieve their objectives (Heady, 2001:1; Du Toit & Van Der Walldt, 2008:9-10; Henry, 2010:3). In this context, public administration is regarded as the executive branch of the government; civil service as well as bureaucracy charged with the formulation, implementation, evaluation and modification of government policy (Fox & Meyer, 1996:105; Fox, Bayat & Ferreira, 2006:104; May, 2012:279). It is on this basis that citizens, as members of the society press governments to make services available as needed and some of these services required are on a twenty-four-hour basis daily. In response to this, the government is forced to respond with speed and agility to those

demands and challenges (Wessels & Pauw, 1999:27; Rosenbloom, Kravchuk & Clerkin, 2009:36). It can therefore be inferred that for service delivery to be realized, there should to be a rigorous adherence to reliable performance management in all public and private institutions including the South African Post Office.

South Africa made a historic transition from apartheid rule government to a new democratic dispensation (Schutte, Schwella & FitzGerald, 1995:4; Maila, 2006:2; Mamabolo, 2013:12). Post-1994, coupled with democratic elections, the era brought an enormous challenge on transformation which includes a change in the public administration system. In terms of section 195(1) of the *Constitution of the Republic of South Africa* 1996, public administration must be governed by the democratic values and principles enshrined in the Constitution. Section 195(2) of the Constitution provides that such principles are to apply to administration in every sphere of government, organ of state and public enterprise. Through such Constitutional provisions, all government institutions and State-Owned Enterprises (SOEs) are mandated to put service delivery first

and to respond positively to the needs of the public. Similarly, the White Paper on Transforming Public Service Delivery of 1997, seeks to commit public servants to adopt more efficient and customer-focused working practices in responding to public needs (Department of Public Service and Administration (DPSA), 1997:25-26). According to Maila (2006:26), the White Paper on Transforming Public Service Delivery of 1997 lays down the norms to ensure that the eight principles of Batho Pele are put into practice as an attempt to improve service delivery by the democratic government. The vigorous adoption of these principles is intended to hold public officials to account and respond to the needs of the people. These principles lay the ground for the implementation of performance management in government institutions including SOEs. It is therefore on that basis that the Post Office as a SOE is also required to adhere to good service delivery practices as provided for through the above mentioned policy intentions. Although Performance Management System is in place in the South African Post Office, the Post Office management saw it necessary to develop a Performance Management Manual which was issued in 2014 to capacitate employees to deal with performance management issues effectively in the company. In terms of section 2(a) of the South African Post Office SOC Ltd Act 22 of 2011, the Post Office should ensure the provision of a wide range of postal services in the interest of the economic growth and the development of the Republic; encourage the development of human resources and capacity-building within the postal industry and to ensure the provision of universal, accessible, reliable, and affordable postal services.

For the Post Office to respond well to service delivery needs, it had to introduce Performance Management System to achieve its service delivery goals. Section 6(1) of the South African Post Office State SOC Ltd Act 22 of 2011 points out that the Post Office must annually by a date determined by the Minister responsible conclude a performance agreement with such Minister in terms of which performance of the functions of the Post Office will be measured for the following year. To ensure that such is operationalised, section 6(2)(b) of the same Act directs that the Post Office must provide copies of such performance agreement to the Minister. The legislation as mentioned further emphasises the significance of performance management within the postal industry and provides the basis of the

application thereof. In this regard, the South Africa Post Office put in place a performance management policy in 2006 that was eventually revised in 2008. Such performance management policy is meant to ensure that among others; individual and business unit performance are monitored, measured and evaluated (SAPO, 2008:3).

The South African Post Office (SAPO) as a business entity and a component of the South African public administration systems is presently experiencing challenges in ushering a competent strategy on service delivery to its customers. The declining mail volumes and profit margins have become an anathema to the industry. It has experienced the decline of 4.3% in mail volumes during 2013, with revenue below budget by 0.3% compared to 2013 (SAPO, 2014b: 56). Furthermore, the entity had incurred a total fruitless and wasteful expenditure for the year 2014 amounting to R41,197 million (2013: R39,132 Million) and the total irregular expenditure for the year 2014 amounting to R71,012 million (2013: R45,653 Million) (SAPO, 2014c:100).

Despite efforts made by the South African Post Office to improve service delivery, the institution continuously experiences a huge decline of physical and online mail, as well as a drop in profit margins (SAPO, 2014c:8). Speckman (2013:1) affirms that mail volumes are very low and profit margins continue to drop. This could eventually lead to the paralysis of the Post Office. It is in this context that questions are raised as to whether SAPO has been able to manage its performance over the time to can achieve its service delivery objectives. It is therefore the intention of this article to determine the implications of performance management in SAPO in order to establish the extent to which such have a bearing within the organisation towards achieving its service delivery goals. The problem is premised on the ideal that Performance Management System enhances organisational efficiency, effectiveness and accountability in the use of resources in accelerating access to quality services and a better life for all.

2. Goal-Setting Theory: Conceptual Framework for Performance Management

This study was motivated by the Goal-Setting Theory which was in existence for some time and various authors have written a lot about it. Among those are authors like Earley, Northcraft, Lee &

Lituchy (1990); Brown & Latham (2000); Denhardt & Denhardt (2009); Locke & Latham (2009); Ikefuma & Chidi, (2012). Goal-Setting Theory is premised on the understanding that goals direct the behaviour of individuals. According to Newstrom & Davis (1993:139), goals help focus employee's attention on items of greater importance to the organisation, encourage better planning for the allocation of critical resources (time, money, and energy), and stimulate the preparation of action plans for goal attainment (see also Sorrentino (2007); Miles & Clenney (2012). In the same vein, Landers, Bauer & Callan (2015:509) affirm that goals provide the individual a measure for "excellent" performance against his or her own performance. Latham in Chong & Wing (2007:3) claim that goals have a motivating effect on an individual's performance because they raises his or her aspiration levels to perform better (see also Latham (2016); Locke & Latham (2006); Latham, Borgoni & Petita (2008); Latham (2004). By implications, this means that individuals can regulate and alter their behaviour to suit strategies in place to achieve a goal. Undesirable and inhibiting factors that disturb attainment of goals should be removed and be replaced by strategies that encourage goal achievement. It further means that goals influence performance and commit the employee to endeavour to reach specific goals.

The words "goal-setting" are self-explanatory which means one outline the goals he/she intends to achieve. In an organisational context, goal-setting are targets and objectives for future performance and help focus employees' attention on items of greater importance to the organisation, encourages better planning for the allocation of critical resources (time, money, and energy), and stimulate the preparation of action plans for goal attainment (Newstrom & Davis, 2002:115-116). This theory had been widely used by institutions around the globe and has a proven record of success in improving employee performance in a variety of settings (Cascio & Aguinis, 2005:403). Goal-setting is founded on the premise that an individual's conscious goal or intentions regulate his or her behaviour (Locke, as cited by Cascio & Aguinis, 2005:403).

3. Elements of Goal-Setting

It is notable that goals stimulate performance and serve as a motivation tool for many employees in the workplace. According to Kreitner & Kinicki (1995:189), goals should be specific and difficult,

yet attainable through persistent effort. Basically, goals tell an employee what needs to be done and how much effort is needed to achieve a goal. For organisations to achieve the desired goals, employees must be made aware of what it is expected from them. Enos (2007:58) points out that goals must be clear and specific, measurable, achievable, realistic, timed and detailed to be accepted by the employees (see also Armstrong, 1994; Luthans, 2008; Robbins, Judge & Roodt, 2009; Femi, 2013). In keeping with the same idea, Johns (1996:210) affirms that goals are motivational when they are specific, challenging and accepted by organisational members. These elements are important in the sense that they define the results which should be delivered by the employees, how they should be delivered, by whom and when? Basically, goals should be achieved within the framework agreed upon by the employer and the employee. Newstrom & Davis (1993:139-140) affirm that goal-setting is most effective when elements such as acceptance, specificity, challenge, monitoring, feedback, and commitment are present.

4. Research Aim

The aim of the study was to investigate the implications of performance management on service delivery in the South African Post Office (SAPO), with particular reference to the North East Region.

5. Literature Review: Fundamental Elements of Performance Management System

Performance Management System is a good tool in managing performance of the employees in the workplace. For it to be effective, performance activities should be aligned with the organisational business strategy and goals in order for employees to perform above acceptable level. Mathis & Jackson (2012:125) explain that performance management process starts by identifying the strategic goals an organisation needs to accomplish to remain competitive and profitable. To remain competitive, managers should align and customise employees' goals to fit into the overall organisational plans. Keeping the same idea, Ivancevich & Konopaske (2013:255) regard performance management as a process by which executives, managers, and supervisors work to align employee performance with organisational goals (see also Martin, 2009:187). To achieve organisational strategic objectives and

goals, employees should be competent and be accountable to activities assigned to them and discharge their responsibilities in an honest and ethical manner. In Public administration, performance management will be effective when the following elements are present:

5.1 Competence

Hoevermeyer, as cited in Grobler *et al.* (2011:560), regard competency as a behaviour, knowledge, skill or capability that describes the expected performance in a particular work context. Competence is knowledge, skills and behavioural attributes required to perform a job to an acceptable standard (Saunders, 2002:37). Noe, as cited by Cascio & Aguinis (2005:54), refers to competence as a cluster of interrelated knowledge, abilities, skills, attitude, or personal characteristics that are presumed to be important for successful performance on a job (see also Armstrong & Baron, 1995; Cascio, 1995; Whiddett & Holyforde, 2003; Garber, 2004; Saunders, Lewis & Thornhill, 2003). The aforesaid definitions focus on skills and knowledge which one needs to possess to perform a particular task. It is important for managers and organisations to impart knowledge and skills to their employees through training and other interventions with the intention of creating a pool of competent employees. Competent employees perform better and become an asset to the company or organisation they are employed in. A good institution is characterised by the quality of employees it possesses. Performance management as a system is therefore a very good tool which employers can use to foster performance in the workplace. It is notable that performance management is a good approach which employers can use to increase performance of their employees in a workplace. It assists in identifying competencies which can be used to the benefit of individuals and the organisation itself.

Panda (2011:276) affirms that performance management approach includes issues such as identification of competencies, gathering information regarding critical issues, new and future performance needs, prioritising improvement measures, setting performance expectations, and aligning employee performance with the organisational goals (see also Armstrong, 2012:90). Competence allows employees to produce a high quality work and execute their functions with distinction. It is notable that employees who are armed with skills, knowledge

and ability tend to be more efficient than employees who lack the necessary skills and competencies of performing a particular function. One could safely say that competence enhances one's integrity, trust as well as ability and therefore; competencies are the sets of skills, knowledge, abilities, behavioral characteristics, and other attributes that predict superior performances (Nel *et al.*, 2004:276). Employees with competence do not wait for managers to come and instruct them to do certain things, they voluntarily and on free will manipulate their environment to have things their way. The element of creativity kicks in when one is skilled and knowledgeable on a particular task.

5.2 Standards

Standards are descriptions of what needs to be achieved in a work activity (Holyfield & Moloney, 1996:11). According to Maddux (2000:26), standards refer to ongoing performance criteria that must be followed continuously. A level of acceptable quality must be prescribed by institutions to bring quality into the work performed. It is notable that resources provided to employees' play an important role for them to meet a certain standard. One has to have the right tools which will assist in achieving a certain standard. Standards should meet certain criteria and requirements which can be measured. Maddux (2009) argues that standards are usually expressed quantitatively, and refer to such things as attendance, breakage, manufacturing tolerances, production rates, and safety standards. In public administration, standards mean criteria used to determine the degree of success in goal accomplishment, organisational measures or requirements to which affected staff must conform (Fox & Meyer, 1996:122). It is important to set the standard which is within the maximum competency, ability and capability of the workforce. If the standard is set too high and beyond the knowledge, competency and the capacity of the employees, the quality of performance will be compromised and service provision will adversely be affected. Employees should be made aware of the level and standard of performance required in order to be effective. A performer must be made aware of the level of what the standard is and understand that it will be used to evaluate performance (Desimone & Werner, 2012:367). Continuous assessment of the set standards by managers is critical in the workplace. Performance management becomes a suitable tool to monitor the required standard and if deviations are identified,

necessary interventions should be made. Makamu & Mello (2014:105) affirm that performance can only be managed when there are set standards which must be guided by or compared to when it comes to the way in which it is performed.

5.3 Public Accountability and Control

In every work situation, employees and managers must be held accountable for their actions and job-related decisions. Accountability is not limited to employers and employees only, legislatures should be held accountable for their decisions as well. One of the foundations of representative democracy is that the legislature, as custodians of public funds, be held accountable by the electorate, and the legislature should ensure that mechanisms and procedures are in place to facilitate public accountability (Visser & Erasmus, 2002:11). Similarly, Klijn & Koppenjan (2016:5) assert that government should set service delivery goals and the delivery of services should best be left for organisations or public agencies that can be held accountable and clear performance indicators should be used. This clearly demonstrates that public accountability is a core element of ensuring that public resources are used effectively and efficiently; and failure to account to your actions can be regarded as poor performance. It should be noted that accountability runs across the entire spectrum and does not take the status and rank of a person into account. Employees should be given the privilege of exercising authority in their functions to accept responsibility and accountability of the end-product. Newstrom & Davis (2002:185) affirm that employees must be empowered by allowing them more control (giving them discretion over job performance) and holding them accountable for outcomes. Accountability cannot be applied in isolation, it should be coupled with an element of control whereby employees are controlling functions assigned to them. Managers should put control mechanisms in place to ensure that subordinates who have been given instructions act within those instructions or powers (Prinsloo & Roos, 2006:95). Accountability and control as components and elements within Performance Management System should not solely be left to managers but to subordinates as well. Everyone must be accountable for the job and decision he/she takes in the workplace. Since performance management entails agreement between the employer and employee, it tacitly endorses the element of accountability of the agreed functions.

Section 2 of the Public Finance Management Act (1999) emphasises the importance of transparency, accountability and sound management of government revenue by public officials. The Act compels every public official to be accountable for his/her actions during public service. Accountability does not come with choice; it is embedded within the responsibilities of the office one holds. In addition, Holzer & Schwester (2016:21) affirm that accountability in the public sector often boils down to dual aspects: accountability for what and accountability to whom? In a narrow sense, public officials report to their superiors and in a broader sense, they are accountable to the citizens of South Africa. Performance Management System can therefore be utilised as a tool that compels public officials to account for their deeds.

6. Implications of Performance Management on Employees, Employers and Organisations

Today in the business fraternity, organisations are facing growing pressure on cost containment, better service provision, and the retention of competent staff members with the sole purpose of advancing organisational goals. Therefore, a well-designed Performance Management System lays the foundation for effective service delivery and motivates employees to perform better. Mello (2015:696) correctly argues that Performance Management System should be aimed at harnessing the potential of public servants and not at demoralising them (see also Tyson, 2006; Swanepoel, Erasmus & Schenk, 2008; Armstrong, 2012). It is in this context that Performance Management system has some implications on employees, employers and organisations.

6.1 Feedback to Employees

Feedback is the extent to which performing a job provides a worker with clear information about his or her effectiveness (George & Jones, 2002:220). Part VIII (D) of chapter 1, of the Public Service Regulation (PSR) of 2001 of the Republic of South Africa states that the employee's supervisor shall inform the employee in writing of the outcome of the assessment and if the employee's performance is unsatisfactory, and of the reasons for the assessment. Performance Management System gives employees feedback on their performance and lets them see their progress in achieving mutually

agreed goals and objectives (Glendinning, 2002:172). Feedback by employers explains the organisation's system and gives opportunities for staff to discuss and question (Tyson, 2006:203). By implications this means that managers should give feedback to employees about performance. Feedback tells an employee what he/she did not achieve and comes with strategies on how to meet organisational objectives. It further provides employees with a formal platform to raise issues of concern to employers. It is through Performance Management System that feedback to employees is made possible. Feedback to employees is given during performance assessment phases within the performance management cycle. Performance review can be used to serve as an important feedback session and it takes place at regular intervals during the performance cycle (see also Denhardt & Denhardt, 2009:292; Swanepoel *et al.*, 2011:285). Ahmad & Bujang (2013:1) affirm that performance management involves the process of giving feedback on employee's performance. Feedback tells management that they have a direct effect on the employee's success or failure (Ford, 2016:172). Maluleke (2012:53) affirms that in performance management process, employers communicate individual roles, responsibilities, expected behaviors, results and standards to ensure effective delivery of required results. This provides regular feedback with regard to employee performance and how it relates to organisational performance. It is in this context that SAPO Performance Management Manual (2014b:40), defines feedback as information about past behavior, delivered in the present, which may influence future behavior.

6.2 Setting and Clarifying Objectives

According to Armstrong cited by Manyaka & Sebola (2012:306) clear goals involves the clarification of what individuals and team members ought to do to support the achievement of organisational goals and objectives. Curristine (2005:146) affirms that performance management clarifies performance expectations for an organisation for a given time period. By implications this means that it is through performance management system that line management gets an opportunity to clarify certain objectives with staff so that they can mutually set right priorities; and align efforts towards achieving departmental and organisational goals. This function of setting and clarifying certain decisions, objectives and goals squarely falls on the shoulders of the employers.

6.3 Retaining Performing Employees

One issue for the Human Resource Management is to develop new approaches and strategies for recruitment and retention of staff (Wilton, 2013:325). Werner, Schuler and Jackson (2012:152) refer to retention as an employer's activities to encourage qualified and productive employees to continue working for the organisation. Retention of staff is necessary because a high level of staff turnover is costly as it involves loss of skills and experience. New staff members need to be trained and this is usually time consuming. Performance management should identify high performing staff members and data be given to management to develop plans and strategies of retaining them. Werner *et al.* (2012:184) affirm that retaining employees is a good way to reduce the need for extensive recruiting and its associated costs. Fischer (1996:16) postulates that performance management benefits line management by forming a productive relationship between staff and management based on mutual trust and understanding. This gives an opportunity to line management to re-prioritise targets, links team and individual objectives with departmental and organisational objectives, clarifies expectations of the contribution the manager expects from teams and individuals and increases job satisfaction and a sense of personal value. When employees feel that the institution values their services, they are unlikely to look for other job opportunities somewhere. It could be argued that the objective of retention activities is to reduce the unwanted voluntary turnover by people the organisation would like to keep in its workforce.

6.4 Protecting the Company Against Lawsuits

When an organisation decides to become an international enterprise, it will be confronted with new and potentially unique standards of legal and ethical conduct (Ivancevich & Konopaske, 2013:111). It is in this context that the law seeks to ensure that employers do not discriminate against particular employees, but ensure that management decisions and actions are applied fairly and consistently across all employees (Martin, 2009:100). Likewise, the South African Post Office inclusive of other postal administrators around the globe should operate within the law as prescribed by various Acts. It is in this context that companies need to have a performance system that satisfies the courts, as well as performance management needs (Mathis & Jackson

(2012:133). Cascio (2003:334) correctly argues that performance management provide legal and formal organisational justification for employment decisions to promote outstanding performers, to weed out marginal or low performers, to train, to transfer, or discipline other, and to justify merit increases (or no increases). By implications this means that issues such as denial of a promotion and transfer to another department can be subject to legal scrutiny and if these factors are legally challenged, the institution must be able to demonstrate that the decision taken was fair and justified.

Performance Management System can assist a firm in the defence of a legal action taken against the company by an employee or former employee for demotions, transfers and terminations (Glenening, 2002:166). If an employee receives what she believes is an unfair performance evaluation, she may be able to challenge the employer-based negligence on the part of the organisation (Aguinis, 2013:282). By implications this means that managers should be adequately trained on performance related matters to avoid potential litigations against the company. Performance issues in the workplace should be performed within the framework and performance records should be secured to protect the company against such litigations.

6.5 Customer Satisfaction

One of the most important assessments a firm can make is identifying the needs of its customers (Blythe, 2008:312; Bohlander & Snell, 2013:48). Identifying customer needs is due to the fact that organisations compete for customers and training workers to be responsive to customer needs is important to all organisations (George & Jones, 2002:21). Palmer (2004:376) posits that the services provided would automatically be adopted by a predetermined group of customers. Keeping the same idea, Mathis & Jackson (2012:5) assert that having managers and employees focus on customers contributes significantly to achieving organisational goals and maintaining competitive advantage. By implications this means that companies and Public Service institutions should be sensitive to customer's needs and their needs should not be taken for granted. It can be argued that attending to customer's needs is not sufficient; organisations should strive to render quality service to customers. The only way that organisations could identify customer needs is through information received

during customer appraisals. Kannan and Aulbur, cited in McGuire (2014:147), stress the importance of relationship with customers and refer to the relationship as customer capital. Customers are key pillars of the organisation and they can build or break the company. Companies should take cognisance that although customers are engaging in business with them, they will always be limited in terms of affordability. Products and services offered should be within the customer's affordability range.

Armstrong & Kotler (1999:133) argue that good products and marketing programs start with a complete understanding of consumer needs in order to produce superior value and satisfaction for customers, The company should require information on competitors, resellers and other actors and forces in the marketplace. Nel & Haycock (2005:253) point out that high customer satisfaction or delight creates an emotional affinity with the brand and this results in customer loyalty (see also Smith, 2003; Brink & Berndt, 2008). Armstrong & Kotler (1999:8) correctly explain that customer delight creates an emotional affinity for a product or service and this creates high customer loyalty.

7. Research Population

Research population is described as the group of interest to the researcher, the group whom the researcher would like to generalise the results of the study on (Fraenkel & Wallen, 2000:104; Sekaran & Bougie, 2009:262; Babbie & Mouton, 2011:100). In this article, the population was the employees of the South African Post Office in the North East Region with the South African Post Office serving as the unit of analysis. By the end of 2017, the North East Region had a staff complement of six hundred and eighteen (618). For this article, the complete set of units of analysis will be the Post Office employees which are managers, tellers and supervisors as well as trade union representatives from different trade unions operating within the South African Post Office.

8. Sampling Size

For this article, purposive sampling and random sampling technique were used in the administration of questionnaires to South African Post Office employees. Sekaran & Bougie (2009: 276) strongly argues that in purposive sampling, sampling should be confined to specific types of people who can

provide the desired information, either because they are the only one who have it or conform to some criteria set by the researcher. Regarding Post Office customers, systematic sampling was used. Systematic sampling design involves drawing every *n*th element in the population starting with a randomly chosen element between 1 and *n* (Sekaran & Bougie, 2009:271).

9. Data Collection

According to Sapsford & Jupp (2006:138) data may be gathered with a variety of data collection methods, and it is imperative that the data collection process be accurately documented as the main source for the researcher's information and as supplement information from other secondary sources. This article used the questionnaire, interview and documents as preferred methods for data collection and the extent of the operationalisation of each method is outlined below:

9.1 Questionnaire

To extract some parts of primary data, the questionnaire method was used. Lancaster (2005:139) defines a questionnaire as a series of questions designed to provide accurate information from members of the sample (see also Hague & Jackson, 1996; Tustin, Lighthelm, Martins & Van Wyk, 2005; Sekaran & Bougie, 2009). The questionnaire was designed within a five-point Likert rating scale to probe the level of agreement or disagreement with a number of statements representing targeted subject areas. In this article, a closed-ended questionnaire was employed by the researcher to solicit information from the respondents. The questionnaire was distributed in physical form rather than being e-mailed. The physical distribution was done to guard against the low response rate from the potential participants.

9.2 Interviews

To probe some aspects in relation to the stated objectives and research questions posed, interviews were conducted with a purposively selected part of the sample. According to Bless & Higson-Smith (2000:104), an interview involves direct personal contact with the participant who is asked to answer questions relating to the research problem. In this article, the researcher carried out a structured interview with the participants. The researcher ensured

that the interview took place in a suitable environment with no or very less distractive interferences. The reason for not interfering was to stimulate the participant to participate fully.

10. Data Analysis

In analysing data for the study, both qualitative and quantitative approaches were applied in line with the design and methodology adopted. According to Lancaster (2005:157) data analysis refers to the process of turning data into information that in turn can serve to develop concepts, theories, explanations or understanding. Regarding the quantitative data generated from the questionnaires, descriptive statistical analysis procedures were used. According to Brink (2006:171), the most powerful tool available to any researcher in analysing quantitative data is statistics. Statistical data methods enable the researcher to summarise, organise, manipulate, evaluate, interpret, and communicate data.

11. Discussion and Analysis of Results

Almost 33.8 percent of the respondents strongly disagreed that Performance Management System is satisfactorily implemented in the South African Post Office. 1.88 percent strongly agreed that Performance Management System is satisfactorily implemented in the South African Post Office, while 18.78 was undecided. It can therefore be inferred from the outcome of the study that employees are not satisfied in the manner and way in which Performance Management System is implemented in the South African Post Office. This poses a challenge to the Post Office management to re-visit their performance management strategies and revive satisfaction level of employees. It should be noted that satisfied employees are more willing to fully participate and contribute positively towards the goals of the organisation and tend to commit to such goals. Lunenburg (2011:3) affirms that participation in the goal-setting process tends to enhance goal commitment. These suggest that Human Capital Management as the custodian of performance management in the Post Office should conduct performance management road shows enlightening employees about performance issues and encourage active participation in the process. Armstrong (2012:57) affirms that human resource contributes to enhancing organisational performance by providing insights on the performance issues affecting the organisation and its employees.

Out of two hundred and twenty-four respondents, the majority of the respondents (34.74 percent) strongly disagreed that Performance Management System is implemented across all SAPO employees. 31.46 percent disagreed. The minority of the respondents (3.76 percent) strongly agreed that Performance Management System is implemented across all SAPO employees, while 20.66 were undecided. It can be inferred from the outcome of the study that more than half of the employees affirmed that not all employees were part of the performance management process in SAPO. This suggest to Human Capital Department (HCD) to ensure that Performance Management System is applicable to all employees in the South African Post Office irrespective of rank or position one holds.

11.1 Rewards

Most of the respondents (40.38 percent) strongly disagreed that employees are rewarded for good performance, while only 37.56 percent disagreed. The minority of the respondents (1.41 percent) strongly agreed that employees are rewarded for good performance, while 11.27 percent was undecided. Almost 77.94 affirmed that good performance is not rewarded. This data paints a very bad picture on part of Post Office management in that management does not recognise good performance and this attitude is detriment to the success of the Post Office. This finding is supported by the non-payment of performance bonuses in the past few financial years. According to Wilton (2013:175), the extent to which an individual is motivated to achieve a objective is related to the extent to which they believe that its achievement will result in desired outcomes or reward. Hellriegel *et al.* (2012:428) correctly argue that by linking performance to rewards that employee's value and paying attention to employee's perceptions of equity, managers can increase employee's performance level.

11.2 Recognition

The respondents (39.44 percent) strongly disagreed that employees are satisfied with the recognition they receive for doing a good job. The minority of the respondents (1.41 percent) strongly agreed that employees are satisfied with recognition they receive for doing a good job. 8.9 percent agree while 13.62 are undecided. Failure to reward good performance informs employees that management

does not recognise good performance. MaCkay (2007:45) affirms that factors such as recognition, responsibility and achievement seem to be related to job satisfaction, therefore it is in this context that the Post Office should recognise good performance so as to motivate, encourage and satisfy their employees.

11.3 Opportunity

Most of the respondents (41.31 percent) disagreed that managers provide opportunity to improve skills in the organisation while 15.96 strongly disagreed. It can therefore be inferred from the outcome of the study that the managers care less in providing employees with opportunity to develop their skills. Managers should prioritise improvement of skills of their employees by offering training and developmental opportunities. The main purpose of training is to develop employee's knowledge and skills that have been defined as necessary for effective performance work (Tyson, 2006:215). It should be noted that skilled employees improve organizational performance and knowledge instill confidence in what a person is performing. Managers should utilise Performance Management System to identify employees who needs development and provide them with opportunity to improve their skills. According to Wilton (2002:220), effective Performance Management System identifies and meets employees development needs (see also Mathis & Jackson, 2012:126). This "care-less" attitude is characterised by a huge decline in profit margins and mail volumes.

11.4 Creation of Forums

Most of the respondents (40.85 percent) disagreed that there are adequate forums to discuss performance issues in the Post Office with stakeholders, while 18.31 percent strongly disagreed. Minority of the respondents' 1.41 percent strongly agreed. One can observe from the collected data that there are no stakeholder engagement forums and structures where performance issues are discussed. McGreor (2015:5) affirms that one of the factors adversely affecting performance in many SOEs is inadequate structures. This suggests that Human Resource Division in conjunction with marketing department establish forums in which stakeholders can use to elicit performance information to the betterment of the South African Post Office.

12. Recommendations

It is against the background above that the following recommendations were made:

12.1 Implementation of an Effective Reward System

One of the reasons for the introduction of Performance Management System is to reward good performance. Emanating from the study, it has been found that employees were not rewarded for good performance. It is recommended that the South African Post Office should revive the trust of its employees by rewarding good performance. Rewarding good performance would resuscitate performance culture of the Post Office employees and instill a positive attitude towards their performance system. One way of rewarding performance is through payment of performance bonuses. Furthermore, SAPO should ensure that performance evaluation is conducted in a fair manner and without biasness. It was reported by the majority of the respondents that performance appraisal score is not a fair reflection of employee performance and this demotivates employees and kills morale.

12.2 Recognition

Emanating from the study, it has been found that most of the respondents (39.44 percent) strongly disagree that employees are satisfied with the recognition they receive for doing a good job, 36.62 disagree. The minority of the respondents (1.41 percent) strongly agree that employees are satisfied with recognition they receive for doing a good job, 8.92 percent agree while 13.62 respondents are undecided. Looking at the data above one will agree that those respondents who disagree/strongly disagree (76.06 percent) outweigh by far those who agree/strongly agree (10.33 percent) and this affirms that employees are dissatisfied with the recognition they receive for doing a good job.

12.3 Stakeholder's Engagement Forums

The article tested that there were no customers' engagement forums in the North East Region of the South African Post Office. It is therefore recommended that customers' engagement forums be created so that the Post Office can utilise this engagement platform to determine customer satisfaction level and also to determine service gaps

which could be improved through customer recovery plans. Similarly, these platforms afford customers opportunity to have a direct input in terms of strategies on improving performance management and service delivery. Basically, the South African Post Office should be closer to their customers in order to determine what customers want. It is further recommended that the Post Office should continuously conduct customer satisfaction survey to keep them abreast with the customer needs and wants. Once an institution is aware of what customers' needs, it will be able to respond positively to those needs.

13. Concluding Remarks

This article has proven that Performance Management System as implemented in the South African Post Office has not improved service delivery as expected. It is argued that mail volumes and declining and profit margins have continued to drop even though Performance Management System has been in place. Based on the preceding discussion and the responses from the employees, it was noted that the introduction of performance system provides a fair basis on which good performance can be rewarded. However, employees were not rewarded for good performance. It was expressed through the views of the respondents that customers were dissatisfied with the level of service they received from the Post Office.

References

- Aguinis, H. 2013. *Performance Management*. 3rd ed. New Jersey: Pearson Education.
- Ahmad, R. & Bujang, S. 2013. Issues and Challenges in the Practice of Performance Appraisal Activities in the 21st Century. 1(4):1-8.
- Armstrong, G. & Kotler, P. 1999. *Marketing: An Introduction*. 5th ed. New Jersey: Prentice-Hall Incorporation.
- Armstrong, M. 2012. *Armstrong's Handbook of Human Resource Management Practice*. 12th ed. London: Kogan Page Limited.
- Armstrong, M. & Baron, A. 1995. *The Job evaluation Handbook: Developing Practice*. London: Institute of Personnel and Development.
- Babbie, E. 1998. *The Practice of Social Research*. 8th ed. London: Wadsworth Publishing Company.
- Bless, C. & Higson-Smith, C. 2000. *Fundamentals of Social Research Methods*. 3rd ed. Cape Town: Juta and Company.
- Blythe, J. 2008. *Essentials of Marketing*. 4th ed. England: Prentice-Hall.
- Bohlander, G.W. & Snell, S. 2013. *Principles of Human Resource Management*. 16th ed. United States: South-Western CENGAGE Learning.

- Brink, A. & Berndt, A. 2008. *Relationship marketing and Customer Relationship Management*. Lansdowne: Juta and Company Limited.
- Brink, H. 2006. *Fundamentals of Research Methodology for Health Care Professionals*. 2nd ed. Cape Town: Juta and Company Limited.
- Brown, T.C. & Latham, G.P. 2000. The Effects of Goal-Setting and Self-Instruction on the Performance Unionized Employees. *Industrial Relations*, 55(1):80-95.
- Cascio, W.F. 1995. *Managing Human Resources: Productivity, Quality of work life, Profits*. 4th ed. Denver: McGraw-Hill.
- Cascio, W.F. 2003. *Managing Human Resources: Productivity, Quality of Work Life, Profits*. 6th ed. Denver: McGraw-Hill.
- Cascio, W.F. & Aguinis, H. 2005. *Applied Psychology in Human Resource Management*. 6th ed. New Jersey: Pearson International Edition.
- Chong, V.K. & Wing, S.L. 2007. Testing a Model of the Motivational Role of Budgetary Participation on Job Performance: A Goal-Setting Theory Analysis. *Asian Review of Accounting*, 11(1):1-17.
- Currstine, T. 2005. Government Performance Lessons and Challenges. 5(1):127-151.
- Denhardt, R.B. & Denhardt, J.V. 2009. *Public Administration: An Action Orientation*. 6th ed. Wadsworth: Cengage Learning.
- Department of Public Service and Administration. 1997. *The White Paper on Transforming Public Service Delivery (Batho Pele White Paper)*. Pretoria: Government Printer.
- Department of Public Service and Administration. 2001. *Public Service Regulations*, Pretoria: Government Printers.
- DeSimone, R.L. & Werner, J.M. 2012. *Human Resource Development*. 6th ed. Canada: South-Western CENGAGE Learning.
- Du Toit, D. & Van Der Waladt, G. 2008. *Public Administration and Management: The Grassroots*. 2nd ed. Kenwyn: Juta and Company Limited.
- Earley, P.C., Northcraft, G.B., Lee, C. & Lituchy, T.R. 1990. Impact of Process and Outcome Feedback on the Relation of Goal-Setting to Task Performance. *The Academy of Management Journal*, March, 33(1):87-105.
- Enos, D. 2007. *Performance improvement: Making it Happen*. 2nd ed. Danvers: Auerbach Publications.
- Femi, F.A. 2013. Perceptions of Performance Appraisal and Workers' Performance in Wema Bank Headquarters, Lagos. *Global Journal of Arts, Humanities and Social Sciences*, 1(4):89-101.
- Fischer, M. 1996. *The Sunday Times Business Skills: Performance Appraisals*. London: Kogan Page Limited.
- Ford, R.C. 2016. Combining Performance, Learning, and Behavioral Goals to Match Job with Person: Three Steps to enhance Employee Performance with Goal-Setting. *Business Horizons*, Volume 60, pp. 345-352.
- Fox, Bayat & Ferreira. 2006. *A Guide to Managing Public Policy*. Cape Town: Juta and Company.
- Fox, W. & Meyer, I.H. 1996. *Public Administration Dictionary*. Cape Town: Juta and Company Limited.
- Fraenkel, R. & Wallen, N. 2000. *How to Design and Evaluate Research in Education*. Cape Town: Juta and Company.
- Garber, P. 2004. *Giving and Receiving Performance Feedback*. Amherst: HRD Press Incorporation.
- George, J.M. & Jones, G.R. 2002. *Organizational Behaviour*. 3rd ed. New Jersey: Pearson Education Incorporation.
- Glendinning, P.M. 2002. Performance Management: Pariah or Messiah. *Public Personnel Management*, 31(2):161-178.
- Grobler, P.A. et al. 2011. *Human Resource Management in South Africa*. 4th ed. Singapore: CENGAGE Learning.
- Hague, P. & Jackson, P. 1996. *Market Research: A Guide to Planning, Methodology and Evaluation*. London: Kogan Page.
- Heady, F. 2001. *Public Administration: A Comparative Perspective*. New York: Marcel Dekker.
- Hellriegel, D. et al. 2012. *Management*. 4th ed. Cape Town: Oxford University Press.
- Henry, N. 2010. *Public Administration and Public Affairs*. 11th ed. Georgia: Pearson Education.
- Holyfield, J. & Moloney, K. 1996. *Using National standards to improve Performance: A practical guide for Human Resources*. London: Kogan Page Limited.
- Holzer, M. & Schwester, R.W. 2016. *Public Administration: An Introduction*. 2nd ed. New York: Taylor and Francis.
- Hughes, O.E. 2003. *Public Management and Administration: An Introduction*. Great Britain: Palgrave Macmilan.
- Hussey, J. & Hussey, R. 1997. *Business Research: A Practical Guide for Undergraduate and Postgraduate Students*. London: Palgrave.
- Ikemefuna, O.C. & Chidi, O.C. 2012. Worker's Perception of Performance Appraisal in Selected Public and Private Organizations in Lagos Metropolis, Nigeria. *International Journal of Human Resource Studies*, 2(3):80-89.
- Ivancevich, J.M. & Konopaske, R. 2013. *Human Resource Management*. 12th ed. New York: McGraw-Hill/ Irwin.
- Johns, G. 1996. *Organizational behaviour: Understanding and Managing Life at Work*. 4th ed. New York: Harper Collins College Publishers.
- Klijin, E.H. & Koppenjan, J. 2016. *Governance Networks in the Public Sector*. New York: Routledge.
- Kreitner, R. & Kinicki, A. 1995. *Organizational behaviour*. 3rd ed. Arizona: IRWIN.
- Lancaster, G. 2005. *Research Methods in Management: A Concise Introduction to Research in Management and Business Consultancy*. Oxford: Elsevier Butterworth-Heinemann.
- Landers, R.N., Bauer, K.N. & Callan, R.C. 2015. Gamification of Task Performance with Leaderboards: A Goal-Setting Experiment. *Computers in Human Behaviour*, Volume 71, pp. 508-515.
- Latham, G., Borgogni, L. & Petita, L. 2008. Goal-Setting and Performance Management in the Public Sector. *International Public Management Journal*, 11(4):385-403.
- Latham, G.P. 2004. The Motivational Benefits of Goal-Setting. *Academy of Management*, 18(4):126-129.

- Latham, G.P. 2016. Goal Setting: A Possible Theoretical Framework for Examining the Effect of Priming Goals on Organizational Behaviour. *Current Opinion in Psychology*, Volume 12, pp. 85-88.
- Locke, E.A. & Latham, G.P. 2009. Has Goal Setting Gone Wild, or Have its Attackers Abandoned Good Scholarship? *Academy of Management*, February, 23(1):17-23.
- Locke, E. & Latham, G. 2006. New Directions in Goal-Setting Theory. *Association for Psychological Science*, 15(5):265-268.
- Lunenburg, F. 2011. Goal Setting Theory of Motivation. 15(1):1-6.
- Luthans, F. 2008. *Organizational Behaviour*. 11th ed. Singapore: McGraw-Hill International.
- Machingambi, S. *et al.* 2013. Perceived Challenges of Implementing the Performance Management System in Zimbabwe. 35(3):263-271.
- MaCkay, A. 2007. *Motivation, Ability, and Confidence in Building People*. 1st ed. Great Britain: Elsevier.
- Maddux, R.B. 2000. *Effective Performance Appraisals: A Practical Guide*. 4th ed. California: Crisp Publications.
- Maila, H.M. 2006. *Performance Management and Service Delivery in the Department of Water Affairs and Forestry (DWAF)*. M.Tech. dissertation UNISA, Pretoria: s.n.
- Makamu, N.I. & Mello, D.M. 2014. Implementing Performance Management and Development Systems (PDMS) in the Department of Education. *Journal of Public Administration*, 49(1):104-126.
- Maluleke, K. 2012. *Unpublished Masters Dissertation: Evaluating Performance Management at Eskom Holdings*, Pretoria: s.n.
- Mamabolo, M.A. 2013. *Masters Dissertation: Implementation of Road Infrastructure Development Projects in Rural Areas of South Africa: A Case of Polokwane Municipality in Capricorn District*, Polokwane: University of Limpopo.
- Manyaka, R. & Sebola, M. 2012. Impact of Performance Management on Service Delivery in the South African Public Sector. 47(1.1):299-310.
- Martin, J. 2009. *Human Resource Management*. California: SAGE.
- Mathis, R.L. & Jackson, J.H. 2012. *Human Resource Management: Essential Perspectives*. 6th ed. United States of America: Cengage Learning.
- May, P. 2012. Policy Design and Implementation. In: *The SAGE Handbook of Public Administration*. London: SAGE Publications, pp. 279-291.
- McGregor, L. 2015. *Can South African State Owned Companies Succeed?* Pretoria: s.n.
- McGuire, D. 2014. *Human Resource Development*. 2nd ed. London: SAGE.
- Miles, E.W. & Clenney, E.F. 2012. Extremely Difficult Negotiator Goals: Do they follow the predictions of Goal-setting Theory? *Organizational Behaviour and Human Decision Processes*, Volume 118, pp. 108-115.
- Nel, J. & Haycock, E. 2005. Measuring Customer and Employee Satisfaction and Business Excellence in Local Government Green Industries. *Journal of Public Administration*, 40(3.1):247-268.
- Nel, P.S. *et al.* 2004. *Human Resource Management*. 6th ed. Cape Town: Oxford University Press.
- Newstrom, J.W. & Davis, K. 1993. *Organizational Behaviour: Human Behaviour at Work*. 9th ed. New York: McGraw-Hill Higher Education.
- Newstrom, J.W. & Davis, K. 2002. *Organizational Behaviour: Human Behaviour at Work*. 11th ed. New York: McGraw-Hill Higher Education.
- Palmer, P. 2004. Modelling Stakeholder Engagement – Public Sector Perspectives. *Journal of Public Administration*, 39(3): 365-381.
- Panda, S. 2011. Performance Management System: Issues and Challenges. *Management and Labour Studies*, August, 36(3): 271-279.
- Prinsloo, J. & Roos, M. 2006. *Performance Auditing: A step-by-step Approach*. 1st ed. Pretoria: Van Schaik Publishers.
- Robbins, S.P., Judge, T.A. & Roodt, G. 2009. *Organisational Behaviour: Global and Southern African Perspectives*. 2nd ed. Cape Town: Pearson Prentice Hall.
- Rosenbloom, D.H., Kravchuk, R.S. & Clerkin, R.M. 2009. *Public Administration*. 7th ed. Singapore: McGraw-Hill.
- RSA. 1996. *The Constitution of the Republic of South Africa* (No. 108 of 1996). Pretoria: Government Printer.
- RSA. 1997. *Batho Pele White Paper on Transforming Public Service Delivery*. Pretoria: Government Printer.
- RSA. 1999. *Public Finance Management Act* (No. 1 of 1999). Pretoria: Government Gazette.
- RSA. 2001. *Public Service Regulation* (No. 5 of 2001). Pretoria: Government Printers.
- RSA. 2011. *South African Post Office SOC Ltd Act* (No. 22 of 2011). Pretoria: Government Printer.
- Sapsford, R. & Jupp, V. 2006. *Data collection and Analysis*. London: Sage.
- Saunders, E. 2002. *Assessing Human Competence*. 2nd ed. Randburg: Knowres Publishers.
- Saunders, M., Lewis, P. & Thornhill, A. 2003. *Research Methods for Business Students*. Harlow: Pearson Education.
- Schutte, L., Schwella, E. & FitzGerald, P. 1995. *Changing Public and Development Management*. Kenwyn: Juta and Company.
- Sekeran, U. & Bougie, R. 2009. *Research Methods for Business: A Skill Buiding Approach*. 5th ed. United Kingdom: John Wiley and Sons Limited.
- Smith, I. 2003. *Meeting Customer Needs*. 3rd ed. Burlington: Elsevier Butterworth-Heinemann.
- Sorrentino, D.M. 2007. The Seek Mentoring Program: An Application of the Goal-Setting Theory. 8(2):241-250.
- South African Post Office Limited. 2008. *Performance Management Policy*, Pretoria: s.n.
- South African Post Office. 2014(b). *Performance Management System Manual*. Pretoria: SAPO.
- Speckman, A. 2013. SA Post Office faces big challenges. *Business Report*, 19 September, p. 1.

- Stillman II, R.J. 2010. *Public Administration: Concepts and Cases*. 9th ed. Boston: CENGAGE Learning.
- Swanepoel, B., Erasmus, B. & Schenk, H. 2008. *South African Human Resource Management: Theory & Practice*. 4th ed. Cape Town: Juta and Company Limited.
- Tustin, Ligthelm, Martins & Wyk, V. 2005. *Marketing Research in Practice*. 1st ed. Pretoria: Thea Bester-Swanepoel, Unisa Press.
- Tyson, S. 2006. *Essentials of Human Resource Management*. 5th ed. Oxford: Butterworth-Heinemann.
- Visser, C.B. & Erasmus, P.W. 2002. *The Management of Public Finance: A Practical Guide*. Cape Town: Oxford University Press.
- Werner, S., Schuler, R. & Jackson, S. 2012. *Human Resource Management*. 11th ed. South-Western: Cengage Learning.
- Wessels, J.S. & Pauw, J.C. 1999. *Reflective Public Administration: Views from the South*. Cape Town: Oxford University Press.
- Whiddett, S. & Hollyforde, S. 2003. *A practical Guide to Competencies: How to enhance individual and organisational performance*. 2nd ed. London: Chartered Institute of Personnel and Development.
- Wilton, N. 2013. *An Introduction to Human Resource Management*. 2nd ed. London: SAGE Publications Limited.

The Challenges Facing Development Policy and Projects Implementation in Malawi

MK Hussein
University of Malawi

Abstract: Malawi has introduced numerous policy reforms and projects with the aim to promote development at the national and local level. However, despite the policy reforms and a major influx of donor aid, Malawi remains one of the least developed countries of the world. Effective development policy and projects implementation for sustainable national development is a major concern for both government and development partners. Therefore, this paper examines the major hurdles facing development policy and project implementation in Malawi since the advent of multi-party democracy in 1994. The central argument is that much as effective development policy and project implementation is a function of many factors, the disposition of political and bureaucratic leadership and the lack of capacity in institutions are the major constraints in Malawi. The public bureaucracy is not only politicised, but there is a severe scarcity of skilled labour and finances. In addition, corruption is rampant in both political and administrative circles. The paper concludes that pragmatic strategies which include conducting political leadership and management development programmes, enforcing mechanisms for combating corrupt practices and mobilising resources both human and financial must be executed in order to promote efficiency and effectiveness in the development policy and project implementation.

Keywords: Development, Malawi, Policy implementation, Project management, Public bureaucracy

1. Introduction

This paper examines the major hurdles facing development policy and project implementation in Malawi since the advent of multi-party democracy in 1994. The overall aim is to stimulate the much-needed debate on the significance of effective development policy and project implementation. The paper also places emphasis on the need for pragmatic strategies for the public bureaucracy to achieve the desired development goals. Most African countries including Malawi have adopted some overarching development policy in form of Visions. For instance, Vision 2040 for Zimbabwe, Vision 2036 for Botswana, Vision 2030 for Zambia, South Africa and Kenya. These Visions are long term policies which seek to accelerate national development which are often implemented through five year medium term strategies and projects. However, the concerns for effective development policy and project implementation have taken centre stage in developing countries due to unsatisfactory outcomes of policy reforms in most countries. Policy failures in developing countries such as Africa and Latin America are attributed to among others, adverse behaviour of political elites and interests of bureaucrats, scarcity of resources and lack of capacity in terms of both quantity and quality of human resources (Dick, 2003; Egonmwan, 2009).

Clearly, effective development policy and project implementation is the most vital phase in the policy making process which determines the success or failure of a policy and project. However, as argued by Pressman and Wildavsky (1973:166), there is little literature about implementation in the social sciences and attempts to provide more rigorous and systematic research to address policy implementation failures tends to be limited. According to Nwankwo & Apeh (2008), development policy and project implementation phase is often taken for granted. It is assumed that once a policy and project are adopted by government, implementation and the desired goals will automatically be achieved. Thus, unless the major challenges facing policy implementation are understood and pragmatically addressed, the various development policies and strategies will yield minimal results. Therefore, this paper focuses on the challenges facing development policy and project implementation in Malawi since the advent of multi-party democracy in 1994. The paper is therefore outlined as follows: presentation of the theoretical and conceptual underpinnings of this analysis, the context of development policy and project implementation frameworks in Malawi and the challenges facing Malawi's public bureaucracy in the implementation process. The conclusion and recommendations are presented in the sixth part.

2. Theoretical and Conceptual Underpinnings

2.1 Public Policy and Implementaion

There are several public policy definitions, for instance, 'authoritative statements made by legitimate public institutions about the way in which they propose to deal with policy problems and a proposed programme or course of action of government directed at achieving certain desired goals or objectives' (Dye, 2005); 'a purposive course of action followed by an actor or set of actors in dealing with a societal problem or matter of concern' (Anderson, 1997). According to Cloete and de Coning (2011:137) public policies which include development policies must be authoritative (authorised by government institution), enforceable, flexible and adaptable, feasible, clear and made known to the public in order distinguish public policy from mere collection of goals and administrative actions. In summary, despite the several definitions, public policy boils down government's course of action designed to address a societal problem area. On other hand, scholars define policy implementation in various ways. For instance, it is defined as 'conversion of mainly physical and financial resources into concrete service delivery outputs in for of facilities, and services or into other concrete outputs aimed at achieving policy objective' (Cloete & de Coning, 2011:137); 'organised activities by governments directed towards the achievement of goals and objectives, articulated in authorised policy statements' (Kraft & Furlong, 2007); 'the stage of the policy cycle which involves processes whereby programmes and policies are carried out, or the translation of policies into practice' (Howlett & Ramesh, 2003:186); More elaborately, Edwards III (1980) defines policy implementation as: 'a process which involves a wide variety of actions such as issuing and enforcing directives, disbursing funds, making loans, awarding grants, signing contracts, collecting data, disseminating information, analysing problems, assigning and hiring personnel, negotiating with stakeholders like citizens, businesses, interest groups, organisational units and even other countries'. In summary, policy implementation represents the stage of the policy cycle which involves the conversion of laws, policies, programs and projects into practice.

2.2 Theoretical Frameworks

There several controversies surrounding policy implementation theoretical frameworks and models. Broadly, the public choice theory gives

theorists a plausible weapon to use in the explanation of policy implementation failures in the public bureaucracy. The theory contends that the bureaucrats are inefficient and motivated by their own self-interests, maximisation of their own utility and welfare rather than public interest and as result policy implementation is neglected and fails. The conceptual distinction made between policy formulation and policy implementation has attracted debate among scholars. This is a notion based on the politics -administration dichotomy traced to Woodrow Wilson's publication in 1887 of an article entitled 'the study of administration' (Okuli & Onah, 2003). It distinguishes policy making (political activity) and policy implementation (administrative activity) and takes the two as separate governmental functions. On the one hand, policy formulation which involves the determination of the will of the state and people is regarded as the sole concern of politicians. On the other hand, policy implementation which involves putting into effect the will of the state and people once it is made clear by the political process and giving attention to efficient means of implementing policies is the concern of the public bureaucracy (administrators) (Ezeani, 2006). However, scholars such as Pressman and Widdavsk (2000) reject the politics-administration distinction. They argue that factors such as vague and ambiguous legislations, lack of technical knowledge and difficulties in monitoring and controlling bureaucratic behaviour translates into the active involvement by administrators in both policy formulation and policy implementation. Thus, policy implementation is not separated from policy making as it is considered as one of the stage in the policy making process (Dye, 2005:42).

Another controversy relates to the factors which are critical in the determination of the success or failure of policy and project implementation. Cloete and de Coning (2011) present the 5c's protocol for policy implementation. These are Content of policy express as goals, objectives and how policy aims to solve the problems; Context-nature of institutional context; Commitment of implementers; Capacity-administrative capacity and support of clients and lastly Coalition interests. According to Smith (1973), the four components critical in policy implementation analysis are the goals and objectives, the target group the organisation's structure, leadership and capacity; and the environmental factors (this is considered as the first model of policy implementation). According to Van Meter and Van Horn (1975)

policy success depends on how well bureaucratic structures implement government decisions and characteristics of implementing agencies including economic, social and political environmental factors and disposition of implementers. However, Edwards III's (1980) typology which comprises four major determinants of effective development policy and project implementation, namely, bureaucratic structure, communication, resources and disposition provides relevant framework for the examination of the challenges facing Malawi's public bureaucracy in development policy and project implementation. Firstly, the bureaucratic structure refers to 'the formalized arrangement of interaction between and responsibility for tasks, people and resources in an organisation often depicted a pyramidal chart with positions, titles and roles in a cascading fashion' (Pearce *et al.*, 2010:355). The bureaucratic structure is critical in the sense that it presents the political and bureaucratic leadership, coordination, collaboration and the degree of cooperation among implementers which in turn affects the efficiency in scarce resources mobilisation and utilisation, and minimisation of duplication of activities.

Secondly, communication which refers to 'a process of a process of transferring information, feelings, emotions, thoughts and ideas from one person to another; the exchange of ideas, among two or more people so as to share a common understanding' is a major determinant of effective implementation of development policy and projects. As argued by Edwards III's (1980), communication provides channels through which public bureaucracy transmits instructions and orders to the appropriate personnel for implementation. Therefore, adequate, clear, accurate and consistent information of policy goals and objectives are important as they affect how development policy and project are implemented.

Thirdly, the availability of resources which include 'tangible and intangible assets and organisational capabilities' are important for effective development policy and project implementation (Pearce *et al.*, 2010:169). According to Edwards III's (1980), the availability of adequate personnel both quality and quantity, material and financial resources are critical for successful development policy and project implementation. These include staff and skills; information, authority and sanctions, and physical facilities and equipment which affect the efficiency and effectiveness of policy implementation (Okuli & Onah, 2003).

Finally, predisposition which refers to 'the behavioural aspects' which include interests, attitudes, discretion, motivation and commitment or sympathy, neutrality, or hostility of actors and agency/support of political elites to the implementing agency are critical in policy implementation according to (Egonmwan, 2009). As argued by McLaughlin (1978), the amount of interest, commitment and support by implementers or actors determines the success of development policy and project implementation. The policy that threatens interests is bound to be opposed while supportive behaviour of political elites to the policy implementing agency may mean greater access to resources and likelihood to implement policies successfully. In summary, the four variables, namely, bureaucratic structure, communication, resources and predisposition which guided this study are highly interwoven and interact with each other to aid or hinder policy implementation.

3. The Context of Development Policy and Project Implementation in Malawi

Since the advent of multiparty democracy in 1994, Malawi embarked on public policy reforms and project implementation in areas such as National Decentralisation Programme, performance management; budgeting, planning and financial management, privatisation, declaration of assets, anticorruption, civil service, police reforms; local government, agriculture and land reforms among others (Tambulasi, 2009). However, the 'Malawi Vision 2020' which was launched in March 1998 has been the overarching long-term development policy in the multi-party dispensation. The aspiration is that: "by the year 2020, Malawi as a God fearing nation, will be secure, democratically mature, environmentally sustainable, self-reliant with equal opportunities for and active participation by all, having social services, vibrant cultural and religious values and a technologically driven middle-income economy" (GoM, 1998:3).

However, Malawi remains one of the low income and least developed countries of the world. It is among the countries with the lowest Human Development Index (HDI) in the world ranked 170 out of 187 countries. Out of the 17.2 million people, 75 percent earn less than USD 1.25 per day. Poverty remains deep and widespread with about 50.7% still living below the poverty line and almost a quarter of the population is estimated to live in extreme

poverty (MEPD, 2017). The situation is attributed to ineffective and inconsistent implementation. For instance, the MGDS II which was launched in 2012 and implemented up to 2016 with the aim to create wealth and develop infrastructure as a means of reducing poverty was 'hampered' by fuel and foreign exchange scarcity which resulted in a serious economic slow-down and the government had to develop a Malawi Economic Recovery Plan (ERP) for a quick monetary (GoM, 2018). The major challenges facing Malawi's public bureaucracy in the implementation of development policies and projects are presented in the section below.

4. Findings and Discussion

The study established that that the two major factors, namely, the political and bureaucratic leadership and weak institutional and individual capacities lead to policy fragmentation which undermines the ability by the public bureaucracy to effectively implement policies and achieve the desired policy objectives.

4.1 Political and Bureaucratic Leadership

The nature of the state governance and commitment at the highest political and bureaucratic level are prerequisites for any successful development policy and project implementation. The Malawi government has adopted Sector Working Group (SWG) committees as a way of bringing the much-desired policy consistency and inter-sectoral coordination. The SWGs are inter-ministerial committees established to develop Joint Sector Strategies (JSSs) and implementation plans and to facilitate collaboration in the implementation of national development strategy. However, the study revealed that the lack of effective leadership, communication, coordination which are complicated by patronage, politicisation of the bureaucracy, discontinuity of successor's projects and corruption are the major challenges facing Malawi's public bureaucracy in the development policy and project implementation. These factors are discussed below:

4.1.1 Ineffective Leadership, Communication, Coordination and Collaboration

A major challenge in policy and project implementation by the public bureaucracy is ineffective leadership, communication, coordination and collaboration in policy and project design and implementation. According to GoM (2017) development

policy and project implementation is yet to produce meaningful results in Malawi because of ineffective leadership reflected in 'policy inconsistencies, ineffective design, prioritisation and the absence of a clarity and consensus among key stakeholders on the philosophy and principles to guide the implementation'. Furthermore, the lack of effective communication which engender poor coordination and collaboration attributed to weak SWGs and absence of consultation as well as individualistic rather than a holistic approaches adopted by sectors and Ministries complicate the implementation of policies and projects (GoM, 2017). More often than not policies and projects are made and implemented to achieve selfish and egoistic interest of the political leaders and to attract public acclaim and attention with less regard to the practical appropriateness to effective implementation by the public bureaucracy (Matonga, 2014).

4.1.2 Politicisation of the Bureaucracy

Another challenge facing the public bureaucracy in the development policy and project implementation is the politicisation of the public bureaucracy. The Public Service is meant to be the obedient servant of the state and politically neutral, credible and with integrity (Fry & Nigro, 1996). However, according to MNISAR (2013:78) in the multiparty dispensation, the public bureaucracy is characterised by undue political influence, partisan politicisation and other narrow, particularistic interests which undermine its independence in policy and project implementation. Thom (2017) observes that the majority of senior public officials are political appointees vulnerable to removal from their posts on political consideration. As a result they tend to subject their official decisions and actions to the wishes, preferences, control and endorsement of their political masters. The practice is complicated by the requirement that public servants must be loyal and committed to the policies and programmes of the government. Thus, public servants serve in a manner that gives more control rights, accountability and sympathy to politicians and particularly to the ruling party (MNISAR, 2013:78).

4.1.3 Discontinuing Policies of the Previous Regime

The practice of discontinuing policies of the previous regime by the political leadership once government changes without sound basis is another challenge facing public bureaucracy in policy and project implementation. Examples include the abandonment of the United Democratic Front's (UDF) 'Starter Pack' programme (this involved provision of free

farm inputs – seed and fertiliser to the poor) by the Democratic Progressive Party (DPP) regime, which introduced a similar programme called Fertiliser Input Subsidy programme (FISP) (Tambulasi, 2009); the low cost housing policy introduced by the UDF which was changed by the People Party (PP) under Joyce Banda and introduced a similar low housing scheme called 'Nyumba m'midzi' (low cost houses in the villages) (Chimjeka, 2017). The Democratic Progressive Party (DPP) further changed the 'Nyumba m'midzi' programme and introduced the 'Cement and Malata subsidy' (iron sheets). The constant shifts in policies despite similarities in policy focus contribute to policy fragmentation in terms of switch over to entirely different priorities and objectives, which require new planning and organisation of resources (Chimjeka, 2017).

4.1.4 Rampant Corruption

Another critical factor in policy and project implementation is the rampant corruption in the political and bureaucratic circles. Tambulasi (2009) shows that some public policies and projects, for example, the Fertiliser Subsidy Programme, only exist as conduit pipes to divert and drain state resources by corrupt elements for private gains. MIM (2016) underlines that all the political regimes since the advent of the multi-party dispensation in June 1994, have been associated with some form of corruption. The Capital Hill Cash Gate scandal in 2012 has been a reference point of grand corruption in Malawi for the past six years. This involved a massive plunder of over US\$20 million of public money by high profile public officials through payments to non-existing suppliers, deletion of transactions, procurement done without the knowledge of the Office of the Director for Public Procurement (ODPP) and inflation of prices (Matonga, 2013). According to Chimgwede (2013) the public resources which were lost through 'cash gate' was enough to fund the entire Ministry of education, the Malawi Revenue Authority and all government sub vented organisations for a fiscal year without donor support. Clearly, effective implementation cannot be attained in the face of high-level corruption involving abuse of public resources for private gains at the expense of development project.

4.2 Lack of Institutional Capacity

Another challenge to effective policy and project implementation is the weak institutional and individual capacities attributed to the resource

constraints in terms of inadequate material or physical and human resources both quality and quantity, financial constraints and lack of commitment or poor motivation (MNISAR, 2013). According to GoM (2012), policy implementation of the national development agenda in Malawi is undermined by strategic capacity gaps at policy, institutional and individual levels. Similarly, MNISAR (2013) argues that institutions such as the Anti-Corruption Bureau (ACB), Office of the Ombudsman, the National Audit Office (NAO) fail to translate policies into action due to weak human resource capacity and high staff turnover.

4.2.1 Inadequate Physical/Material and Skilled Human Resources

The lack of expertise and skilled personnel translate into reduced capabilities by the public bureaucracy to effectively implement policies and projects. The situation is attributed to a number of factors. Firstly, the non-responsive human resource policies towards training and development have resulted in serious leadership and management gaps in the public bureaucracy. According to GoM (2012:11), the mandatory induction courses in leadership and management have not been offered for over 15 years. The public bureaucracy is unable to attract and retain quality personnel (due to poor conditions of service), the appalling working conditions particularly at the local level are evident in poor housing, salaries and inadequate facilities like computers, vehicles, and telephones that are usually not working (Kutengule *et al.*, 2004:51). Thirdly, the limited skilled professionals in government is depleted by the HIV/AIDS pandemic with the 8% and 14% national prevalence rate among the production ages of 15-49. The effects of the pandemic are manifested in reduced capacities and capabilities of officers involved in policy and project implementation

4.2.2 Limited Availability of Finances

The limited availability of finances makes it difficult for sectors to provide adequate and continuous support to policy and project implementation. Njera *et al.* (2016) observes that the establishment of management committees in the Fisheries department as provided by the Forestry, Fisheries, Parks and Wildlife Act of 1997 has not materialised due to limited finances and investments in natural resource management and 'the failure to establish the National Irrigation Board, which was approved in the National Irrigation Act of 2001, and delayed

approval of new staff establishments in several institutions' to the lack of finances. Furthermore, National Decentralisation Policy of 1998 has not achieved most of its policy objectives partly because of the chronic financial shortages in local government authorities. The functions and responsibilities devolved to local institutions are not commensurate with the available resources. In short, the lack of finances makes it difficult for sectors to implement policies effectively (Kutengule *et al.*, 2004:51; Njera *et al.*, 2016).

4.2.3 Adverse Disposition by Bureaucrats

According to Edward III (1980), policy or project implementation is negatively or positively affected directly by public servants' disposition, attitudes and behaviour. That is, if they are negatively disposed to the policy, there is lack of commitment to the implementation process. Seppo (2017) observed that Malawi is often referred to as a country that is 'policy rich but implementation poor'. This implies that despite the availability of policies that stand to better the lot of the average Malawian, the public bureaucracy lacks the will to realize the policy objectives. According to GoM (2012:8-9), the lack of finances, lack of skills and competence, and poor incentives and workings conditions culminate into the glaring lack of commitment to quality implementation. The adverse disposition and lack of commitment by public officials is attributed to their tendency to see the policy in terms of how it affects their personal interest and aspirations. While there are a number of dedicated bureaucrats in positions of power who genuinely strive to ensure effective policy implementation the majority lack the commitment and do not approach policy implementation with the enthusiasm and zeal that is required.

5. Conclusion and Recommendations

In conclusion, the study shows that much as effective development policy and project implementation is a function of many factors, the disposition of political and bureaucratic leadership and the lack of capacity in institutions are the major hurdles in Malawi. The public bureaucracy is not only politicised, but there is a severe scarcity of skilled labour and finances. Policies are rolled out regularly but most of the time, without achieving the desired results. The reduction of the gap between the policy formulation and achievement of the desired

needs requires the political and bureaucratic leadership to champion well-coordinated policy making and implementation. The political interference in bureaucratic activities must be minimised to allow Principal Secretaries to exercise real control and authority in the administrative processes and procedures. The public officers should be regularly trained to change the mind-set, attitudes, and work ethics and encourage efficiency and effectiveness. In short, pragmatic multi-dimensional strategies, which include political leadership and management development programmes and mobilisation of both human and financial resources are required to ensure availability of adequate quality and quantity of personnel and finances to promote effective policy implementation.

References

- Anderson, J.E. 1997. *Public Policy-Making*. Boston, Houghton Mifflin Company
- Chingwede, K. 2013. Cashgate Harm, *The Nation*, 28 October 2013.
- Chimjeka, R. 2016. More Rot in Embassies, *Weekend Nation*, 5 November 2016.
- Chimjeka, R. 2017. CSOs Decry Nepotism and Other ills, *Nation on Sunday*, 23 April 2017.
- Chitsulo, R. 2017. Muluzi out of the High Court, *The Daily Times*, 3 March 2017.
- Cloete, F. & De Coning, C. 2011. *Improving public policy, theory, practice and results*, Pretoria. Jan van Schaik academic.
- Dick, I. 2003. *Contemporary Public Administration: The Nigerian Perspective*, Enugu, John Jacobs Classic Publishers.
- Dunn, W.N. 1994. *Public Policy Analysis: An Introduction*. Englewood Cliffs. New Jersey: Prentice Hall.
- Dye, T. 2005. *Understanding Public Policy*. Englewood Cliffs, New Jersey: Prentice Hall.
- Edwards III, G.C. 1980. *Implementing Public Policy*. Washington: Congressional Quarterly Press.
- Egonmwan, J. 2009. *Public Policy Analysis: Concepts and Applications*, Benin City. S.M.O. Aka and Brothers Press.
- Ezean, I.E.O. 2006. *Fundamentals of Public Administration*, Snaap Press Ltd, Enugu.
- Fry, B.R. & Nigro, I.C. 1996. Max Weber and US public administration: the administrator as neutral servant, *Journal of Management History*, 2(1):37-46.
- GoM. 1998. *Malawi Vision 2020*, Zomba, Government Press.
- GoM. 2012. *Public Service Management Reforms and Capacity Development, Programme document, 2012-2016*. Lilongwe.
- GoM. 2018. *Draft Malawi Growth and Development Strategy, 2018*, Lilongwe, Government Press.
- Howlett, M. & Ramesh, M. 2003. *Studying Public Policy, Policy Cycles and policy sub systems*, Oxford University press, New York.

- Kutengule, M., Watson, D., Kampanje, K., Chibwana, A., Chiteyeye, J., Matenje, I., Chunga, D. & Stanley, J. 2004. *Review of the National Decentralisation Programme of Malawi, 2001-2004*, Lilongwe.
- Matonga, G. Capital Hill Loot. 2013. *Malawi News*, October 2013.
- MEPD. 2017. *Ministry of Economic Planning and Development Outline*, 2017. Lilongwe.
- MIM. 2016. Accelerating progress in education in Malawi: A focus on financing and political economy; Malawi country report; Lilongwe.
- MNISAR. 2013. *Malawi National Integrity System Assessment Report*, Lilongwe.
- Njera, D., Msiska, V. & Mumba, R. 2016. Why does policy implementation for community based natural resources management remain a challenge in Malawi and what strategies can improve the situation? *International Journal of Research in Applied, Natural and Social Sciences*, 4(9):155-166.
- Nwankwo, B. & Apeh, S. 2008. *Development Administration: Principles and Practice*, Enugu, Zik Chuks Publishers.
- Okuli, F.C. & Onah, F.O. 2002. *Public Administration in Nigeria: Nature, Principles and Applications*, Enugu, John Jacobs Classic Publishers.
- Pearce II, J.A., Robinson, R.B. & Mital A. 2010. *Strategic Management, formulation, implementation and control*, New Dehli, McGraw Hill Education private limited.
- Pressman, J.L. & Wildavsky, A.B. 2000. *Implementation: How Great Expectations in Washington are Dashed in Oakland*, Berkeley, University of California press.
- Seppo, M. 2017. Malawi should break the poverty cycle, *The Nation*, 8 September 2017.
- Smith, B.T. 1973. The Policy Implementation Process. *Policy Sciences*, 4(2):197-209.
- Tambulasi, R.I.C. 2009. The public sector corruption and organized crime nexus: The case of the fertiliser subsidy programme in Malawi, *African Security Review* 18(4):19-30.
- Thom, M. 2017. Malawi Remembers Kamuzu, *The Sunday Times*, 14 May 2017.
- Van Meter, D.S. & Van Carl, E.H. 1975. The Policy Implementation Process: A Conceptual Framework. *Administration and Society*, 6(4)54-88.

Positioning Stakeholder Engagement Theory on Governance of Communal Farms: A Proposed Framework for Land Governance in South Africa

MA Mamabolo

University of Limpopo, South Africa

Abstract: Stakeholder theory has been acknowledged by many scholars to be the most important framework that promote business ethics. The theory asserts that organisations need to consider the interest of groups affected by the organisation. Arguably, the theory has been commonly applied in many organisations and the results of the theory in promoting a long-term success business have been proven by academic literature. Therefore, this paper proposes the application of stakeholder engagement theory in governance of communal farms in South Africa. It is argued in this paper that, land managed through Communal Properties Associations (CPAs), does not yield successful results. It should be noted that there are models that have been put in place to ensure an effective governance of land but there is a whole range of governance problems that emanate from governance of CPAs themselves, the community and the government. In the whole analogy of the systems of managing the land through the CPA model, it becomes clear that governance principles are a problem in CPA farms. Hence, the paper seeks to use the existing literature to propose the positioning of stakeholder engagement theory as a governance model to ensure that land reform, restitutions and redistributions programmes in the country are administered fairly and equally to the deserving South African citizens. The paper concludes that this framework should be regarded as a starting-point for communal farms to better reap some kind of benefits from the engagement of different stakeholders in communal farming to promote the benefits of the citizens and minimise the negative effects that causes failure in governance of communal farms.

Keywords: Communal Farms, Communal Properties Associations, Framework, Governance, Stakeholders & Stakeholder Engagement Theory

1. Introduction

Like other African countries, land debate on both the use and management in South Africa still remains a heated topic (Nel, 2016; Charman, Tonkin, Denoon-Stevens & Demeestere, 2017; Friedman, 2018). The use of land and management thereof, has been debated by both politicians and academics with little consensus on how best land in the country should be managed. Different models on how land should be governed has been proposed since the beginning of land reform programmes with little success, i.e. the Communal Properties Associations (CPAs) have been introduced to govern communal farms on behalf of the historically disadvantaged beneficiaries, however the model seems not to be working (Mamabolo & Tsheola, 2017). Consequently, existing literature indicate that approximately 16 million to 19 million South Africans who live within rural areas, 90% that is located on communal land (Kitchin & Ovens, 2013) practice different economic activities on communal farms, with little success. It should be noted that "land in South Africa is approached

differently and the administration thereof, requires all sorts of rights, formal and informal processes to be registered and administered through different institutions" (Mamabolo & Tsheola, 2017:161). Arguably, all institutions responsible for land administration and management in the country have been considered to be very slow to correct the imbalance of the past. In the whole analogy of the systems of managing the land through the CPA model, it becomes clear that governance principles are a problem in CPA farms. Hence, the paper seeks to propose the position of the framework to ensure that land reform, restitutions and redistributions programmes in the country are administered fairly and equally to the deserving South African citizens.

Notably, a vast number of studies conducted on issues of land reform, restitution and redistribution and tenure (Cousins, 2009; Bennett, Ainslie & Davis, 2010; Agrawal, & Benson, 2011; Mulder, 2011; Nicolson, 2012; Claassens, 2014) show a backlog on land reform projects but not necessarily the effective governance of communal land in the country. That is, the general debate on issues

of land reform with much emphasis on legalising black ownership of restitution and redistribution of land, without much emphasis on how best African communities should govern land projects for the country's economic benefits. As a result, models on how best communal farms can be managed should be proposed. It is against this background that this paper proposes a stakeholder engagement theory as a starting point for CPAs leadership to govern communal farms in the South Africa. It should be noted that, the theory has been in existence for years and has been acknowledged by many scholars to be the most important framework that can promote business ethics (Gibson, 2000; Freeman, 2004; Freeman, Wicks & Parmar, 2004; Fontaine, Haarman & Schmid, 2006; Neef & Neubert, 2011; Harrison & Wicks, 2013). However, it is not evident if the theory was applied in governance of communal farms in the country because it is argued that land managed through Communal Properties Associations, does not yield successful results. Therefore, this paper argues, instead, that CPAs leadership should start by identifying all relevant stakeholders and engage them through the stakeholder in the decision making process for better benefits of the citizens and minimise the negative effects that causes failure in governance of communal farms.

2. Stakeholder Engagement Theory and Governance of Communal Farms

The theory is traced back from an ancient scholar Freeman (1984), who defined it as "groups and individuals who can affect, or are affected by the achievement of an organisation's objectives". Clearly, the definition has been popularly applied in many writings on stakeholder engagement with the intention to assist in managing individuals in business organisations. Despite the fact that the theory has in many decades been accepted as the most important commonly used model for business ethics, however there is little record on how effective stakeholders can best assist in governance of communal farms. Contrary to that, Musenwa, Mushunje, Chimoya, Fraser, Mapiye and Muchenje (2008:241) suggested stakeholder collaboration in constructing and maintaining community infrastructures but not necessarily in governance of communal farms. While, on the other hand, Neef and Neubert (2011:179) proposed "stakeholder participation in agricultural projects as a framework for reflection and decision-making". However, it can be argued that governance comes before the

success of agricultural projects; hence this paper proposes a governance theory in farming before benefit production.

Notably, communal farms achieved by South African Communal Property Associations have a variety of economic activities such as livestock farming, field crops, game farming, citrus and a combination of livestock, (Department of Rural Development and Land Reform, 2016:19) for profit beneficiation. These economic activities can be considered the most contributors to the Gross Domestic Product (GDP) in the country if successful governance mechanisms are in place. Since stakeholder theory has been argued to promote business ethics therefore, all CPAs should identify relevant stakeholders and engage them in their farm management for better development and sustainability. It is also evident in scientific literature that stakeholder theory provides for a more effective and responsible leadership role in an organisation as it assists in enhancing the manner in which organisations relate to their multiple stakeholders (Amaeshi & Crane, 2006; Greenwood, 2007; Maak, 2007; Ayuso, Rodríguez, García-Castro & Ariño, 2011). Of late, stakeholder theory has been applied by many scholars as a strategic management tool (Sinclair, 2011; Zakaria, 2011) that ensures an effective stakeholder engagement in an organisation (Amaeshi & Crane, 2006; Sinclair, 2011; Girard & Sobczak, 2012). Arguably, the theory can be used to guide the CPA leaderships, the government, different agencies involved and beneficiaries to work closely together for the success management of economic activities in communal farms. Accordingly, stakeholder engagement will promote good governance principles such as accountability, responsiveness, participation, effectiveness and efficiency, equity and inclusiveness in governance of communal farms. This is supported by Pienaar (2009) who asserts that good governance should be regarded as an important governance mechanism in land administration. Hence, it is argued in this paper that good governance can be maintained through positioning stakeholder theory as a starting point for communal farmers to improve their land governance. Despite the fact that Donaldson and Preston (1995) argue that the normative approach of business in stakeholder theory is unpredictable and suggest that modern property rights is fundamental in most organisations, in the context of communal farms the theory will provide for a more focused approach in the sense that all stakeholders invited will be familiar with the vision communal farms in the country.

3. Who are Stakeholders in Communal Farming?

Historically, the issue of identifying relevant stakeholders in governance of communal land has always been ignored in governance and that can be argued to have emanated from lack of cooperation from all parties involved. Contrary to that, the question on who should be involved in the decision making process has never been easy for organisations to answer as many organisations fail dismally. Hence stakeholder engagement should be seen as a managerial practice that directs how managers should operate in their organisation. This model can be applied in governance of communal farms because it consists of different methods of engagement at different levels. Accordingly, all stakeholders such as beneficiaries (community members) and the CPAs (chairperson, treasurer & secretary) community leaders, government officials and non-government organisations or agencies such as Agriculture South Africa (AgriSA), Agribusiness, provided they are invited to form part of the stakeholder group should through the stakeholder engagement model, discuss the planning process of economic activities in communal farms and the outcomes thereof.

Concannon, Meissner, Grunbaum, McElwee, Guise, Santa, & Leslie (2012:985) assert that organisations should better address stakeholder engagement based on three questions: *Who are stakeholders in an organisation? What roles and responsibilities can stakeholders have in the organisation? And how can stakeholders be engaged?* Therefore, this proposed model of engagement can become a tool in enhancing governance of communal farms in the country. Arguably, in responding to the question on who are stakeholders in communal farming, the table below tries to answer who are stakeholders in communal farming.

Table 1 depicts identified relevant stakeholders in communal farming with the intention to provide a more efficient and effective governance of communal farms. The involvement of the abovementioned stakeholders must be encouraged to form part of governance of communal farms and play their major role in ensuring the success of land reform programmes. It is widely acknowledged that since the inception of the land reform programme the South African government had already spent millions of Rands on land restitution to correct the imbalance of the past with regard to farm ownership. As a result,

Table 1: Proposed Stakeholders in Communal Farms

Stakeholders	Engagement Role
Farmers	Responsible for the economic activities such as crop farming, game farming, livestock farming, and lodging in communal farms.
Community beneficiaries	<ul style="list-style-type: none"> Present their different views on each economic activity each farm decides to undertake in their communal farms. Agree on profit sharing generated through economic activities.
Communal Properties Associations leadership (Chairperson, Deputy Chairperson and Treasurer or Secretary)	<ul style="list-style-type: none"> Responsible for governance of communal farms on behalf of the beneficiary communities. Present annual report to the relevant stakeholders. Convene monthly and quarterly meeting to engage with stakeholders on the progress of their communal farming business.
Government Departments	<ul style="list-style-type: none"> Provide both physical and human capital support to communal farms. monitor economic activities in communal farms
Agriculture South Africa (AgriSA)	AgriSA promotes the development, profitability, stability and sustainability of primary agriculture in South Africa by means of its involvement and input on national and international policy and the implementation thereof (https://www.agrisa.co.za).
Agriculture Business (Agbiz)	Agbiz's function is to ensure that agribusiness plays a constructive role in the country's economic growth, development and transformation, and to create an environment in which agribusinesses of all sizes and in all sectors can thrive, expand and be competitive (http://agbiz.co.za).
Agricultural Research Council	The Agricultural Research Council is a premier science institution that conducts research with partners, develops human capital and fosters innovation to support and develop the agricultural sector (https://www.arc.agric.za).

Source: Author (2018)

land restitution does not only involve commercial farms only but also include small-scale farmers and communal farmers. The situation in governance of communal farms is likely to improve if proper governance principles can be enforced through the engagement of relevant stakeholders. Evidently, scholarly debates (Freeman *et al.*, 2004; Concannon *et al.*, 2012) indicate different important levels and approaches to engage stakeholders in an organisation. O'Riordan and Fairbrass (2014:123) assert that "the main challenge in stakeholder theory is failure to identify whom they are responsible to and how far their obligation extends".

Contrary to that, Ayuso *et al.* (2011) and Girard and Sobczak (2012) are of the opinion that positive relationship with stakeholders is important for an organisation. Hence, it is argued in this paper that effective stakeholder engagement can help reduce conflict (Mathur, Price & Austin, 2008; Redpath, Young, Evely, Adams, Sutherland, Whitehouse, Amar, Lambert, Linnell, Watt & Gutierrez, 2013) and poor management in land governance, because all stakeholders involved will be engaged in the decision making process. For instances communal farms in South Africa are governed by CPAs who comprises of various families that have once stayed together as a community and not necessarily sharing surname or clan relation (Bradstock, 2005; Lahiff, 2009; Roe, Nelson & Sandbrook, 2009) and if there is conflict among families then the engagement of other external stakeholders can help in reduction of such conflict.

4. Applying Stakeholder Engagement Principles on Stakeholders Identified in Communal Farms

To provide clarity on why it is important to position stakeholder engagement in governance of communal farms, the paper discusses different levels in which relevant stakeholders can be engaged in governance of communal farms in the country. However, one can argue that involvement of many stakeholders can threaten governance. For instance, the Department of Rural Development and Land Reform (2016:11) noted that, "involvement of external interference in most CPAs where the land has minerals or good agricultural potential, there are also some threats associated with such land". For example, the influence of external parties, like business people and political figures, adversely affects the coherence of communities.

That is, in some instances this leads to the rightful beneficiaries not benefitting from the benefits that accrue to the project while non-members derive benefit. Once relevant stakeholders are identified, then the action plan should start with knowing how to engage them for development and sustainability of communal farms. Therefore, all identified relevant stakeholders, should be engaged through the following principles identified by Bolt (2011:4):

4.1 Information

This principle of engagement ensures how stakeholders are well informed about the processes and outcomes of an organisation (Greenwood, 2007; Rensburg & de Beer, 2011). The importance of this principle is to provide stakeholders with balanced and objective information. This include accountability and responsibility for submission and presentation of corporate documents such as vision and mission of where the organisation is going, economic business plans, annual, research and financial reports (Boesso & Kumar, 2007; Brown, de Jong & Levy, 2009). This should be a starting point for all communal farms under land reform programmes to provide relevant information to all stakeholders involved, so that they can be able to assist them with direction. For instance, the AgriSA is responsible for promoting development, profitability, stability and sustainability of primary agriculture. As a result, AgriSA can then save government some millions of Rands on land restitution programmes by providing relevant information in line with agricultural activities to emerging farmers in communal farming. That is, CPAs leadership should invite AgriSA as an external stakeholder that will assist them with development initiatives on how they can grow their business in communal farming. Arguably, this method of engagement can assist CPAs leadership to account to all the above mentioned stakeholders who have different roles to play in the development and sustainability of communal farms in the country.

4.2 Consultation

It is widely acknowledged that consultations of different stakeholders can be done through weekly, monthly or quarterly meetings. As a result, organisations can only decide on which method of consultations can best suit their organisations and this can be done through different forms of consultations (Amaeshi & Crane, 2006; Greenwood,

2007; O’Riordan & Fairbass, 2008) and that include among others surveys, focus groups, one-on-one meetings, public meetings and workshops and on-line feedback and discussion (Gao, Lee & Zhang, 2006). However, that also depends on the nature of organisations. Most organisations prefer a common method of one-on-one meetings because all stakeholders involved will be able to voice their concerns in formal meetings of their organisations (O’Riordan & Fairbass, 2008). In the case of communal farms, it is the responsibility of CPA leadership who govern communal farms on behalf of the community beneficiaries to ensure that they consult with the Department of Agriculture, Department of Local Economic Development, Environment and Tourism and the Department of Rural Development and Land Reform as the relevant stakeholder departments responsible for their success thereof. These three departments have different roles with regard to restituted land, for example, assistance in workshops and training, financing and skills transfer, monitoring and dispute resolutions in communal farms.

4.3 Involvement

Many scholars (Maignan, Ferrell & Ferrell, 2005; Greenwood, 2007; Maak, 2007; Ayuso *et al.*, 2011) have acknowledged that involving multi-stakeholder forums, advisory forums, consultative committees and participatory decision making processes can assist to improve stakeholder engagement in an organisation. Rensburg and De Beer (2011) also note that engaging stakeholders in the decision-making process to governance also remains a global debate. Additionally, it becomes clear as to who is involved in the organisational decision-making process (Manetti, 2011). Firstly, the involvement of government departments will assist in monitoring and ensuring compliance to the constitutional mandates of communal farms. Secondly, involving the Agricultural Research Council will help with relevant research that aims at developing human capital and fosters innovation to support and develop of communal farmers in the agricultural sector.

Accordingly, most restitution farms in the country failed because they were argued to be non-competitive. Therefore, the involvement of Agribiz is to ensure that agribusiness plays a constructive role in the country’s economic growth, development and transformation, and create an environment in which agribusinesses of all sizes and in all sectors

can thrive, expand and be competitive. That is, with the support from Agribiz, communal farmers have a starting point to firstly present their agricultural business plans for economic competitiveness purposes.

4.4 Collaboration

Similar to involving principle of engagement, collaborative of joint ventures and multi-stakeholder initiatives is important in stakeholder engagement. In this regard collaboration of both internal and external stakeholders must move in one direction with the intention to impact and enhance growth in the organisation (Freeman, Wicks & Parmar, 2004). Notwithstanding the belief that collaboration with stakeholders enhances problem solving and reduces conflict among stakeholders (Desai, 2017). However, one can argue that solving complex problems in groups often pushes an organisation to a more comfort zone because the belief is that through collaboration of external and internal stakeholders, there are always unresolved issues, as they all have different opinions. The Department of Rural Development and Land Reform (2016) explains that conflict among CPAs in communal farming remains a challenge and to a particular extent some CPAs are associated with poor governance due to conflict. Despite conflict among beneficiaries, the CPA Annual Report 2015/2016 noted that CPA members, should be provided with training and capacity building within CPAs and the creation of platforms for CPA members to share lessons and experiences with other CPAs that have been successful in managing their affairs. Hence collaboration from responsible stakeholder’s department is considered important in putting governance of communal farms on a sound operating footing.

4.5 Empowerment

The aim of this method of engagement is to give knowledge empowerment to the community by ensuring public participation. Public participation has been identified as an important principle in governance (Reed, 2008; Wesselink, Paavola, Fritsch & Renn, 2011). That is, among the community beneficiaries there are those who can be empowered and be able to assist other small-scale farmers in their area of jurisdiction, if they participate in the decision making process of communal farms. For instance, empowerment of different groups such as the youth and women who are often excluded

from farming activities can be empowered and also form part of governance structures in communal farming. However, it should be noted that women empowerment in all fields of the society still remains a critical challenge. Mkhabela (2007), Myeki, Mmbengwa & Ngqangweni (2014) and Ngomane (2017) assert that women empowerment particularly in the agricultural sector can resolve the socio-economic challenges in poverty stricken rural areas. Consequently, female farmers are for the most part producing relatively small volumes of produce on relatively small plots of land (Farmer's weekly, 2016). In the context of this paper, empowerment in agriculture will promote both empowerment and food security through support provided by relevant stakeholders such as AgriSA, Agricultural Research Council and the Department of Agriculture in the country. With agriculture having been identified as one of the major drivers of the economy (Limpopo Department of Agriculture, 2013) contribution from communal farmers, should also be taken into consideration. Therefore, the government must ensure that all farmers are empowered with different skills required to promote development and sustainability of land restitution programmes in the country.

5. Benefits of Stakeholder Engagement in Communal Farming

Since the theory is regarded the best in assisting organisation to function smooth (Gibson, 2000; Freeman, 2004; Freeman, Wicks & Parmar, 2004; Fontaine, Haarman & Schmid, 2006; Neef & Neubert, 2011; Harrison & Wicks, 2013), in the case of communal farms the theory will provide direction of where farm management is and should be going for long-term benefits. It is argued in this paper that, the theory will, firstly, assist managers or CPAs leadership in communal farms to firstly identify people who may be affected by the organisation's decision as their major stakeholders, so that they can be able to engage them in the decision-making process of their farms. Secondly, once farm managers have identified their major stakeholders, they should therefore provide stakeholders with balanced and objective information which includes accountability and responsibility for submission and presentation of corporate documents such as annual and financial reports. Thirdly, consultations of different stakeholders in communal farms can be done through weekly, monthly and quarterly as suggested in stakeholder engagement theory principles. Therefore, positioning this theory will also help

CPAs to understand the importance of one-on-one meetings with their stakeholders, because it is along those lines that it is believed that all stakeholders will be able to voice out their concerns in formal meetings they hold either monthly or quarterly. Fourthly, the involvement of external stakeholders such as the Department of Agriculture; Department of Rural Development and Land Reform and the Department of Local Economic Development, Environmental and Tourism, will provide relevant support, for example assistance in workshops and training of new emerging farmers, financing and skills transfer for both active and new emerging farmers and regular monitoring which intends to reduce dispute in communal farms. Lastly, collaboration of both internal and external stakeholders must move in one direction with the intention to impact and enhance growth in communal farms. That will also help to enhance problem solving and reduce conflict among the CPAs and beneficiaries themselves. Accordingly, restituted farms are supposed to benefit the beneficiaries in different African communities (Anseeuw & Mathebula, 2008; Sebola, 2014). To date, the benefits of redistributed and restituted farms registered with different government departments to ensure sustainability in the country is not known. Hence it is proposed in this paper that, positioning stakeholder engagement theory in communal farms will assist CPAs leadership to better understand the needs of the stakeholders involved and consider their interest in any decision taken that affect the economic viability of communal farms in South Africa.

6. Conclusion

Stakeholder engagement theory should be considered a starting point for governance of communal farms through CPAs in the country. The argument put forth in this paper is that the theory suggests different principles that should be regarded as primary to the benefit of all stakeholders involved in communal farming. As discussed in this paper, applying stakeholder engagement theory in communal farms assets that CPAs will better understand the needs of the stakeholders involved and consider their interest in any decision taken that affect the economic viability of communal farms in South Africa. All principles of engagement if clearly applied among stakeholders, then an effective governance of communal farms can be maintained. The paper conclude that this framework should be regarded as a starting-point for communal farms to better reap some kind of

benefits from the engagement of different stakeholders in communal farming to promote the benefits of the citizens and minimise the negative effects that causes failure in governance of communal farms.

References

- Agrawal, A. & Benson, C.S. 2011. Common property theory and resource governance institutions: strengthening explanations of multiple outcomes. *Environmental Conservation*, 38:1992-210.
- Amaeshi, K. & Crane, A. 2006. Stakeholder Engagement: A Mechanism for Sustainable Aviation. *Corporate Social Responsibility and Environmental Management*, 13:245-260.
- Anseeuw, W. & Mathebula, N. 2008. Evaluating land reform's contribution to South Africa's pro-poor growth pattern. Research Report. Post Graduate School for Agriculture and Rural Development. Pretoria: University of Pretoria.
- Ayuso, S., Rodríguez, M.Á., García-Castro, R. & Ariño, M.Á. 2011. Does stakeholder engagement promote sustainable innovation orientation? *Industrial Management & Data Systems*, 111(9):1399-1417.
- Bennett, J., Ainslie, A. & Davis, J. 2010. Fenced in: Common property struggles in the management of communal rangelands in central Eastern Cape Province, South Africa. *Land Use Policy*, 27(2):340-350.
- Boesso, G. & Kumar, K. 2007. Drivers of corporate voluntary disclosure: A framework and empirical evidence from Italy and the United States. *Accounting Auditing & Accountability Journal*, 20:269-296.
- Bolt, R. 2011. Stakeholder Engagement Framework. Department of Education and Early Childhood Development. Victoria, State Government.
- Bradstock, A. 2005. Changing Livelihoods and Land Reform: Evidence from the Northern Cape Province of South Africa. *World Development*, 33(11):1979-1992.
- Brown, H.S., de Jong, M. & Levy, D.L. 2009. Building Institutions Based on Information Disclosure: Lessons from GRI's Sustainability Reporting. *Journal of Cleaner Production*, 17:571-580.
- Charman, A., Tonkin, C., Denoon-Stevens, S. & Demeetere, R. 2017. Post-Apartheid Spatial Inequality: Obstacles of Land Use Management on Township Micro-Enterprise Formalisation. Sustainable Livelihoods Foundation. Available at: www.livelihoods.org.za. Accessed on 13 May 2018.
- Claassens, A. 2014. 'Communal Land' Property Rights and Traditional Leadership. Rural Women's Action Research Programme, Centre for Law and Society, University of Cape Town.
- Concannon, T.W., Meissner, P., Grunbaum, J.A., McElwee, N., Guise, J.-M., Santa, J. & Leslie, L.K. 2012. A new taxonomy for stakeholder engagement in patient-centred outcomes research. *Journal of General Internal Medicine*, 27(8):985-991.
- Cousins, B. 2009. Potential and pitfalls of 'communal' land tenure reform: Experience in Africa and implications for South Africa. Paper presented in the World Bank Conference on Land Governance in Support of the MDGs: Responding to new challenges. 9-10 March 2009.
- Department of Rural Development and Land Reform. 2016. Communal Properties Association Annual Report 2015/2016. Pretoria, Government Printer.
- Desai, V.M. 2018. Collaborative Stakeholder Engagement: An Integration between Theories of Organisational Legitimacy and Learning. *Academy of Management Journal*, 61(2):220-244.
- Donaldson, T. & Preston, L.E. 1995. The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *Academy of Management Review*, 20(1):65-91.
- Farmers Weekly, 2016. The crucial role of women in African agriculture. Available at: <https://www.farmersweekly.co.za/opinion/by-invitation/the-crucial-role-of-women-in-african-agriculture>. Accessed on 13 May 2018.
- Fontaine, C., Haarman, A. & Schmid, S. 2006. The Stakeholder Theory. *Edlays Education*, 1:1-33.
- Freeman, R.E. 1984. *Strategic management: A stakeholder approach*. Boston: Pitman.
- Freeman, R. 2004. The stakeholder approach revisited. *Z Wirtsch Unternehmensethik*, 5(3):228-41.
- Freeman, R.E., Wicks, A.C. & Parmar, B. 2004. Stakeholder Theory and "The Corporate Objective Revisited". *Organization Science*, 15(3):364-369.
- Friedman, S. 2018. Land debate in South Africa is about dignity and equality – not the constitution. The Conversation. Available at: <https://theconversation.com/land-debate-in-south-africa-is-about-dignity-and-equality-not-the-constitution-92862>. Accessed on 13 May 2018.
- Gao, J., Lee, J.D. & Zhang, Y. 2006. A dynamic model of interaction between reliance on automation and cooperation in multi-operator multi-automation situation. *International Journal of Industrial Ergonomics*, 36(2006):511-526.
- Gibson, K. 2000. The moral basis of stakeholder theory. *Journal of Business Ethics* 26(3):245-257.
- Girard, C., & Sobczak, A. 2012. Towards a Model of Corporate and Social Stakeholder Engagement: Analysing the relations between a French Mutual Bank and its Members, *Journal of Business Ethics*, 107(2):215-225.
- Greenwood, M. 2007. Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business Ethics*, 74(4):315-327.
- Harrison, J.S. & Wicks, A.C. 2013. Stakeholder theory, value, and firm performance. *Business Ethics Quarterly*, 23:97-124.
- Kitchin, F. & Ovens, W.L. 2013. Land governance in South Africa: Implementing the land governance assessment framework. Washington, D.C: World Bank Group. Available at: <http://documents.worldbank.org/curated/en/748931504858433645/Landgovernance-in-South-Africa-implementing-the-land-governance-assessment-framework>. Accessed on 12 May 2018.

- Lahiff, E. 2009. "With what land rights? Tenure arrangements and support" in Hall R (ed) Another countryside? Policy options for land and agrarian reform in South Africa. Programme for Land and Agrarian Studies (PLAAS), School of Government, University of the Western Cape, Cape Town, South Africa.
- Limpopo Department of Agriculture. 2013. Limpopo Game Farming Strategy. Pretoria, Government Printer.
- Mamabolo, M.A. & Tsheola, J.P. 2017. Political Economy of land governance in democratic South Africa: Private interest vis-à-vis rural communities in tribal settlements. *African Journal of Public Affairs*, 9(5):154-167.
- Maignan, I., Ferrell, O.C. & Ferrell, L. 2005. "A stakeholder model for implementing social responsibility in marketing", *European Journal of Marketing*, 39(9/10):956-977.
- Maak, T. 2007. Responsible leadership, stakeholder engagement, and the emergence of social capital. *Journal of Business Ethics*, 74(4):329-343.
- Manetti, G. 2011. The quality of stakeholder engagement in sustainability reporting: empirical evidence and critical points. *Corporate Social Responsibility and Environmental Management*, 18(2):110-122.
- Mathur, V.N., Price, A.D.F. & Austin, S. 2008. Conceptualizing stakeholder engagement in the context of sustainability and its assessment. *Construction Management and Economics*, 26(6):601-609.
- Musenwa, L., Mushunje, A., Chimoya, M., Fraser, G., Mapiye, C. & Muchenje, V. 2008. Nguni cattle marketing constraints and opportunities in the communal areas of South Africa: Review. *African Journal of Agricultural Research*, 3(4):239-245.
- Mkhabela, T. 2007. Linking farmers with markets in rural South Africa: Rural development and poverty alleviation through supply chain management. Pretoria: National Agricultural Marketing Council (NAMC), Market and Economic Research Centre (MERC).
- Mulder, M.B. 2011. Community Rights Conservation & Contested Land: The Politics of Natural Resource Governance in Africa. *Journal of Human Ecology*, 39:391-394.
- Myeki, L., Mmbengwa, V. & Ngqangweni, S. 2014. Assessing the use of communal feedlot in empowering women farmers: A case of Mount Frere cattle custom feeding scheme. *OIDA International Journal of Sustainable Development*, 7(04):11-18.
- Neef, A. & Neubert, D. 2011. Stakeholder participation in agricultural research projects: a conceptual framework for reflection and decision-making. *Agriculture Human Values*, 28:179-194.
- Nel, V. 2016. Spluma, zoning and the effect of land use management in South Africa. *Urban Forum*, 27(1):79-92.
- Ngomane, T.S. 2017. Women and leadership within the public service: is the glass-ceiling effect real or imagined? A case study of Mpumalanga Department of Rural Development and Land Reform. Proceedings of the 2nd Annual International Conference on Public Administration and Development Alternatives, 389-398.
- Nicolson, G. 2012. South Africa: who controls the land anyway? Daily Maverick. Available at: <http://www.dailymaverick.co.za>. Accessed on 14 March 2016.
- O'Riordan, L. & Fairbrass, J. 2008. Corporate Social Responsibility (CSR): Models and Theories in Stakeholder Dialogue. *Journal of Business Ethics*, 83(4):745-758.
- O'Riordan, L. & Fairbrass, J. 2014. Managing CSR stakeholder engagement: A new conceptual framework. *Journal of Business Ethics*, 125(1):121-145.
- Pienaar, G. 2009. Aspects of land administration in the context of Good Governance. *Potchefstroom Electronic Law Journal (PER)*, 12(2):15-56.
- Redpath, S.M., Young, J., Evely, A., Adams, W.M., Sutherland, W.J., Whitehouse, A., Amar, A., Lambert, R.A., Linnell, J.D., Watt, A. & Gutierrez, R.J. 2013. Understanding and managing conservation conflicts. *Trends in Ecology & Evolution*, 28(2):100-109.
- Rensburg, R.S. & De Beer, E. 2011. Stakeholder engagement: a crucial element in the governance of corporate reputation. *Communitas*, 16:151-169.
- Reed, M.S. 2008. Stakeholder participation for environmental management: a literature review. *Biological Conservation*, 141:2417-2431.
- Roe, D., Nelson, F. & Sandbrook, C. 2009. Community management of natural resources in Africa: impacts, experiences and future directions. Natural Resource Issues No. 18. London, UK: International Institute for Environment and Development.
- Sebola, M.P. 2014. Sustaining tourism in South African game farms: the benefits of ownership of restituted land by African communities. *Transactions on Ecology and The Environment*, 187: 15-26.
- Sinclair, M.L. 2011. Developing a Model for Effective Stakeholder Engagement Management. *Asia Pacific Public Relations Journal*, 12:1-20.
- Wesselink, A., Paavola, J., Fritsch, O. & Renn, O. 2011. Rationales for public participation in environmental policy and governance: practitioners' perspectives. *Environment and Planning A*, 43(11):2688-2704.
- Zakaria, Z. 2011. Stakeholder engagement in waste management: Understanding the process and its impact on accountability. PhD thesis, United Kingdom, University of Nottingham.

The Effect of Work Conditions on Performance of Employees in the Mining Industry in the Limpopo Province

TR Leboho

University of South Africa, South Africa

TS Setati

University of Limpopo, South Africa

Abstract: The mining industry has over the years faced continuous challenges in terms of increased demand for productivity, labour unrest, skills shortages, unpleasant working conditions, performance pressures and loss of scarce technical skills. The purpose of this study was to explore the impact of work conditions on work performance of employees in the mining industry. The research article used quantitative methods to achieve its objective. Job content and individual work performance questionnaires were used to collect data from employees in the mining sector. Pearson product-moment correlation coefficients were used to determine the relationship between work conditions and work performance. Regression analysis was used to determine the effect of work condition on performance of employees in the mining industry. The correlation results found that there is statistical and practical significant relationship between work condition and work performance. The regression analysis results found that work condition variables (independent variables), have a statistical significant predictive effect on the work performance (dependent variable). Findings of this paper therefore, scientifically conclude that unpleasant work conditions have a negative consequence on the performance of employees in the mining industry. It is recommended that working conditions of mine workers are improved in order to improve performance and productivity.

Keywords: Counter-Productive behaviour, Decision latitude, Social support, Task performance, Work conditions

1. Introduction

The mining industry has been an important source of employment in South Africa since the early 1900s (Masia & Pienaar, 2011). It faces continuous challenges in terms of increased demand for productivity, labour unrest, skills shortages, and loss of scarce technical skills due to emigration and high turnover rates (Van Schalkwyk, Du Toit, Bothma & Rothmann, 2010). One of the biggest challenges that mining industry came across recently is the Marikana massacre. Approximately 34 mine workers were killed in traumatic and tragic events of labour unrest at Marikana in the Rustenburg Platinum belt on 16 August 2012 (Coleman, 2012). The labour unrests in Marikana were instigated by the role of employers, the mining industry and the massive platinum boom in the Rustenburg area that generated fabulous wealth for companies and executives, but social squalor, tensions, poverty and unsafe working conditions for workers (Coleman, 2012). Moller (2003) states that the mining industry is striving to improve production through accelerated performance. In the process, employees are overlooking safety procedures whilst attempting to reach performance targets (Moller, 2003). Due to

performance pressure and time constraints, it has been reported that many workers engage in unsafe behaviours (Masia & Pienaar, 2011). The abovementioned behaviors include short cuts that compromise safety compliance and can cause accidents (Masia & Pienaar, 2011). It results in unhealthy working conditions which lead to low motivations and decreased performance of employees (Probst & Brubaker, 2001). These behaviours lead to a need for this paper to investigate the impact of work conditions on performance of employees in the mining industry.

Mining is still one of the toughest and most hazardous occupations (Paul & Maiti, 2005). A strong focus on maximum production characterizes the mining industry, with little attention paid to general wellbeing of employees (Masia & Pienaar, 2011). These high performance pressures and time constrains decrease the safety level of operations, employees have strict targets to meet within specified timelines and are encouraged to take shortcuts and jeopardize safety (Masia & Pienaar, 2011). This trend has created problems for many employers in the mining industry, who are legally obliged to create and maintain safe working conditions for all employees (Probst & Brubaker, 2001).

Cartwright and Cooper (2002), as well as Martin (2005), indicated that experiencing high level of work pressure lead to feelings of anger, nervousness, irritability, tension, hypersensitivity to criticism and mental blocks. The above mentioned psychological problems can subsequently lead to lower job performance, inability to concentrate and make decisions, and job dissatisfaction (Cartwright & Cooper, 2002; Martin, 2005). The main criticism in the field of work conditions is based on the primary motive of paper, which is to find ways to maximize productivity through improving employees work conditions and consequently performance. In so doing, the values and personal needs of employees should be taken into account, to avoid the exploitation of employees (Maharaj, 2014). Therefore, current and future researchers are urged to create a balance between the needs and values of employers' and employees' work conditions (Saari & Judge, 2004).

Research regarding work conditions has also pointed out the assumption that work conditions are potential determinant of absenteeism, turnover, in-role employee performance and extra-role behaviours (Oshagbemi, 2003). Most importantly, the topic of work conditions is relevant to the physical and mental well-being of employees. Work is an important aspect of people's lives and most people spend a large part of their time at work; therefore, work conditions shows significant associations with several work related variables (Yousef, 2000). The main problem that created gap for the relevance of this study is the overemphasis of attention on maximization of performance and profits with little or no attention paid to the work conditions and general health of employees.

2. Literature Review

2.1 Work Conditions

The theoretical background of work conditions in this study was based on Robert Karasek (1979) Job Control-Demand model. Job demand-control model identifies three cardinal factors (decision latitude, job demand and social support) as important determinants of job stress, which in turn have significant effects on general health (Theorell & Karasek, 1996). The decision latitude consists of two theoretically distinct sub dimensions called skill discretion and decision authority (Karasek & Theorell, 1990). Skill discretion assesses the level of skill and creativity required on the job and the flexibility permitted to the worker in deciding what skills to employ. A second sub

dimension, which is decision authority, assesses the organisationally mediated possibilities for workers to make decisions about their work (Theorell & Karasek, 1996). Job demand emphasizes the level of demand particular job content poses to the worker. Dorsch and Eaton (2000) states that job demands dimension refers to whether there is enough time to get the job done, the amount of work, and the presence of conflicting demands. The basic tenet of JDC model is that job control or decision latitude is the crucial resource that moderates potential negative effects of employees' performance (Rodriguez, Bravo & Peiro, 2001). The JDC model indicates that jobs which are high in demands and low in control at work carry the highest risk of illness and performance deficiencies.

2.2 Work Performance

Various researches (Rotundo & Sackett, 2002; Viswesvaran & Ones, 2000), indicates that individual work performance consists of three broad dimensions. The first dimension, task performance, refers to the proficiency with which individuals perform the core substantive or technical tasks central to his or her job (Campbell, 1990). The second dimension, contextual performance, refers to a behaviour that supports the organisational, social and psychological environment in which the technical core must function (Borman, Motowidlo & Schmit, 1997). The third dimension, counterproductive work behaviour, refers to a behaviour that harms the well-being of the organisation (Rotundo & Sackett, 2002). believes that involving employees in decisions that affect them not only increases their personal commitment, but also motivates them to be advocates for their decisions, supporting this assertion, Agarwala (2008), contends that when employees are involved in making decisions and planning the implementation of changes that affect them, they implement changes faster with higher performance than employees who are merely communicated to about the change. Having noted that, according to Blanchard and Witts (2009), employees greatly desire to have the tools, training, support and authority to make decisions and perform their jobs correctly.

2.3 Relationship Between Work Condition and Performance

Existing researches has established a link between working conditions and job performance (Naharuddin & Sadegi, 2013). An organisation that has the right environmental factors both physical and psychosocial

will lead to increase performance (Chandrasekar, 2011). The work condition's demand-control model has contributed to the study of occupational health by providing a theoretical framework to explain the relation between the psychosocial characteristics of the work conditions and performance outcomes (Dorsch & Eaton, 2000). In this regard, Dorsch and Eaton (2000) postulates that the two basic dimensions (decision latitude and job demand) of work condition predict a broad range of behavioural outcomes. On the same breath, Massey and Perry, (2006), also found out in their study that there is increasing and compelling evidence that providing a healthy and safe working conditions has the potential to increase work performance, productivity and in turn increase organisations profits.

Based on the above studies, it is expected that there is a significant relationship between the work condition dimensions with performance (Hypothesis 1) and good work conditions predict good performance and vice versa (Hypothesis 2).

3. Research Methods

3.1 The Research Approach

The study was conducted in a form of quantitative research and employed descriptive and explanatory research designs to address predictions, correlations and causal relationships. Saunders, Lewis and Thornhill (2003), explained that the main aim of descriptive design is to portray an accurate profile of persons, event or situations and it is very important to have a clear picture of the phenomena on which the researcher wish to collect the data prior the collection of the data. The explanatory research design involves studies that establish the relationships between variables. Explanatory research is designed to test whether one event causes the other (Hair, Babin, Money & Samuel, 2003). This study uses explanatory design since it focuses on the causal explanations.

3.2 Research Participants

A simple random sampling, where population members are selected directly from the sample frame was used. This method gave an equal chance of selection to all population members that appear in the sample frame. In total, 341 respondents completed a questionnaire which resulted in a response rate of 61.5%. To obtain reliable data, probability sample draws elements from the

population by random selection. As evident from Table 1 on the following page, the majority of the respondents in this study were males, accounting to 61.5% of the participants, while females accounted to 38.5%. The highest percentage on the age of the respondents was 37.6% falling within the age range of 36 to 45, implying that majority of the participants in this study were between ages of 36 to 45 years old. This table is indicative of the fact that majority of the respondents (45%) had no qualification further than grade 12, followed by participants with diploma (27.8%), followed by Degree/BTech (16.6%). Participants with Masters and PHD recorded the least percentage (4.0%) each. Meanwhile blacks accounted for a majority of 69% of the respondents whereas both whites and coloureds shared 13.2% each, leaving Asians at minority components of only 2.9%. The operational work category reported significant majority of 60.5% of respondents working within operational category compared to 30.5% of respondents working within administrative category.

3.3 Research Procedure

This study was conducted in two phases, (literature review and empirical study). Firstly, the literature was reviewed with reference to the previous scientific researches that were conducted on the effect of work conditions on performance of employees in mining industry. Previous studies and various researches under the subject of work condition and job performance were used as the source of literature. Secondly, the empirical study includes the research design, the participants, measuring instruments and data analysis. This study was conducted in the form of quantitative research method. Quantitative research refers to the use of numbers to collect or work with data (Luw & Edward, 2005). In agreement, Neuman (2011), quantitative research to a research in which data is collected or coded into numerical forms, and to which statistical analysis was applied to determine the significance of the findings. The mining employees were given questionnaires amid their prior consent and all ethical considerations in order to collect data. The data collected was analyzed and interpreted through the use of statistical methods (i.e. IBM SPSS Version 23) to arrive at particular research discussions and conclusions. In line with the objective of this study, Pearson product-moment correlation coefficient was used to examine the relationship between work

Table 1: Characteristics of the Participants (N=205)

No	Variables	Category	Frequency	Percentages (%)
1.	Gender	1= Male	126	61.5%
		2= Female	79	38.5%
2.	Race	1= Black	143	69.8%
		2= White	27	13.2%
		3= Coloured	27	13.2%
		4= Asian	6	2.9%
3.	Age	1=24 years and younger	17	8.3%
		2= 25 - 35 years	65	31.7%
		3= 36 - 45 years	77	37.6%
		4= 46 - 55 years	34	16.6%
		5= 56 years and older	11	5.4%
4.	Qualifications	1= Grade 12 Certificate	93	45.4%
		2= Diploma	57	27.8%
		3= Degree/BTech	34	16.6%
		4= Honours	10	4.9%
		5= Masters	4	2.0%
		6= PHD	4	2.0%
5	Work Category	1= Operational	124	60.5
		2= Administrative	81	30.5

Source: Authors

conditions and performance. Regression analysis was used to determine the effect of work condition dimensions (independent variables) on the performance (dependent variable) of employees in mining industry in Limpopo Province.

4. Measuring Instruments

4.1 Biographic Characteristics

Biographic information such as gender, age, race, qualifications and work category were measured by means of biographic questionnaire attached to other measuring instruments.

4.2 Work Conditions

Work conditions was measured using a *Job Content Questionnaire* (JCQ) developed by Robert Karasek (1998) and it is based on his control-demand model. The questionnaire contains 22 items, which consist of a minimum set of questions for assessment of three major JCQ scales – decision latitude, psychological demands and work-related social support. The decision latitude scale is the sum of two subscales: skill discretion, measured by six items (i.e.

"my job requires me to be creative"), and decision authority, measured by three items (i.e. *"I have a lot of say about what happens on my job"*). The psychological demands scale is measured by five items (i.e. *"my job requires working very fast"*). The work-related social support scale is the sum of two subscales: support from supervisors and support from co-workers, both measured by four items each (*"my supervisor listens to my opinions"*; *"I have good relationship with my co-workers"*). For each item, the response was recorded on a four-point Likert scale, ranging from 1 (strongly disagree) to 4 (strongly agree). For each scale, a sum of weighted item scores will be calculated (Cheng, Wei-Luh & Guo, 2003). In this study, the JCQ has shown reliability, reporting 0.73 Cronbach's alpha coefficient. See Table 2 on the following page.

4.3 Performance

The performance of employees was measured through the use of *Individual Work Performance Questionnaire* (IWPQ 1.0) developed by Koopmans (2014). The IWPQ 1.0 consists of 3 scales (task performance, contextual performance, and counter-productive work behaviour) with a total of 18 items.

Table 2: Reliability Statistics for Measuring Instrument (JCQ)

Job Content Questionnaire (JCQ)	
Cronbach's alpha	Number of items
0.737	22

Source: Authors

Table 3: Reliability Statistics for Measuring Instrument

Individual Work Performance Questionnaire (IWPQ)	
Cronbach's alpha	Number of items
0.774	18

Source: Authors

Table 4: Descriptive Statistics

Variable	Cronbach's alpha	Mean	SD	Skewness	Kurtosis
Decision latitude	0.36	2.75	0.54	3.97	38.6
Job demand	0.53	2.95	0.49	2.24	16.9
Social support	0.80	2.95	0.44	0.14	-0.38
Task performance	0.84	3.02	0.95	0.47	0.84
Contextual performance	0.67	2.97	0.95	2.27	13.65
Counterproductive performance	0.83	1.58	0.58	0.76	-0.34

Source: Authors

Of these scales, task performance was measured by the first seven items (i.e. "I managed to plan my work so that it was done in time"), contextual performance was measured by the second seven items (i.e. "I took on challenging work tasks when available") and counterproductive work behaviour was measured by the last four items (i.e. "I complained about unimportant matters at work"). Within each scale, items were presented to participants in randomized order, to avoid order effects. All items were measured based on a five-point rating scale ("seldom" to "always" for task and contextual performance, "never" to "often" for counterproductive work behaviour) (Koopmans, Bernaards, Hildebrandt, de Vet, & van der Beek, 2014). In this study, the *Individual Work Performance Questionnaire* has shown reliability, reporting 0.77 Cronbach's alpha coefficient. See Table 3.

5. Statistical Analysis

The statistical analysis was carried out with the use of IBM-SPSS (Version 23, 2015) program. Cronbach alpha coefficients were used to assess the reliability and validity of the measuring instruments (JCQ & IWPQ) (Clark & Watson, 1995). The Pearson product-moment correlation coefficient was used to

specify the relationship between work condition and employees' performance, in accordance with the first hypothesis (**H1**: *there is a significant relationship between the work condition dimensions with performance*). The statistical significance of these relationships was set at $p < 0.05$ and the effect size was computed to assess the significance of the relationships. A cut-off of $r \geq 0.05$ which represent a medium effect was also set (Cohen, 1998). Multiple regression analysis was also used to analyse the predictor variables on criterion variables in accordance with the second hypotheses (**H2**: *good work conditions predicts good performance and vice versa*). Multiple regression analysis in this paper was used as a statistical technique to explore linear relationship between the predictor and the criterion. The statistical significance was set at $p \leq 0, 05$.

6. Findings and Discussions

Table 4 indicates the descriptive statistics of the study and the reliability (Cronbach's alpha coefficient) of all factors detected from two measuring instruments (JCQ & IWPQ) used in this paper. The overall information on Table 4 indicates that the scores on social support, task performance and

Table 5: Correlation Coefficient Between Work Condition and Work Performance

Item	1	2	3	4	5	6				
1. Decision latitude	-									
2. Job demand	0.4†	-								
3. Social support	0.4†	0.4†	-							
4. Task performance	0.4†	0.5†	0.5†	-0.06*	0.5†	0.5†	-0.02*	-		
5. Contextual performance	0.3†	0.4†	0.4†	-0.03*	0.5†	0.4†	-0.11*	0.7†	-	
6. Counterproductive	-0.3*	-0.04*	-0.3*	0.06†	-0.05*	-0.3*	0.11	-0.5*	-0.4	-

*statistically significant: $p \leq 0.05$; † practically significant correlation (medium effect) $r \geq 0.05$

Source: Authors

counterproductive performance subscales have a normal distribution (skewness and kurtosis is smaller than 1). The Cronbach's alpha coefficient of all subscales of Job Content Questionnaire and Individual Work Performance Questionnaire varied from 0.36 to 0.84.

All the mean inter-factor correlations of both Job Content Questionnaire and Individual Work Performance Questionnaire dimensions/subscales compared relatively well with the guideline of $r \geq 0.50$, varying from 1.58 to 2.97. The mean in each of these factors (i.e. decision latitude, psychological demand, and contextual performance) was very much larger than the median or (mode), relatively resulting in a large positive value of skewness coefficient (that is, the distribution was skewed to the right and skp is greater than +1) (Wegner, 2008).

Table 5 illustrates the Pearson product-moment correlation coefficient in order to specify the relationship between work condition and work performance, with a statistical significance set at $p < 0.05$ and the effect size computed to assess the significance of the relationships set at $r \geq 0.05$. The results of Table 5 correlation computation show the existence of statistically significant and practically significant positive and negative inter correlations of the factors of work condition (measured by JCQ) and work performance (Measure by IWPQ).

Work performance reported to have practically significant positive correlations with work condition, illustrated on Table 5 where all factors of work condition (decision latitude, Job demand & Social support) proved to have practically significant positive correlations with two (task performance & contextual performance) of the three factors of work performance, with the following practically significant positive correlation coefficients; decision

latitude and task performance recorded a practically significant positive correlation coefficient of (0.4), Job demand and task performance recorded a practically significant positive correlation coefficient of (0.5), whereas social support and task performance recorded a practically significant positive correlation coefficient of (0.5).

On the other hand, decision latitude and contextual performance recorded a practically significant positive correlation coefficient of (0.3), job demand and contextual performance recorded a practically significant positive correlation coefficient of (0.4), whereas social support and contextual performance recorded a practically significant positive correlation coefficient of (0.4).

The results from Table 5 show statistically significance negative correlation between all three factors of work condition (decision latitude, job demand & social support) and the last factor of work performance (counterproductive behaviour) recording the following statistical significance levels; decision latitude and counterproductive behaviour recorded a statistically significant negative correlation coefficient of (-0.3), job demand and counterproductive behaviour recorded a statistically significant negative correlation coefficient of (-0.4), whereas Social support and counterproductive behaviour recorded a statistically significant negative correlation coefficient of (-0.3).

Table 6 on the following page shows the standardized coefficients and statistical significance of each variable (independent) of work condition and their causal contribution on task performance. The results of this table indicate the amount of causal contribution each work condition variable have on task performance through illustrating beta (β) statistically significance (sig) values of

Table 6: Regression Analysis; Coefficients of Regression Analysis for Work Condition Variables as Independent Variables and Task Performance as a Dependent Variable

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.353	.419		-3.229	.001
	Decision Latitude	.165	.116	.093	1.428	.155
	Job Demand	.672	.129	.340	5.198	.000
	Social Support	.659	.144	.305	4.573	.000
a. Dependent Variable: Task Performance						
b. Predictors: (Constant), Social Support, Decision Latitude, Job Demand						

Source: Authors

Table 7: Regression Analysis; Coefficients of Regression Analysis for Work Condition Variables as Independent Variables and Contextual Performance as a Dependent Variable

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.498	.461		-1.080	.281
	Decision Latitude	.265	.127	.149	2.084	.038
	Job Demand	.572	.142	.288	4.021	.000
	Social Support	.357	.159	.164	2.250	.026
a. Dependent Variable: Contextual Performance						
b. Predictors: (Constant), Social Support, Decision Latitude, Job Demand						

Source: Authors

each independent variable. From the results of Table 6, decision latitude recorded standardized coefficients of the lowest beta value ($\beta = 0.093$) and it was found to be statistically insignificant, recording sig value (sig = 0.15) greater than a cut off of $p \leq 0, 05$, suggesting that decision latitude alone (as a predictor/independent variable) contribute very less on the impact of work condition on performance (as a criterion/dependent). On the other hand, job demand and social support recorded standardized coefficients of high beta values ($\beta = 0.340$ and $\beta = 0.305$) respectively. Both job demand and social support were found to be statistically significant, with both recording (sig = 0.000). From this coefficient regression results it is clear that both job demand and social Support (as predictor/independent variables) contributes more on the impact of work condition on performance (as a criterion/dependent). From this regression analysis results, the hypothesis (there is statistically significant relationship between work condition and task performance) can be accepted.

Table 7 shows the standardised coefficients and statistical significance of each variable (independent/predictor) of work condition and their causal contribution on contextual performance (dependent/criterion). The results of this table indicate the amount of causal contribution each work condition variable have on contextual performance through illustrating standardized coefficients beta (β) and statistically significance (sig) values of each independent/predictor variable. From the results of Table 7, decision latitude recorded standardized coefficients of the lowest beta value ($\beta = 0.149$) and it was found to be statistically significant, recording sig value (sig = 0.038) less than a cut off of $p \leq 0, 05$. Unlike in the results of the regression coefficients for decision latitude vs. task performance where decision latitude was found to be statistically insignificant and with a very low standardized coefficient beta, in this regard when tested with contextual performance, decision latitude shown increase in standardized coefficient beta and was found to be statistically significant, suggesting significant

Table 8: Regression Analysis; Coefficients of Regression Analysis for Work Condition Variables as Independent Variables and Counterproductive Behaviour as a Dependent Variable

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.262	.290		11.233	.000
	Decision Latitude	-.207	.080	-.193	-2.587	.010
	Job Demand	-.330	.090	-.275	-3.688	.000
	Social Support	-.043	.100	-.033	-.435	.664
a. Dependent Variable: Counterproductive Behaviour						
b. Predictors: (Constant), Social Support, Decision Latitude, Job Demand						

Source: Authors

amount of contribution of the impact work condition have on performance. Job demand recorded standardized coefficients of highest beta values ($\beta = 0.288$) with a statistically significant value of 0.00. Whereas social support recorded the second highest (second to JD) standardized coefficient beta value ($\beta = 0.164$) and it was also found to be statistically significant (sig = 0.026). Both job demand and social support were found to be statistically significant, with both recording (sig = 0.000). From this coefficient regression results it is clear that all three work condition variables (decision latitude job demand and social support) as predictor/independent variables contributes more on the impact of work condition on performance as a criterion/dependent. From this regression analysis results, the hypothesis (*H2* good work condition predicts good performance) can be accepted.

Table 8 shows the standardized coefficients and statistical significance of each variable (independent/predictor) of work condition and their causal contribution on Counterproductive Behaviour (dependent/criterion). The results of this table indicate the amount of causal contribution each work condition variable have on counterproductive behaviour through illustrating standardized coefficients beta (β) and statistical significance (sig) values of each independent/predictor variable. From the results of Table 8, decision latitude recorded second highest standardized coefficients beta value ($\beta = 0.193$) and it was found to be statistically significant, recording sig value (sig = 0.01) less than a cut off of $p \leq 0, 05$. Job demand recorded standardized coefficients of highest beta values ($\beta = 0.275$) with a statistically significant value of 0.00. Whereas social support recorded the lowest

standardized coefficient beta value ($\beta = 0.033$) and it was also found to be statistically insignificant (sig = 0.66), statistical value greater than a cut off of $p \leq 0, 05$. In this regard social support was found to have less causal contribution to the impact work condition have on performance, unlike when it was tested with task performance and contextual performance where it shown consistent significant contribution to the causal contribution. From this coefficient regression results it is clear that decision latitude and job demand as predictor/independent variables contributes more on the impact of work condition on performance as a criterion/dependent than Social Support. From this regression analysis results, the hypothesis (*H3*: poor work condition predicts poor performance) can be accepted.

7. Ethical Considerations

According to William (2006) ethical considerations can be defined as rules of conduct in research aimed at causing no harm and providing all possible benefits to the respondents. It also involves the responsibilities that the researcher bears towards those participating in the research. As part of the researcher's responsibilities, clearance was obtained from the University of Venda Research Ethics Committee. In addition, the permission to conduct the research was obtained from all selected mines. This study complied with the code of ethics proposed by the University of Venda. The participants were informed about the purpose of the study and everything that will happen during the research process and what was expected of them. The participants were given consent forms that they signed to formally agree to take part in the study. Participation was based on the respondents'

fully understanding of the benefits and risks. The participants were not compelled to participate, in other words, the participation in this study was fully voluntary. And most importantly, information provided by the participants, particularly sensitive and personal information, is protected and made unavailable to anyone other than the researcher. Participation was done on the bases of anonymity to ensure confidentiality.

8. Conclusion and Recommendations

The main aim of this paper was to investigate the effect of work condition on the performance of employees in the mining industry in the Limpopo Province. This paper was also aimed at investigating the relationship between work condition and work performance. To ensure credible data collection, the reliability analysis of the Job Content Questionnaire as well as Individual Work performance questionnaire was conducted. The results of the reliability analysis proved that both the measuring instruments (JCQ & IWPQ) were all reliable with JCQ reporting 0.74 Cronbach's alpha coefficient and IWPQ reporting 0.77 Cronbach's alpha coefficient. These Cronbach's alpha coefficient compared relatively well with the cut-off value of 0,70. These questionnaires reported internal inter-factor coefficient reliability and internal consistency.

The data collected on this research was analysed and interpreted with the use of SPSS. In line with the research objective and hypotheses, Pearson product – moment correlation coefficient was used to specify the relationship between work condition and work performance. The results obtained on this analysis addressed the first hypothesis *H1 (there is a significant relationship between the work condition dimensions with performance)*. Regression analysis was used to determine the impact of the predictor/independent variables on criterion/dependent variables. The results of regression analysis were particularly helpful in addressing the last two hypotheses *H2 (good work condition predicts good work performance and vice versa)*.

8.1 Results for Correlation Coefficients

The results of Pearson Product-moment correlation computation revealed that there is practically significant positive relationship between work condition and work performance. Work performance reported to have practically significant positive

correlations with work condition, where all factors of work condition (decision latitude, job demand & social support) proved to have practically significant positive correlations with at least two (task performance & contextual performance) of the three factors of work performance. These results reaffirmed the first hypothesis *H1 (there is a statistical and practical significant relationship between work condition and work performance)*. These results reaffirm the notion that work conditions (in this case referring to: employees having decision authority, job demand and supervisor and co-worker support) have an impact on performance of employees in the mining industry in the Limpopo Province. These findings also reaffirmed the previous literature done on the same subject i.e. Haizlip (2008), believes that involving employees in decisions that affect them not only increases their personal commitment, but also motivates them to be advocates for their decisions. Supporting this assertion, Agarwal (2008), contends that when employees are involved in making decisions and planning the implementation of changes that affect them, they implement changes faster with higher performance than employees who are merely communicated to about the change. Across (2005) states that employees do not perform well in situations where they lack autonomy, especially after they have gained the skills to work independently.

8.2 Results for Regression Analysis

Regression analysis was used to particularly address last two hypotheses *H2 (good work condition predicts good work performance & poor work condition predicts poor performance)*. This analysis used the model fit to specify the percentage in variance as a predictive value for predictor/independent (decision latitude, job demand & social support) variables on criterion variables (task performance, contextual performance & counterproductive behaviour). ANOVA results were illustrated to specify the statistical significance on the relationship between predictor/independent variables and criterion/dependent variables. Lastly the coefficients table was presented to specify the standardized coefficient beta values and the statistical significance of each predictor variable on each criterion variable.

The results of regression analysis found that there is a statistical significance relationship between work condition and task performance predicting 36% variance of the work condition's effect on task

performance and reported a value of 0.000 statistical significant. However, the coefficient analysis revealed that decision latitude recorded standardized coefficients of the lowest beta value ($\beta = 0.093$) and it was found to be statistically insignificant, recording sig value ($\text{sig} = 0.15$) greater than a cut off of $p \leq 0, 05$, suggesting that Decision Latitude alone (as a predictor/independent variable) contribute very less on the effect of work condition on performance (as a criterion/dependent). On the other hand, job demand and social support recorded standardized coefficients of high beta values ($\beta = 0.340$ and $\beta = 0.305$) respectively. Both job demand and social support were found to be statistically significant, with both recording ($\text{sig} = 0.000$). Therefore, level of job demand and social support of employees in mining industry in Limpopo province have an impact on their performance. Decision latitude alone reported to have lesser impact on the performance of employees in mining industry in Limpopo province.

Meanwhile all three work condition variables (decision latitude, job demand & social support) reported to have statistical significant relationship with contextual performance with 22% variance of prediction. Decision latitude was again found to have recorded standardized coefficients of the lowest beta value ($\beta = 0.149$) however statistically significant, recording sig value ($\text{sig} = 0.038$) less than a cut off of $p \leq 0, 05$. Both job demand and social support recorded higher standardized coefficient values and were both statistically significant. These results imply that both job demand and social support contributed more on the effect of work condition on contextual performance, whereas decision latitude contributed lesser. In a nutshell, factors such as high job demand, lack of supervisor support and co-workers support affect the performance of employees in mining industry in Limpopo province.

Regression analysis result on work condition vs. counterproductive behaviour indicate that work condition have an impact on counterproductive behaviour with 15% variance of prediction. However social support was found to be statistically insignificant with a very low standardized coefficient beta value, insinuating its least contribution to Counterproductive Behaviour. Both decision latitude and job demand was found to have an impact on counterproductive behaviour of employees in mining industry of Limpopo province. According to these regression results hypothesis (**H2**) can be

accepted with a specific emphasis of the fact that decision latitude was found to have no influence on both task performance and contextual performance whereas social support was found to have no influence on counterproductive behaviour.

8.3 Recommendations

In this research, work condition was found to have an effect on performance, and therefore adding to the existing literature that pointed work condition as a factor that affect performance. The results of this paper led to an inference that factors such as decision latitude, job demand and social support affect performance. These results are in line with the existing literature that points work condition as one of the factors affecting performance. This inference is supported by the correlation results that indicate that there is statistically and practically significant relationship between factors of work condition and work performance of employees in the mining industry in the Limpopo province. Regression analysis was used to determine the impact of work condition as an independent/predictor variable on performance as a dependant/criterion variable. Three work condition variables (decision latitude, job demand & social support) were computed against work performance variables (task performance, contextual performance and counterproductive behaviour). The results of regression analysis in this regard revealed that factors of work condition have an impact on the performance of employees in mining industry of Limpopo province. These results recorded statistically significance and standardized coefficients beta values signifying the existing relationship between the predictor variable (work condition) and the criterion variable (performance), as well as a considerable percentage of variance (36% highest) signifying the prediction extent of the predictor variable on the criterion variable. Although there were variables (independent/predictor) that have shown less influence (by recording very low standardized coefficient beta values) on dependent variable, the general conclusion of the results is that work condition have an impact on work performance.

References

- Agarwala, T. 2008. Factors influencing career choice of management students in India. *International Journal of Career Development*, 13(4):362-376,

- Blanchard, S. & Witts, D. 2009. Best practices in employee motivation. Accessed on 20 June 2013. Available at: <http://www.buzzle.com>.
- Borman, W.C., Motowidlo, S.J. & Schmit, M.J. 1997. A theory of individual performances in task and contextual performance. *A Journal of Human Performance*, 10(2):71-83.
- Campbell, J.P. 1990. Modelling job performance in a population of jobs. *A Journal of personnel psychology*, 43(2):313-575.
- Cartwright, S. & Cooper, C.L. 2002. *ASSET: An Organisational Stress Screening Tool – The Management Guide*. Manchester, UK: RCL Ltd.
- Cheng, Y., Wei-luh, M. & Guo, Y. 2003. Reliability and validity of the Chinese version of the job content questionnaire in Taiwanese workers. *International Journal of Behavioural Medicine*, 10(1):15-30.
- Chandrasekar, K. 2011. Workplace environment and its impact on organizational performance in public sector organizations. *International Journal of Enterprise Computing and Business System*, 1(1):1-20.
- Clark, L.A. & Watson, D. 1995. Constructing validity: Basic issues in objective scale development. *A Journal of Psychological Assessment*, 7(2):309-319.
- Cohen, J. 1998. *Statistical power analysis for behavioral sciences*. Orlando: Academic Press.
- Coleman, N. 2012. 'More Questions than Answers', *Mail and Guardian*, 26 October – 1 November.
- Dorsch, M.H. & Eaton, W.W. 2000. Psychosocial work environment and depression: Epidemiologic assessment of the demand-control model. *American Journal of Public Health*, 90(11):1765-1770.
- Hair, J., Babin, B., Money, A. & Samouel, P. 2003. *Essentials of business research methods*. Wiley Publishers. USA: Mishawaka.
- Karasek, R., Brisson C., Kawakami N., Houtman I., Bongers P. & Amick, B. 1998. The Job Content Questionnaire (JCQ): An instrument for internationally comparative assessments of psychosocial job characteristics. *Journal for Occupational Health Psychology*, 8(2):123-133.
- Karasek, R.A. 1979. Job demands, job decision latitude and mental strain: implications for job redesign. *Administrative Sci Quarterly*, (24):285-308.
- Koopmans, L., Bernaards, C.M., Hildebrandt, V.H., De Vet, H.C.W. & Van der Beek, A.J. 2014. Measuring Individual Work Performance –Identifying and Selecting Indicators. *Work: A Journal of Prevention, Assessment and Rehabilitation*, 45(3):342-377.
- Lamm, F., Massey, C. & Perry, M. 2006. Is there a link between workplace health and Safety and Firm Performance and Productivity. *New Zealand Journal of Employment Relations*, 32(1):75-90.
- Martin, J. 2005. *Organisational behaviour and management*. London: Thomson.
- Masia, U. & Pienaar, J. 2011. Unravelling safety compliance in the mining industry: examining the role of work stress, job insecurity, satisfaction and commitment as antecedents. *South African Journal of Industrial Psychology*, 7(1):33-54.
- Moller, G.P. 2003. *The implementation and evaluation of behaviour based safety interventions at Sishen Iron Ore Mine*. Unpublished doctoral thesis. Potchefstroom University for Christian Higher Education: Potchefstroom.
- Mouton, J. 2009. *Understanding social research*. Pretoria: Van Schaik Publishers.
- Naharuddin, N.M. & Sadegi, M. 2013. Factors of workplace environment that affect employees Performance: A case study of Miyazu Malaysia. *International Journal of Independent Research and Studies*, 2(2):66-78.
- Oshagbemi, T. 2003. Personal correlates of job satisfaction: empirical evidence from UK universities, *International Journal of Social Economics*, 30(12):1210-1232.
- Paul, P.S. & Maiti, J. 2005. Development and test of a sociotechnical model for accident/injury occurrences in underground coal mines. *Journal of South African Institute of Mining and Metallurgy*, 105(1):43-55.
- Probst, T.M. & Brubaker, T.L. 2001. The effects of job insecurity on employee safety outcomes: Cross-sectional and longitudinal explorations. *Journal of occupational Health Psychology*, 6(2):139-159.
- Rodriquez, I., Bravo, M.J. & Peiri, J.M. 2001. The demand-control-support model, locus of control and job satisfaction: a longitudinal study. *An international journal of work, health & organization*, 15(2):97-114.
- Rotundo, M. & Sackett, P.R. 2002. The relative importance of task, citizenship, and counterproductive performance to global ratings of job performance: A policy-capturing approach. *Journal of Applied Psychology*, (87):66-80.
- Saari, L.M. & Judge, T.A. 2004. Employee attitude and job satisfaction. *Journal of Human Resources Management*, 43(4):395-407.
- Saunders, M.N.K., Lewis, P. & Thornhill, A. 2012. *Research methods for business students* (6th ended.) Harlow, England: Pearson Education.
- Van Schalkwyk, S., du Toit, D.H., Botha A.S. & Rothman S. 2010. Job insecurity, leadership empowerment behaviour, employees' engagement and intention to leave in a petrochemical laboratory. *SA journal of human resources management*, 8(1):1-7.
- Viswesvaran, C. & Ones, D.S. 2001. Integrity test and other criterion: focused occupational personality scales (COPS) used in personnel selection. *International Journal of selection and assessment*, 9(1-2):31-39.
- Wegner, T. 2008. *Quantitative methods for marketing decision*. Cape Town: Juta & Co Ltd.
- Yousef, D.A. 2000. Job satisfaction as a mediator of the relationship between role stressors and organizational commitment. *Journal of Managerial Psychology*, (17):250-266.

Investigating the Causes and Impact of Inconstant Water Supply on the Wellbeing of Communities: A Case of Molemole Local Municipality

SJ Mabeba and NE Mathebula
University of Limpopo, South Africa

Abstract: This paper investigates infrequent water supply and its impact on communities at Molemole Local Municipality. The paper aims to investigate infrequent water supply in Molemole Local Municipality in Capricorn District Municipality located in Limpopo Province. Although local municipalities in South Africa are regarded as the providers of essential services, such as water, to date most of the municipalities still lack the capacity to provide water services to community members across the country. Molemole Local Municipality finds it challenging to provide water services to communities within its jurisdiction. To achieve this objective, the researcher utilised a combination of qualitative and quantitative research methodologies with a semi structured questionnaire. The findings in this paper prove that the issue of too much dependency on boreholes as water sources brought a number of challenges in terms of water services.

Keywords: Borehole, Communities, Dependency, Infrequent, Water supply

1. Introduction

According to Baietti and Raymond (2005), more than 1.1 billion people worldwide do not have access to safe drinking water. In Africa, millions of people still have to rely on unsafe water while domestic consumption competes with water for commercial, agricultural and industrial activities (Abdullar & Rakhmatullaev, 2015). Although water resources in Africa are relatively abundant, it has the lowest water supply coverage of any region in the world. This can be attributed to low and infrequent rain as compared to other regions in the world. To achieve water access and enable Africa's economic growth, there is a need to provide water infrastructure that ranges from dams to irrigation systems, toilets and water treatment plants (Development Bank of Southern Africa, 2006). The post-apartheid government of South Africa instituted the Reconstruction and Development Programme (RDP) in 1994 as the policy foundation stone of the new government. The RDP gave the Department of Water Affairs and Forestry (DWAF) as it was previously known the responsibility of ensuring universal access to basic water for all South Africans. Subsequently, the White Paper on Water and Sanitation was released in 1994, with emphasis on speedy delivery of water and sanitation services to ensure that all South Africans have access to basic water supply (DWAF, 2004). The South African Water Sector Institutional landscape strives to provide running tap water and

electricity to rural communities by 2025 (Claassen, Funke & Nienaber, 2013). The effective provision of drinking water and sanitation services are two major challenges confronting South Africa's public service sector since the country entered into a phase of multiracial democratic governance in 1994 (Kido, 2008:64). Water supply in South Africa is characterized by both achievements and challenges with concern mostly in the rural areas of Limpopo Province (Water Supply & Sanitation in South Africa, 2013). This paper therefore seeks to investigate infrequent water supply in the Molemole Local Municipality with a view of understanding how this situation affects communities socially and economically.

Basic water supply in terms of the Water Services Act, 1997 (108 of 1997) requires that prescribed minimum standards of water supply services are necessary for reliable provision of sufficient quantity and quality of water to households to support life and personal hygiene. Households and schools are concerned with the quality and use of water facilities. People depend on water for drinking, producing food and maintaining basic standards of hygiene. Lapses and even the non-delivery of certain services related to water supply and sanitation can have disastrous consequences such as cholera and diarrhea. It could also have a direct impact on the everyday livelihoods of communities (Kingsbury, Remenyi & Hunt, 2004:277). In fact, they could pose

an environmental health risk of substantial proportions. The effective provision of drinking water is one of the major challenges confronting South Africa's public service sector since the country entered into a phase of multiracial democratic governance in 1994 (Kido, 2008:64). Lack of water services infrastructure is causing many of the municipalities to exhibit performance problems in water supply. Many municipalities in South Africa, Molemole Local Municipality included are poorly managed, operate with tariffs well below cost-recovery levels and are therefore struggling financially, and lack the governance and resources to improve performance and growth (Baietti & Raymond, 2005). It is the responsibility of Molemole Local Municipality to supply water to all the communities and villages that fall under its jurisdiction. This however has proven to be a challenge. The 2011, Statistics South Africa survey (CENSUS) reveals that the municipality is not satisfying all its communities in terms of water supply. Significant problems and challenges include incompetent staff, financial sustainability of service providers and the lack of service providers and the problems of proper maintenance and sustainability of water resources (Wellfield, 2011). These and other challenges therefore, call for an investigation of the causes of inconstant water supply in Molemole Local Municipality.

2. The Causes of Inconstant Water Supply in the South African Municipalities

There are varying reasons that could lead to the inability of municipalities to provide and supply frequent water services to residents depending on a setting of a municipality and the people it serves. Such can be as a result of among others; informal settlements, municipal institutional capacity, municipal debts and credit ratings, water tariffs and magnitudes of development finance instruments.

2.1 Informal Settlements

According to the World Bank (2009), a billion people worldwide live in slums, and 2 million live in informal housing settlements in South Africa. According to Young (2015), the disbursement of development finance from development finance institutions, private banks and government, the number of household backlogs with access to water supply and sanitation continues to decline at a very alarming rate. This might have contributed to South

Africa's failure to reach Millennium Development Goals targets in terms of addressing water backlogs. The number of informal settlements continues to increase the municipal backlog of water supply. Some of the settlements that are being formalized are historically disadvantaged areas characterized by poverty which presents significant challenges for municipalities in terms of water supply. As a result, the water services assets are poorly maintained and fail to reach their full design and life expectancy (Informal Settlement Atlas, 2004).

2.2 Municipal Institutional Capacity

According to Mufamadi (2003), part of the reasoning behind the establishment of the Municipal Infrastructure Grant (MIG) was to improve the capacity, efficiency, effectiveness, sustainability and accountability of local government as stated in the 2005 Department of Provincial and Local Government Guide for establishment of a Project Management Unit by municipalities. Unfortunately, often in places where improved infrastructure and employment opportunities are most required, the municipality's capacity to implement is low. Improving municipal capacity, efficiency, effectiveness, sustainability and accountability should be prioritized as a long term goal. Municipality viability elements are critical for financing water infrastructure as they all take into account the water-specific aspects of the municipality. Just as with any other aspect of the Integrated Development Plan, municipalities are required to produce annual reports against the WSDP, but sadly many municipalities fail to comply (Cardone & Fonseca, 2006).

2.3 Municipal Debts and Credit Ratings

Municipalities as water service authorities purchase bulk water from water service providers and water boards and resell to different end users based on a tariff structure. The reason behind municipalities charging a service fee or tariff on water services is that municipalities incur costs when purchasing and distributing water and for that they need to have a cost recovery mechanism. Existing levels of debt impact on the conditions and costs of incurring new debts for that particular municipality. Most municipalities have areas with no or unsatisfactory services, they have an infrastructure wish list and yet many do not properly spend their grants allocations. Palumbo and Shick (2006) affirmed creditworthiness, as reflected in bond ratings, as of great interest

to municipalities since it directly affects the cost and ability to borrow money. According to Ramphele (2008), migration has pushed people into big cities in search of employment and municipalities have not been adequately absorbing the trickle effects of. As in most cases, when the economically active people migrate, the municipal revenue stream from tariffs changes. As a result, most municipalities fail to have a sufficient revenue base and end with huge debts from local communities due to a diminishing community income. This ultimately results in municipalities having a negative credit rating when applying for new loans and thus faces further challenges in financing their infrastructure development.

2.4 Water Tariffs

Municipalities face challenges with regard to water services as the growth in demand outstrips supply. It is for this reason that the Division of Revenue Act of 2007 encouraged municipalities to review the level and structure of their water tariffs carefully. This is with a view of ensuring that water tariffs are fully cost effective including the cost of maintenance and renewal of purification plants and water networks and the cost of new infrastructure (Division of Revenue Act of 2007). Designing appropriate water tariff rates that ensure full cost pricing is one of the most important challenges of effective water management. According to the Organisation for Economic Co-operation and Development (2007), water systems typically recover their costs of operation through a mix of customer charges (prices), own country or local tax revenue, international loans or aid (other-country tax revenue). If water infrastructure cannot retain sufficient levels of finance through tariffs, then the infrastructure will not meet service level standards to marginal and poorer areas that lack basic water services supply. Municipalities have been receiving increasing pressure from funders to increase funding by increasing user charges in an effort to co-finance water services infrastructure projects. This is often referred to as full cost recovery or a trend towards full cost pricing. Prasad (2006) described the water sector as being unavoidably social in nature and evoking political emotions like no other sector. The risks of political pressure on contracts and tariffs are therefore high and affect the financial sustainability of water supply services.

According to Department of Water Affairs (2010), one of the challenges of municipal water tariffs is water losses. Most South African municipalities

have unacceptably high water losses. Causes of non-revenue water are largely attributed to poor infrastructure operation and maintenance. Globally the trend of acceptable water loss is below 15 percent by best practice. The water losses in South Africa average is 36 percent (equivalent to about R5.3 billion loss of revenue per annum).

2.5 Magnitudes of Development Finance Instruments

Financing is critical for ongoing operations and maintenance as well as responding to needs for new infrastructure. Water infrastructure investment in South Africa and globally is significantly low compared to other sectors even for basic operations and maintenance cost and the reason is that most of the time only around half the investment required is provided (Moss, 2003). Tariff accounts for major capital share of municipal water infrastructure development and the rest is mostly transfers provided through public budget such as infrastructure grants. Buyelwa (2009), indicated that South Africa needs more than R70 billion to improve its bulk water supply infrastructure. According to Ramphele (2008), richer municipalities and metros finance most of their infrastructure needs through user fees and cross subsidisation as they have large middle and upper class income residents. These metros make billions of Rands from revenue collections. This is different for poorer municipalities which have high unemployment and poverty rates. Many of these municipalities do not have sufficient revenue base, and therefore fail to raise capital for infrastructure development. Public Private Partnerships (PPP) have materialised as important financial instruments through which development finance institutions can structure their development banking portfolios by mobilizing resources in partnerships with private sector players. Unless municipalities have the financial, technical and qualified human resources to comply with national water policy and standards, their ability to deliver is severely compromised (Ramphele, 2008).

3. Regulatory Framework for Provision of Water Services in South Africa

According to Strategic Framework for Water Services of 2003, the water sector faces serious challenges including failure to meet basic human needs for water services supply. There are also difficulties in meeting the financial requirements for maintaining,

extending, and upgrading both new and ageing water systems, new regulatory requirements for water quality, increasing water scarcity and competition for limited capital are constant challenges that are facing municipalities (Statistics South Africa, 2003). Throughout the water sector there is a growing focus on the best ways to improve the access of development finance for new infrastructure development and maintenance of existing ones. To achieve this objective, in 2003 the South African government adopted the Strategic Framework for Water Services under the phrase; 'water is life and sanitation is dignity' (Statistics South Africa, 2003).

The Water Services Act 108 of 1997 was promulgated with a primary purpose of regulating the provision of access to basic water supply and basic sanitation to provide for the setting of national standards and of norms and standards for tariffs, and provide financial assistance to water service institutions. The Act also recognizes the status of municipalities with water service authority as institutions responsible for ensuring efficient, affordable, economical and sustainable access of water services to all consumers under their jurisdictions.

The Constitution of the Republic of South Africa, 1996, sections 24 and 27 grant rights to access to sufficient water, an environment not harmful to health and well-being and the protection of the environment from degradation. The Constitution provides for three spheres of government and sets out the functions of these three distinctive, interdependent and interrelated spheres in service delivery. The executive power to deliver water services infrastructure finance and development falls, in terms of the Constitution, on municipalities (South African Local Economic Development Network, 2010).

The National Water Act 36 of 1998 provides for the establishment of suitable organizations that can carry out the function of water services infrastructure development. The Act clarifies the importance of developing water infrastructure to promote social and economic development. The Act further sets provisions for protection of the water resources from pollution through good functioning sanitation facilities such as wastewater treatment plants.

4. Research Design and Approach

Qualitative and quantitative research approaches were selected for this study. Qualitative research

displays a commitment of seeing the world from the point view of actors and participants and close involvement is always advocated (Brynard & Hanekom, 1997:18). Qualitative research enables the researcher to be able to understand the feelings and perceptions of the respondents and target population at large towards. Quantitative work implies applying a measurement or a numerical approach to the nature of the issue under scrutiny, as well as to the analysis of data (Brannen, 1992:85).

4.1 Sampling

The study adopted both a purposive and random sampling strategies. Purposive sampling is a strategy in which the researcher purposively uses his own judgmental knowledge to select a group of people whom he thinks those people can provide the required information. Random sampling is a strategy where every member of the population of the entire population have an equal chance of being selected to participate in the study. The sample size of the study was 65 participants (20 educators, 15 municipal officials and 30 community members).

4.2 Data Collection

Semi-structured questionnaires were used to collect quantitative data to investigate the phenomenon of infrequent water supply and its impact on the socio-economic well-being of communities in Molemole Local Municipality. Supplementary follow-up interviews were also conducted as a follow up to the questions contained in the questionnaire.

4.3 Data Analysis

Data analysis usually involves two key steps, namely (a) reducing the data collected into manageable proportions and (b) identifying patterns and themes in the data (Mouton, 1996:161).

5. Findings and Discussions

5.1 Responses from the Community Members and Educators

5.1.1 The Nature and State of Water Supply in Molemole Local Municipality

Respondents were asked of the nature and state of water supply in Dendron? Majority (92%) of the respondents (community members and educators) indicated that the nature and state of water

supply in Dendron is very poor. Furthermore, such water is unpurified and as a result the taste of the water is very salty. The respondents also indicated that some of the sections in the area can spend a month without accessing water on their taps, and as a result some cannot even water their plants due to shortage of water. In addition, some respondents said that they struggle to do their laundry, because they find it hard to access water on their taps. Respondents indicated that there are poor families who cannot afford to buy water, due to lack of financial resources. In a supplementary interview, one respondent indicated that:

"The state of water supply is very poor, though sometimes in a month the municipality sends a truck to distribute water to people but often take long. Another respondent said that the water supply is very poor, they only get water twice a week and sometimes they do not get water at all. Furthermore, I buy water and put it inside the 'jojo' tank. In addition, if there is no money to buy water, we are forced to push wheelbarrows and fetch the water from the traffic stations and those who have cars, use their cars to fetch the water."

5.1.2 The Current Water Supply Trends as Compared to the Previous Five Years

Respondents were asked of the current water supply trends as compared to the previous five years. Majority (85,3%) of the respondents said that the current water supply trend is not different from the previous five years. Respondents also indicated that in some of the sections of Dendron the situation is getting worse, where there is no improvement at all when it comes to the supply of water. Furthermore, respondents indicated that the current water supply is erratic, most of the time the water is not available. Meanwhile, few (14,7%) of the respondents said that current water trends as compared to the previous five years are better because back then most of the sections did not have water at all. Furthermore, respondents agreed that in the past 10 years, there was consistent water supply because Dendron was not having a lot of residents by that time, and now because the place has grown in terms of population, people find it difficult to access water from their taps. One of the respondents said that:

"The current water supply is the same as compared to the previous five years, because the residents have been experiencing this challenge of inconstant water supply for the past 10 years."

Another respondent indicated that:

"The current water supply trends as compared to the previous five years are very bad, we used to get water every day from our taps and the worst part is that the township as a whole is expanding on daily basis in terms of population."

5.1.3 Measures to be used to Address Poor Service Delivery in Respect of Inconstant Water Supply at Molemole Local Municipality

Respondents were asked about their views on how the municipality can minimize the challenge of inconstant water supply. Majority (95%) of the respondents provided that the municipality must just drill boreholes, build dams for the purpose of bulk water supply. The dam that is available is very small. As a result it cannot accommodate all the community members, as the population is forever growing day by day. Respondents also provided that the municipality must build or increase their water reservoir for the purpose of improving the water supply around the township. One of the respondents indicated that:

"The Municipality must act on the problem, the community has complained, but there is no change at all."

In addition, one of the respondents suggested that the municipality must have a formal meeting with community members, whereby the municipality and the community members would be expected to tackle the problem, share ideas on how best they can minimize or get rid of the inconstant water supply challenge. While few (5%) of the respondents suggested that the municipality must hire competent people, particularly in the water section, some indicated that the municipality must stop relying on Capricorn District Municipality as the water authority. In addition, relevant stakeholders must be involved in this kind of a challenge, so that they can develop possible measures and mechanisms on how to alleviate the issue of inconstant water supply. In addition, the municipality should not exclude community members, in issues of service delivery. Furthermore, one of the respondents said that:

"Molemole Local Municipality must request for enough money from the treasury, so that they can establish a big source of water supply which will accommodate every community member, and maybe the municipality can also connect water pipes from Glenel pipe dam, as this could also be one of the possible solutions".

Another respondent said that:

"Merging of Molemole Local Municipality with Blouberg or Polokwane Local Municipality can also be a good decision, because the municipality on its own is failing to provide the water services and Molemole Local Municipality must take charge, because Capricorn District Municipality is failing as the water authority."

5.2 Responses from the Molemole Local Municipality Employees

5.2.1 Causes of Inconstant Water Supply in Dendron

The municipal officials were asked of the causes of inconstant water supply in Dendron. Majority (95%) of the respondents indicated that the cause of inconstant water supply is as a result of the total dependency on boreholes as a source of water supply. In addition, respondents indicated that there is insufficient ground water, and this is the reason the municipality is having challenges in terms of water services supply. One of the respondents claimed that:

"Lack of funding to renew ageing infrastructure also causes inconstant water supply."

5.2.2 People who are Responsible for Water Services Delivery in Molemole Local Municipality

Respondents were asked of the institution responsible for water services delivery in Molemole Local Municipality? 93,3% of the respondents indicated that Capricorn District Municipality is the one responsible for water services delivery. While 6,7% of the respondents indicated that Molemole Local Municipality is the one responsible for water services delivery in Dendron. Based on the information provided, the researcher can conclude that Capricorn District Municipality is the one responsible for water services delivery. The responses by the 6,7% of the respondents who indicated that the Molemole Local Municipality is responsible for water service delivery can be attributed to the lack of knowledge about water service authorities and roles of different categories of municipalities.

5.2.3 Responsible Workers Ensuring that Water is Always Available to all Areas

Respondents were asked as to whether the responsible workers are doing enough to make sure that water is always available to all areas. 60% of the respondents agreed that the responsible workers are not doing enough to ensure that there is always

water in all areas. While 40% of the respondents assumed that the responsible workers are doing their best to ensure that there is water service supply. Some of the respondents said that:

"They are doing all their best just that we are fully relying on Capricorn District Municipality, there is no budget for water related projects in Molemole Local Municipality. The pump operators are always on side to monitor the reservoirs and water pump generators. In general, the responsible officials are doing their work."

However only one respondent claimed that:

"Not certain as to whether responsible workers are doing their work."

In conclusion, the researcher can say majority (60%) of the respondents agreed that the responsible workers are not doing their work.

5.2.4 Municipality Provide Sufficient Support in Supplying Water to Dendron Village

Respondents were asked if whether the municipality provide sufficient support in supplying water in Dendron. Majority (67%) of the respondents agreed that the municipality does provide support in supplying water, because there are technical service workers who sometimes help in supplying water to the community members using trucks. Other respondents agreed that the municipality is providing the support, although sometimes not always. One of the respondents said that:

"Yes with all available personnel it has, the municipality does provide enough support. In cases where there is a need of supplementing the reservoirs, the municipality uses water tanks to deliver water to the community. In addition, given the community situation of shortage of water the municipality is in partnership with Mohodi Ga Manthata traditional authority in order to provide water for the benefit of Dendron residents."

Furthermore, the minority (33%) of the respondents agreed that the municipality is not providing enough support.

5.2.5 The Monitoring Measures for the Authorities Who are Responsible for Water Services Supply

Respondents were asked about the monitoring measures that are available in the municipality for the authorities responsible for water services supply. The respondents indicated that one of the monitoring

measures is meter billing and post payment systems. Although the municipality is having monitoring measures, majority (53,3%) of the respondents disagreed that the municipality is not having monitoring measures. One of the respondents said that:

"The municipality does not have monitoring measures at all."

Furthermore, there are few respondents who indicated that they are not sure whether the municipality is having monitoring systems in place for water services supply.

5.2.6 The Kind of Planning on the Part of the Municipality Which Can Bring the Effectiveness in Water Services Supply

Respondents were asked about the kind of planning the municipality has to bring the effectiveness of water services supply. All the respondents indicated that the municipality is having all necessary plans in place. Some of the respondents provided that their plan is to convince the residents to pay for services to enable refurbishment of water provision infrastructure. Furthermore, respondents indicated that they will appoint skilled, competent and experienced personnel particularly in the water section. However, the data collected makes the researcher conclude that the municipality has a number of plans, therefore, it is important to make sure that the municipality does implement those plans, considering the needs of the residents. The municipality must be practical; they cannot create water savings campaigns meanwhile the community does not have running water from their taps.

5.2.7 The Municipality Receives Complaints from the Community About Water Services Supply

The respondents were asked as to whether they get complains from community members or not. All respondents indicated that they do receive complains from community members concerning the issue of inconstant water supply. One of the respondents indicated that:

"We told community members that we will liaise with the district so that it can assist. In addition, we normally respond to community members during community meetings by saying that we will dispatch technicians to address the problem."

From this information, it is clear that community members do complain about the matter, the

problem is that the municipality is always promising to act on the matter. However, the municipality is not fulfilling its promises. This is so because members have been complaining for some years, yet nothing has improved the situation is just getting worse every day.

5.2.8 The Community is Satisfied with the Water Services Supply

Respondents were asked as to whether the community is satisfied with the water services supply. All respondents agreed that indeed the community is not satisfied at all. It is on this basis that one of the respondents indicated that:

"Not at all, the municipality is aware of the problem and is willing to assist in change the situation into better."

Another respondent said that:

"Not necessarily, but partially satisfied. To a certain extent much still needs to be done, though."

It can therefore be concluded that indeed the municipality is fully aware of the fact that community members are not satisfied at all. Therefore, it is the responsibility of the municipality to find possible and practical solutions to minimize or improve the water supply challenge. This is backed up by the fact that the problem has been recurring for a number of years.

5.2.9 The Municipality has Maintenance Schedules on Water Services Delivery and Related Functions

The respondents were asked if whether the municipality is having maintenance schedule on water service delivery. And if yes, how does it work. Majority (53,3%) of the respondents indicated that the municipality does not have any maintenance schedule in place. While minority (46,7%) of the respondents said that the municipality is having maintenance schedules. Maintenance activities are only performed after and only when pump machines are broken down. One of the respondents said that:

"The District Municipality is the one which has maintenance schedules."

In conclusion, it is clear that Molemole Local Municipality does not have any maintenance schedules, the powers of maintenance schedules are under Capricorn District Municipality as the water services

authority. Therefore, such maintenance services are not effective to that extent, because the community still suffers for a period of a week, when the pump machines are dysfunctional. The above challenges, in the opinion of the respondents, face the municipality and community members as a whole. These challenges could negatively affect the economic and social activities in Dendron. For example, investors cannot afford to invest in a place which does not have constant water supply.

6. Conclusion and Recommendations

This paper undertook to investigate and understand the causes and impact of inconstant water supply and its impact on the community within Molemole Local Municipality of the Capricorn District Municipality. In essence, it is found that respondents indicate in general that the municipality is having a recurring challenge which has been happening for the past 5 to 10 years. Furthermore, municipal officials particularly in the water section are not competent and skilled enough to address the challenge. In this regard, failure to address these challenges would negatively continue affecting both economic and social activities in the community. This paper undertook to investigate the causes of inconstant water supply and its impact on the community at Molemole Local Municipality, found within Capricorn District Municipality. The regulatory framework underpinning water services supply in South Africa was discussed and it was important to realise that the regulatory framework should always be the first focus on understanding the significance of providing basic services such as water to community members. It can be concluded that the methodological approaches of the research that were used highlighted that the respondents are not satisfied with the nature and state of water supply in Dendron.

References

- Abdullah, I. & Rakhmatullaev, S. 2015. Transformation of Water Management. Central Asia: From State-centric, hydraulic mission to socio-political control. *Journal of Environmental Earth Sciences*, 73(2):849-861.
- Baietti, A. & Raymond, P. 2005. *Financing water supply and sanitation investments: utilizing risk mitigation instruments to bridge the financing gap*. Water Supply and Sanitation Sector Board. Discussion Paper Series No.4. Washington D.C., USA: World Bank. Available at: http://wbln0018.worldbank.org/water/bnwp.nsf/files/WSS_Investments.pdf. Accessed on 30 May 2017.
- Brannen, J. 1992. *Mixing Research Methods: Qualitative and Quantitative Research*. Sydney: Avebury.
- Brynard, P.A. & Hanekom, S.X. 1997. *Introduction to research in Public Administration*. Pretoria: van Schaik Publishers.
- Cardone, R. & Fonseca, C. 2006. *Financing Facilities for Water Sector*. Netherlands: IRC International Water and Sanitation Centre.
- Claassen, M., Funke, N. & Nienaber S. 2013. *Scenarios for the South African Water Sector in 2025*. *Water South Africa*, 39(1):143-149.
- Department of Water Affairs (DWA). 2010. *National Non-Revenue Water Assessment*. Report prepared by Water Service Planning and Information. Pretoria.
- Department of Water Affairs and Forestry (DWA). 2004. *A history of first decade of water service delivery in South Africa 1994-2004*. Department of Water Affairs and Forestry, Pretoria.
- Development Bank of Southern Africa. 2006. *Knowledge to Address Africa's Development Challenges*. Edited Proceedings of the Inaugural Knowledge Management Africa Conference, Midrand, South Africa.
- Harvey, P.A. & Reed, R.A. 2004. Water supply and sanitation in South Africa. *Community Development Journal*, 42(3):365-378.
- Informal Settlement Atlas. 2004. *Informal Settlement Status*. North West, South Africa.
- Kido, M. 2008. *Environmental Law*. Cape Town: Juta.
- Kingsbury, D., Remenyi, J. & Hunt, J. 2004. *Key issues in development*. New York: Palgrave Macmillan.
- Moss, G. 2003. *Global development finance*. Washington, DC: World Bank.
- Mouton, J. 1996. *Understanding Social Research*. Pretoria: Van Schaik.
- Mufamadi, F.S. 2003. *The celebration of the third anniversary of the new local government system*. Pretoria. South Africa.
- Organization for Economic Co-operation and Development. 2007. *Infrastructure towards 2030*. Paris: OECD.
- Palumbo, J. & Shick, B. 2006: Factors Affecting a Municipality's Bond Rating. Canisius College. *Journal of Business and Economics Research*, 4(11):23-24.
- Ramphela, W. 2008. *Municipal Financial Viability*. UKZN Conference on Local Government Financing and Development in South Africa. Durban.
- Republic of South Africa. *Division of Revenue Act 1 of 2007*. South Africa. Government Printers.
- South African Local Economic Development Network. 2010. *Addressing Water Crisis in South Africa*. Midrand: South Africa.
- Statistics South Africa. 2003. *Census 2003*. Pretoria: Statistics South Africa.
- World Bank, 2009. *The South African Urban Agenda: Municipal Infrastructure Finance Synthesis Report*. Available at: http://www.btrust.org.za/library/assets/uploads/documents/1_Resource%20docs_World%20Bank%20MIF%20Synthesis%20Report_2009.pdf. Accessed on 27 June 2017.
- Young, M. 2015. *Fiscal Instruments and Water Scarcity: Research paper prepared for the Green Growth Knowledge Platform*. The University of Adelaide Australia.

The Impact of Electricity Supply in Malawi on Economic Development

SA Milanzi and D Daw
North West University, South Africa

Abstract: The need for electrical infrastructure development in Malawi has to be revisited as the population growth and demand for electricity is increasing. In achieving the outcome of this study time series data from the year 1991-2014 has been used. In application of ARDL approach the results shows that load shading occurs periodically as results of high demand in electricity and low supply. It has been seen that the country has only few power generators which produce electricity in small quantity which does not meet the required demand. It has been seen that there might have been a long-run relationship between power utilization and GDP per capita in the country. The economy is mostly dependent on energy for manufacturing sector and other sectors to function productively and contribute to the economic growth.

Keywords: Economy, Electricity, Growth, Infrastructure, Manufacturing

1. Introduction

Electricity supply commission of Malawi (ESCOM) remains the monopoly in generating, transmitting and distributing electricity in Malawi. That is 95% of the electricity generated by the company is noted to be hydropower. It has been noted that the company is approximately serving 200,000 customers which have been categorized as domestic, general, commercial and industrial. This symbolizes 8% of total population in Malawi. That is 92% of the population does not have access to electricity ESCOM (2015). The country experience high load shading during peak periods due to number of factors which exist in different power generating stations. Sustainable growth is regarded as a key to poverty reduction, improvement in people's living standards and increased employment levels. Due to other circumstances the countries experience various problems such as inadequate energy generation and supply, increased unemployment, and environment degradation due to poor agriculture planning and poor infrastructure in the country. This creates more gaps in the export base and increases in imports thus threatening the balance of payments.

The country's climate change as well puts the country low growth margin as the country's country I the past decades has been agro-based. MGSD II plans support that by integrating the economy. An MGDS strategy is to continue implementing the interventions aimed at guaranteeing sustainable economic growth in the country. This improves growth in

sectors like agriculture, mining and tourism, thus creating conducive environment for private sector participation in the economy. The sustainable economic growth has been based in basic areas like agriculture; natural resources and environmental management; mining; private sector development, industry and trade; rural development; tourism, wildlife and culture; labour and employment; and land. It has been seen that all these sectors cannot function properly without enough energy generation for them to be productive. This sheds light in that a well-developed and efficient energy system is crucial for industrial growth, mining and tourism development. Thus government has to take its sole responsibly in considering energy sector during its budget allocation every fiscal year. According to MGDS II strategy, government will focus on increasing the generation, transmission and distributing of electricity and promote energy sources with the gist of improving service delivery in the economy. To advance mechanical improvement, Government will advance utilization of current innovation in assembling; encourage accreditation of value confirmation establishments; embrace modern changes; advance item and business sector expansion; and advance worth expansion in existing and potential items. Government will likewise execute various procedures to advance mining and tourism parts.

In Malawi the demand for electricity is always high in heavy industries, commercial loads like Illovo Sugar Company, tea and cotton companies and agricultural loads. Furthermore, a coal and uranium

Table 1: Electricity Generating Plants

Generating Plant	Units Generated	Quantity of Power Generated (MW)		Year Installed
Nkula A	3	8	24	1966
Nkula B	3	20	60	1980
	1	20	20	1986
	1	20	20	1992
Tedzani Falls I	2	10	20	1973
Tedzani Falls II	2	10	20	1977
Tedzani Falls III	2	26.35	52.7	1996
Wowwe Min Hydro	3	1.45	4.41	1995
Kapichira Falls phase I	2	32.4	64.8	2000
Mzuzu Diesel Unit	1	1.1	1.1	
Likoma Islands Diesel Units	3	0.25	0.75	
Chidzumulu Islands Diesel Units	2	0.15	0.3	
TOTAL	25	149.7	288.06	

Source: ESCOM (2015)

mine in the northern region and timber Ripley industrial loads consumes much of the energy produced. Table 1 shows Malawi's generating plants, quantity of power each station produces based on its units per plant and the year each plant was installed.

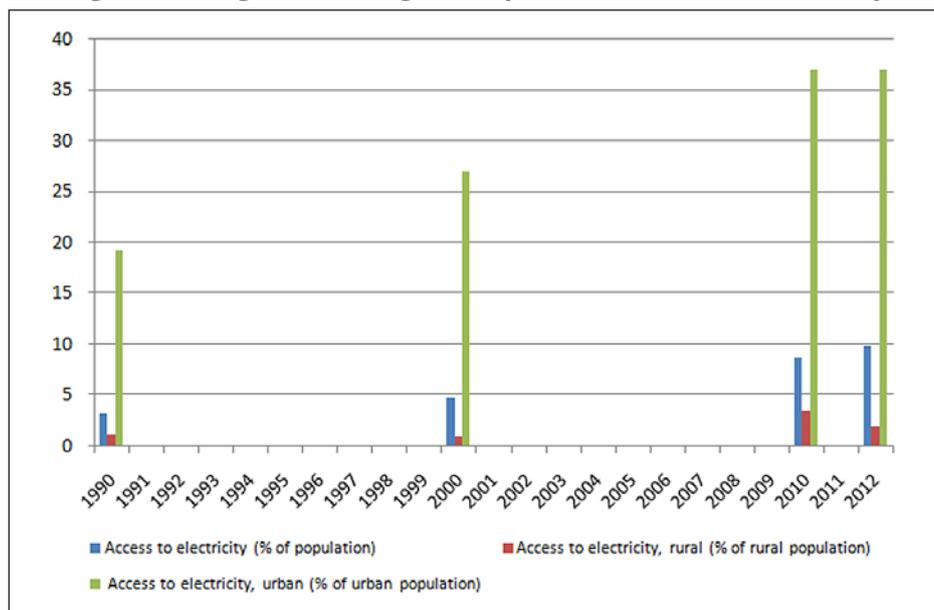
Table 1 also shows that Nkula and Tedzani remain the main power generating stations in Malawi. There are various stations which have been elected but these stations produce small quantities of electricity to meet the actual demand of customers in the country. The country had 15 million people by 2011. Thus the population counts rose to 16.36 Million by 2013. This population is expected to rise to 17.6 Million in 2015. Due to rise in population demand for better life also increases. Due to this the demand for electricity in the country rises every year. As of 2013 the demand for electricity was 360 MW and this amount was projected to 400 MW at the end of the year. This amount is quite small compared to the actual supply in the country. As seen in Table 1 above the overall generation stations can only produce and supply 288.06MW of power in the country. This creates more gaps for increased load shading in the country thus reducing productivity in manufacturing industries, firms and other sectors which are dependent on energy for it functioning.

Electricity generation in Malawi is constrained with various challenges. This hinders the company to manage supply enough energy to its customers. Mostly due to high resistance affect the system

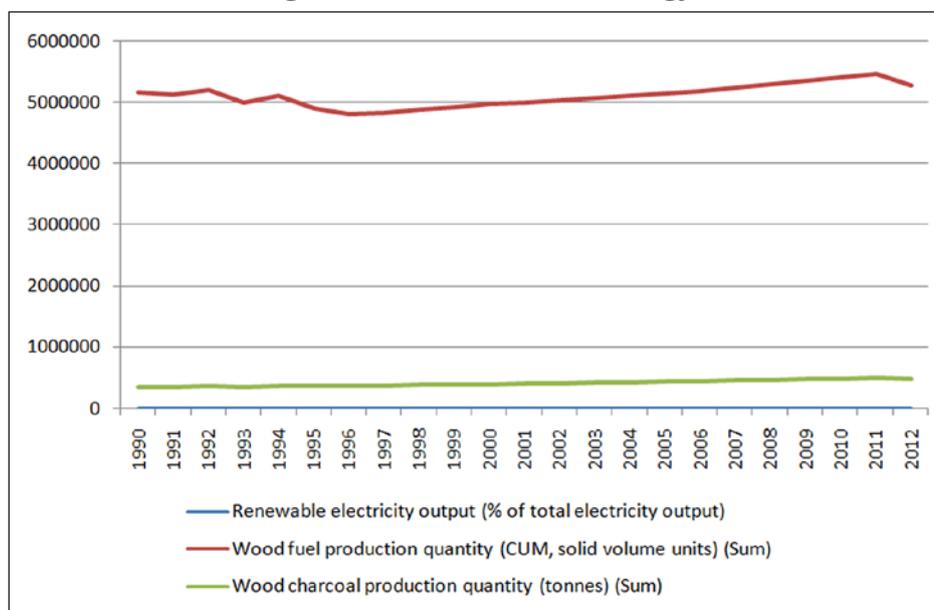
experience high transmission loss which is mostly caused by long transmission distances at low voltages. Mostly the cables carry 66kv and 33kv of energy. Due to increased load shading most investors run away from business environment that is tarnished with continuous power cut. Due to this economic growth retards. One of the most worrying issues is that most of the energy produced in the country is hydro-based and this puts pressure on in the long-run in the sense that the generation is dependent on the amount of rainfall. Thus if drought occurs shire river would stop flowing and this would result into power crisis in the country. As a purpose of compiling this study unbundling of the utility and issuing of licenses to independent power producers would be the best solution to the problem. This would increase competition hence low prices charges. Figure 1 on the following page shows that urban people use much of electricity compared to rural areas people.

Most of the people in the country use mixed source of energy. Thus most of the people use charcoal and firewood for cooking and uses electricity only for lights and some household machines. Figure 2 on the next page shows the aggregate mixed source of energy most of the people use as an alternative to electricity.

In the report which was presented at JICA international centre in Tokyo Japan from 2-22 June 2013 under the status of energy in Malawi in the republic of Malawi shows that 9.8% of the population had

Figure 1: Weighted Average of Population Access to Electricity

Source: Quantec 2015

Figure 2: Mixed Source of Energy

Source: Quantec 2015

access to electricity overall country. Thus only <1% represents rural area access to electricity.

Mostly people switch to mixed type of energy due to lack of competition in the generation sector hence high bills of electricity. Thus 87% of energy is from biomass and this usually results into grim deforestation and environmental degradation in the country. In the year 2015, ESCOM reported to be producing 351 MW of energy and this will be boosted by an independent power producer

company known as Atlas Energies which is going to install solar panels of about 160 thousand on an area of approximately 60 hectares. This is going to add 40 MW to the super grid (ZBS News, 2015).

2. Literature Review

There are various literatures which put much emphasis on the impact of electrical infrastructure towards economic growth. Wolf-Rufael (2005) investigates the long-run relationship between energy

use per capita and per capita real gross domestic product (GDP) for 19 African countries. Time series data from the period 1971-2001 was used and cointegration test was applied. The results approved the existence of long-run relationship only eight countries and causality only in 10 countries. Yoo (2006) investigated the causal relationship between electricity consumption and economic growth among the Association of South East Asian Nations (ASEAN) members. Time series data from the year 1971-2002 was used. Engel-granger cointegration approach was used. The finding of the study shows that an increase in electricity consumption directly affects economic growth and that economic growth also stimulates further electricity consumption. However, uni-directional causality runs from economic growth to electricity consumption

Wolde-Rufael (2006) examined the long-run and causal relationship between electricity consumption per capita and real gross domestic (GDP) per capita for 17 African countries. Time series data from the year 1971-2001 was used. A cointegration test result shows that there might have been a long-run relationship between power utilization and GDP per capita. Furthermore, Granger causality was noticed for only 12 countries.

Wolf-Rufael (2009) re-examined the causal relationship between energy consumption and economic growth for seventeen African countries in a multivariate framework. Time series data from the year 1971-2004 and VAR model was used. The results shows that energy is no more than a contributing factor to output growth and not an important one when compared to capital and labor. Labor and capital are the most important factors in output growth in fifteen out of the seventeen countries. Menyah (2010) explored the long-run relationship between economic growth, pollutant emissions and energy consumption for South Africa. The study applied cointegration approach and used time series data from the year 1965-2006, labour and capital has been included as an additional variables. The study findings show that South Africa has to sacrifice economic growth or reduce its energy consumption per unit of output or both in order to reduce pollutant emissions.

Odhiambo (2010) examined the causal relationship between energy consumption and economic growth in three sub-Saharan African countries, South Africa, Kenya and DRC. ARDL-bounds testing procedure was used on time series data from

the year which covers the period 1972-2006. The results show that South Africa and Kenya there is a unidirectional causal flow from energy consumption to economic growth. The implementation of energy conservation policies may not significantly affect economic growth because the country's economy is not entirely energy dependent. However, for South Africa and Kenya there is a need for more energy supply augmentations in order to cope with the long-run energy demand. Yoo and Lee (2010) articulate that electricity is the foundation of economic growth and constitute one of the important infra-structural inputs in socio-economic development. The study shows that demand for electricity is dependent on population growth, extensive urbanization, industrialization and strive for better living standard. The study used time series data from the year 1975-2004 and cointegration approach was used in the study.

Yuan *et al.* (2007) emphasize that real GDP and electricity consumption for china are cointegrated and there is only unidirectional granger causality running from electricity consumption to real GDP and not vice-versa. The study was achieved by examining the results by applying cointegration approach using data from 1978-2004. Chen *et al.* (2007) conducted a study on estimating the relationship between GDP and electricity consumption in 10 newly industrializing and developing Asian countries using panel data from the year 1971-2001. Thus ECM and panel cointegration were used in the study. The results shows that electricity conservation policies through both rationalizing the electricity supply efficiency improvement to avoid the wastage of electricity and managing demand side to reduce the electricity consumption without affecting the end-user benefits could be initiated without adverse effect on economic growth. The findings on the long-run relationship indicate that a sufficiently large supply of electricity can ensure that a higher level of economic growth in the economy at large.

Khalid *et al.* (2012) re-investigated the multivariate electricity consumption function for Pakistan between 1975 and 2010. Thus the main focus was based on economic growth, foreign direct investment and population growth. Cointegration approach was used in the study and the results shows that determinants of electricity consumption function are cointegrated and influx of foreign direct investment, income and population growth is positively related to electricity

consumption in the country. Faisal and Eatraz (2010) recommend that growth in output in commercial, manufacturing and agricultural sector tends to increase electricity consumption while residential sector, growth in private expenditure is the cause of rising in electricity consumption. The study concludes that electricity production and management needs to be better integrated with overall economic planning exercises. This is essential to avoid electricity shortfalls and unplanned load shedding. The findings were achieved by applying annual time series data from period 1960-2008 and cointegration approach was used.

3. Research Methods

This study has been compiled with the aim of evaluating the impact of electrical infrastructure development in Malawi in economic growth. Annual time series data from the year 1991-2014 has been used. ARDL model has been used in this study in order to check the long-run relationship of the

variables. Technology used in this study has been derived by using Cobb-Douglas production function on GDP, capital accumulation and labour. In this study the model used has been specified as follows:

$$GDP = \beta + POP + KGDP + EMPLOY + TECH + \mu$$

Thus:

GDP: Real GDP at constant 2005 national prices (in mil. 2005US\$)

POP: Population (in millions)

KGDP: Gross domestic product per capita, constant prices: National currency

EMPLY: Number of persons engaged in employment (in millions)

TECH: technology computed from capital accumulation and labour in the economy.

Table 2: Augmented Dickey Fuller Test

Variable	T-Statistics	P-Value	Order of Integration	Conclusion
GDP	-5.915137	0.0001	I(1)	Stationary
POP	-3.951618	0.0070	I(1)	Stationary
KGDP	-6.840848	0.0000	I(0)	Stationary
EMPLY	-2.577094	0.0126	I(1)	Stationary
TECH	-6.523642	0.0000	I(1)	Stationary

Source: Author

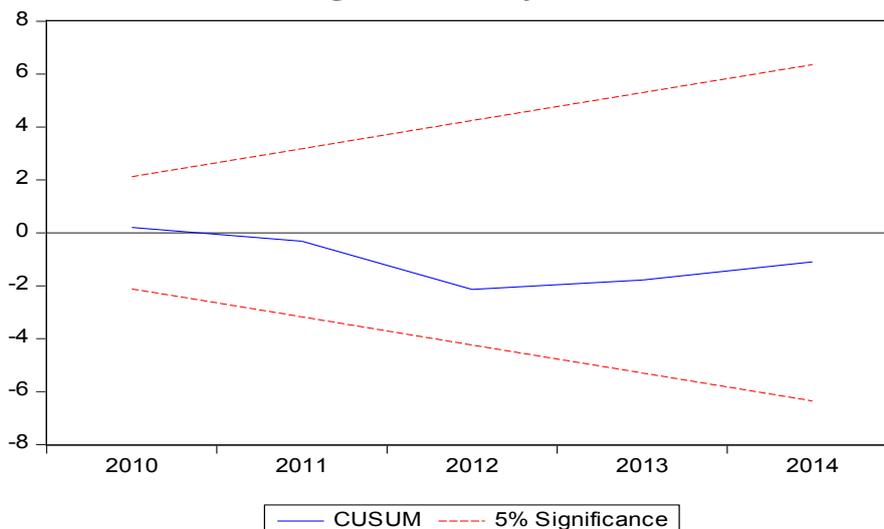
Table 3: ARDL Results

Variables	Coefficient	P-Value
D(LNGDP(-1))	0.096999	0.8916
D(LNGDP(-2))	-1.604002	0.2139
D(LNEMPLY(-1))	-2.299773	0.2436
D(LNEMPLY(-2))	-0.312725	0.9071
D(KGDP(-1))	-0.027809	0.0611
D(KGDP(-2))	-0.007922	0.0852
D(POP(-1))	0.357606	0.3663
D(POP(-2))	-0.468136	0.3208
D(LNTECH(-1))	-1.252671	0.2968
D(LNTECH(-2))	0.946627	0.5216
LNGDP(-1)	-0.440157	0.2828
LNEMPLY(-1)	0.056292	0.9835
KGDP(-1)	0.044744	0.0486
POP(-1)	0.248339	0.2504
LNTECH(-1)	-0.385619	0.7456

1. Model criteria / Goodness of fit: R-square = 0.914, Adjusted R-square = 0.654,
 2. DIAGNOSTIC CHECKING: LM= 9.069429(0.0535), WALD TEST=F-statistics = 3.742888,
 P-value = 0.0869, Chi-square=18.71. (LM= serial correlation LM test, T-statistics and P-value)

Source: Authors

Figure 3: Stability Test



Source: Authors

4. Findings and Discussion

The finding in this study has been analyzed by using autoregressive distributed lag approach. The approach only allows variables integrated at I (0) and I (1). Therefore Augmented Dickey-Fuller test has used to find that significance. Table 2 on the previous page shows the results.

The results in these tables show that the variables used in this study follows integration of order I (0) I (1). Therefore the variables follow ARDL requirements.

The results in Table 2 on the previous page shows that GDP (gross domestic product), EMPLOY (Employment), KGDP (gross domestic product per capita), POP (population growth) and TECH (technology growth) has long run relationship. Thus only technology shows to have negative relations towards the dependent variable GDP. This shows that the model and the variables have long-run association. The model's diagnostic tests are shown to be significant thus both presence of serial correlation and Wald test.

The line along the trend in Figure 3 lies between 5% significance level thus giving surety the existence of stability in the model. The diagnostic test provided in this shows the robustness of the model given in this study. Thus, the absence of serial correlation, stability and strong relationship of the variables in the study. The long-run relationship of the variables shows that a percentage change in

technology change in the country will increase by GDP by 1.0.7% and providing speed of adjustments of 0.044% in all sectors. The study found similar results found by Wolde-Rufael (2006) which shows that there might have been a long-run relationship between power utilization and GDP per capita.

5. Conclusion and Recommendations

The study has been compiled with the aim of assessing the impact of electrical infrastructure development in Malawi in economic growth. The result shows that load shading occurs periodically as a result of high demand in electricity and low supply from the period 1991-2014. This has been noted that the power stations generate inefficient electricity to meet its required demand. It has been seen that the country has only few power generators which produce electricity for small quantity which doesn't meet the required demand. Thus rapid population growth contributes to the problem. The economy is mostly dependent on energy for manufacturing sector and other sectors to function productively and contribute to the economic growth. Thus the government has to issue more certificates to IPP in order to increase the completion level and supply of more energy in the country. This will benefit customers by buying electricity at lower price and hence enhancing economic growth. Lastly, electricity conservation policies through both rationalizing the electricity supply efficiency to avoid the wastage of electricity, and managing the demand to reduce the electricity consumption without affecting the end-user benefits could

be initiated without adverse affect on economic growth. The findings on the long-run relationship indicate that a sufficiently large supply of electricity can ensure that a higher level of economic growth in the economy at large.

References

- Chen, C., Chen, S. & Kuo, H. 2007. The relationship between GDP and electricity consumption in 10 Asian countries. *Journal of Energy Policy*, (35):2611-2621.
- Faisal, J. & Eatzaz, A. 2010. The relationship between electricity consumption, electricity prices and GDP in Pakistan. *Journal of Energy Policy*, (38):6016-6025.
- Khalid, Z., Muhammad, K., Mehboob, A. & Rabiah, R. 2012. Determinants of electricity consumption function in Pakistan: Old wine in a new bottle. *Journal of Energy Policy*, (50):623-634.
- Menyah, K. 2010. Energy consumption, pollutant emissions and economic growth in South Africa. *Journal of Energy Economics*, (32):1374-1382.
- Odhiambo, N. 2010. Energy consumption, prices and economic growth in three SSA countries: A comparative study. *Journal of Energy Policy*, (38):2463-2469.
- Wolde-Rufael, Y. 2005. Energy demand and economic growth: The African experience. *Journal of Policy Modeling* (27):891-903.
- Wolde-Rufael, Y. 2006. Electricity consumption and economic growth: a time series experience for 17 African countries. *Journal of Energy Policy*, (34):106-1114.
- Wolde-Rufael, Y. 2009. Energy consumption and economic growth: The experience of African countries revisited. *Journal of Energy Economics*, (31):217-224.
- Yoo, S. 2006. The causal relationship between electricity consumption and economic growth in the ASEAN countries. *Journal of Energy Policy*, (34):3573-3582.
- Yoo, S. & Lee, J. 2010. Electricity consumption and economic growth: Across-country analysis. *Journal of Energy Policy*, (38):622-625.
- Yuan, J., Zhao, C., Yu, S. & Hu, Z. 2007. Electricity consumption and economic growth in China: Cointegration and co-feature analysis. *Journal of Energy Economics*, (29):1179-1191.

Manufacturing Sector and Economic Growth in South Africa: A Time Series Test of Kaldor's First Growth Law

IP Mongale and M Tafadzwa
University of Limpopo, South Africa

Abstract: Recently, South Africa has experienced a slow economic growth coupled with population growth outpacing economic growth. To curb the socio-economic problems brought by this situation, more, better and sustainable jobs need to be generated. According to 'engine of growth' hypothesis, the manufacturing sector is touted as an important sector in this regard but it was found out that matched with other economic sectors this sector is not performing well in South Africa. Given the limited amount of literature available on this issue, it is the intention of this study to contribute to this research gap by investigating the relationship between the manufacturing sector and economic growth in order to test Kaldor's first growth law in South Africa. As contribution to literature, this paper employed the Vector Error Correction to estimate the annual time series data from 1980 to 2016 obtained from World Bank. The empirical investigation revealed that manufacturing sector proxied by the manufacturing output has a positive and significant coefficient which confirms that the sector contributes positively towards economic growth. The study recommends that the South African policy makers should consider advocating for strengthening and promoting this sector. Policies should be geared towards creating the environment which is more conducive for business expansion and investing in capital formation which will allow more job creation.

Keywords: Economic growth, Manufacturing sector, South Africa, Vector error correction model

1. Introduction

Industrialisation has attracted considerable interest in development economies in recent times. It is generally expected that it can play a role of a catalyst of diversification and transformation of the economy which leads a country to path of been self-sufficient. The proponents of the industrialised growth are of the opinion that it enables a country to exploit its factor endowment. The argument is that the route of industrialisation provides any country with a good advantage by adding value in terms of converting its raw materials into finished products; an endeavour perceived as noble for economic growth, sustainability and development of any economy. Most of the empirical studies are of the view that the manufacturing sector has a full potential of causing a turnaround towards the development of the economy therefore it plays in the health of an economy (Kniivilä 2007; Liveris 2012). This was mostly proven by some of the Asian Tigers who relied on manufacturing-led growth. In the case of South Africa all these advantages are further embellished by its proximity to the rest of Africa since this gives it a potential major boon for the manufacturing sector. At this point in time the continent is the fastest growing region in the world, therefore, South Africa stands

a chance to grasp the opportunity to supply the continent (Ngulube, 2014).

This echoed by Lee & Mckibbin (2013) who maintains that in particular, during the adjustment the economy to higher services productivity growth, there is a significant expansion of the durable manufacturing sector that is required to provide the capita stock that accompanies the higher aggregate economic growth rate. This is particularly important for the aggregate adjustment in capital goods exporting economies such as South Africa. Zalk (2014) is of the opinion that as South Africa ponders its chronic unemployment problem, it is useful to set out a framework for thinking through the contribution of the manufacturing sector to growth and the generation of employment. In the same vein (Bhat 2014) argues that manufacturing is an export driver and it creates employment and business opportunities. Its continued growth is an absolute necessary for forward movement in economic development it has it been illustrated in several countries Japan, South Korea and China. Their growth was based on development of infrastructural facilities, encouragement to enterprises and creation new entrepreneurship, availability finance, and also on research and development particularly innovation in manufacturing.

The South African manufacturing sector is "at a crossroads" and there is a need for the country to reassess its strategy in relation to this sector. It has been noted that the sector has been in a state of decline, facing challenges around productivity, costs, labour issues, skills shortages, efficiency and new technology. The manufacturing purchasing managers' index has averaged 49.7 in the first 10 months of 2015, indicative of a struggling economy as any reading below 50 reflects contraction (Makhene, n.d.). Similarly, Trading Economics (n.d.) points out that manufacturing production fell 1.3% year-on-year in March of 2018, following a downwardly revised 0.5% gain in the previous month and well below market expectations of a 1% rise. This was the first descent since September of 2017, as output decreased in the mining sector.

As Szirmai (2012) pointed out, manufacturing has been important for growth in developing countries, but not all expectations of the 'engine of growth hypothesis' are borne out by the data. Given this perception, it is the intention of this study to contribute to this research gap by employing time series data to investigate the relationship between the manufacturing sector and economic growth in order to test Kaldor's first growth law in South Africa. This study also envisioned to contribute to the debate and policy imperatives around this issue. The major objective is therefore to examine the role of manufacturing sector on economic growth in South Africa and the rest of the paper is organised as follows: Section 2 focuses on the literature review which covers both the theoretical and perspective of human capital investment and growth. Section 3 presents the empirical framework, that is data and the model used for analysis, section 4 reports and discusses the empirical results obtained from section 3 and section 5 is the conclusion.

2. Literature Review

The emergence of manufacturing in developing countries was mainly driven by theoretical and empirical evidence for the proposition that industrialisation acts as an engine of growth. This proposition is based on Kaldor's (1966) first growth law which states that manufacturing is the engine of GDP growth. The law states that the growth of the GDP is positively related to the growth of the manufacturing sector. This is perhaps better stated in terms of GDP growth being faster the greater the excess of growth of industrial growth relative to GDP

growth: that is when the share of industry in GDP is rising. Based on this law Cantore *et al.* (2017) argue that Kaldor's 'engine of growth' hypothesis advances the strengthening of the manufacturing sector, even if the sector offers no comparative advantage in the initial stage of development. The hypothesis was based on Kaldor's study on the impact of the manufacturing industry on the growth in the analysis he conducted on 12 countries between 1952-1954 and 1963-1964 which determined that the impact of the growth rate of manufacturing industry on the GDP is at a level of 61%.

That been the case, literature reveals that there is a mixture of performance and contributions of the manufacturing in different countries. Szirmai and Verspagen (2015) found that it has rather a moderate positive impact on growth but found a thought-provoking interaction effects with education and income gaps. Furthermore, in a comparison of the sub periods, it gave them the impression that since 1990, manufacturing is becoming a more difficult route to growth than before. In a more positive conclusion, the Department of Trade and Industry (DTI) and Board of Investments (BOI) of Philippines (DTI and BOI 2018), argues that the sector encompasses more than half of the Philippines's industrial sector and accounts for almost a quarter of its Gross Domestic Product (GDP). From an annual growth rate of 5.4% in 2012, the sector grew by 10.5% in 2013 and 8.1% in 2014 and its growth was felt throughout other sectors of the economy. The manufacturing industries have higher employment, income and output multipliers relative to the agriculture and services sectors. It also promotes stronger inter-industry and inter-sectoral linkages, firm productivity, technological development and innovation.

On the contrary, Rahardja *et al.* (2012) indicate that Indonesia's manufacturing sector which was a star performer, since the Asian crisis of 1997-98 has been under-performing both regional peers and other sectors of the economy. But, after a period of financial, economic and political crisis in the late 1990s, manufacturing activities fell into a 'growth recession' and contributed considerably less towards GDP growth. This decline is in sharp contrast to other manufacturing sectors in the region. Together with Malaysia and Thailand, Indonesia was considered one of the "new Asian Tigers" in the 1990s. These are the countries that had experienced rapid economic growth driven by the fast pace of industrialisation. It is generally

agreed that there is need to revitalise Indonesian manufacturing, but debate centres on just how this is best achieved.

Rahardja *et al.* (2012) analysed the contribution of different economic sectors, namely, agriculture, manufacturing and services sectors to economic growth in China and India. Each sector was found to have a strong, positive and significant linear relationship with economic growth in both countries. However, the contribution of economic sectors to economic growth differs in China and India. Manufacturing sector contributes the highest to China's economic growth while services sector is the highest contributor to India's economic growth. A similar study by Hussin and Ching (2013) revealed that correlation analysis indicated that agriculture sector, manufacturing sector and service sector had positive relationship with GDP per capita in Malaysia and China. Their results also demonstrated that services sector generated the highest contribution to Malaysia's economic growth while manufacturing sector provided the biggest contribution to China's economic growth.

Another evidence of the influence of the manufacturing sector is the performance of the Indonesian economy has recorded relatively strong average growth over a number of decades. According to Elias and Noone (2011), a considerable structural change has taken place over this time, with Indonesia becoming increasingly industrialised and integrated into the global economy. With plans for substantial infrastructure spending over the next several years and favourable demographics, the Indonesian economy is widely expected to continue to grow at a strong pace over the next decade. This was achieved through a gradual process of industrialisation. Elias and Noone (2011) point out that urbanisation began in the late 1960s, and accelerated in the 1980s as falling oil prices saw the Indonesian government focus on diversifying away from oil exports and towards manufactured exports.

Likewise, Olagbaju *et al.* (2016) show that Nigeria has realised that economic development requires growth with structural change. They argue that productivity potentials are found within the manufacturing segment of the industrial sector, which could translate into the much needed growth and employment opportunities. The transfer of resources from agriculture to manufacturing provides a structural change bonus. Furthermore, Szirmai (2008) found that between 1950 and 2005 the sectoral productivity

levels in 19 Latin American and Asian economies, value added in manufacturing was consistently much higher than in agriculture. A puzzling finding was that in post-war Latin America, value added per worker in services was higher than in manufacturing. This suggests that the structural change bonus for services might have been even higher than that manufacturing exceeded those in services. The implication is that the structural change bonus argument focuses on the dynamics of sectors hence manufacturing is assumed to be more dynamic than other sectors.

3. Research Methods

In order to investigate the relationship between the manufacturing sector and economic growth in South Africa the study employed Vector error correction model (VECM) technique to analyse an annual time series data traversing over a period from 1980-2016. The model of the study is based on Kaldor's first law of growth referred to as the 'engine of growth hypothesis' expressed the hypothesis as follows:

$$q = \alpha_1 + \alpha_2 m \quad (1)$$

where q = GDP and m manufacturing output. To be in line with the hypothesis the coefficient (α_2) is expected to be positive and less than a unity suggesting that the overall growth rate of the economy is associated with the excess of the growth rate of manufacturing output over the growth rate of non-manufacturing output (Olamade & Oni 2016).

In order to avoid the problem of spurious feedback relations arising, for example, from omitted variables omitted variables bias (Kirchgässner and Wolters 2007), three more variables, namely, foreign direct investment, exports and exchange rate are added into the system. Data on all variables is obtained from the World Bank and the expanded linear form of Equation 1 is presented as follows:

$$GDP_t = \alpha_0 + \alpha_1 EXCH_t + \alpha_2 EXP_t + \alpha_3 FDI_t + \alpha_4 MNFC_t + \varepsilon_t \quad (2)$$

where, GDP denotes Gross Domestic Product which is used as a proxy for economic growth. It was noted from literature review that some of the studies showed that there was a challenge in empirical analyses of the manufacturing-growth link as how to measure the link econometrically, henceforth some remained theoretical. In order to curb this problem this study used manufacturing output (value added); therefore, MNCF denotes manufacturing output; EXP

symbolises exports, FDI represents foreign direct investment and EXCH is representing exchange rate.

Prior to employing the VECM analysis, the variables are taken through stationarity testing to determine the order of integration of the variables and the estimations are done by means of EViews 9.

3.1 Unit Root Testing

Many economic and financial time series data such as the one used in this study, exhibit trending behaviour in the mean which is said to be nonstationary in econometrics because it has a random walk or has a unit root problem. This type of data should therefore be transformed to stationary form prior to analysis in order to avoid the spurious results. The study utilized the Augmented Dickey Fuller (ADF) and Phillip Peron (PP) tests to perform the unit root test procedures in order to examine the order of integration of variables. The purpose is to determine their order of integration which is crucial for setting up an econometric model and to do inference. The unit root test was performed using three types of regression analysis but the best results were obtained "Constant, Linear trend" as illustrated in Tables 1 and 2.

3.2 Cointegration Analysis

To empirically analyse the long run relationships and dynamic interactions among the variables of interest, the model has been estimated by the

Johansen cointegration analysis. It is preferred because it performs better in multivariate model. The existence of cointegration implies that there is some mechanism that drives the variables to their long run equilibrium relationship. This mechanism is modelled by an error-correction mechanism, in which the equilibrium error also drives the short-run dynamics of the variables (Radnia, 2014). The procedure uses two tests, the Maximum Eigen value test and the Trace test to determine the number of cointegration vectors in the system. The two tests may yield different results as indicated in Table 4 on page 398, and Alexander (2001) indicates that in this case the results of trace test should be preferred. The presence of cointegration means that we can run the VECM in order to model both the long run relationship and the short-run dynamics.

3.3 Vector Error Correction Model (VECM)

The choice if this approach is influenced by (Shijaku and Kalluci, 2013) who maintain that it has the advantages that it combines long run and short run information in the data by exploiting the cointegration property of the model. In this system, the cointegrating vector is interpreted as a long run equilibrium relationship whilst the estimates of the short run dynamics symbolise the process of adjustment towards equilibrium. The two elements of the model are calculated simultaneously and the model is run through a system of equations, eliminating problems with endogeneity, omitted

Table 1: ADF Unit Root Test Results

Variables	CONSTANT, LINEAR TREND						Results
		t-statistic	Critical values			Probability	
			1%	5%	10%		
GDP	At level	-1.219254	-3.632900	-2.948404	-2.612874	0.6550	I (0)
	1 st difference	-3.469012	-3.632900	-2.948404	-2.612874	0.0150	I (1)
MNCF	At level	-1.399774	-3.626784	-2.945842	-2.611531	0.5716	I (0)
	1 st difference	-4.579725	-3.632900	-2.948404	-2.612874	0.0008	I (1)
EXP	At level	-1.819521	-3.632900	-2.948404	-2.612874	0.3652	I (0)
	1 st difference	-5.030611	-3.639407	-2.951125	-2.614300	0.0002	I (1)
FDI	At level	-3.214668	-3.626784	-2.945842	-2.611531	0.0273	I (0)
	1 st difference	-6.925890	-3.646342	-2.954021	-2.615817	0.0000	I (1)
EXCH	At level	0.970990	-3.626784	-2.945842	-2.611531	0.9954	I (1)
	1 st difference	-3.868263	-3.632900	-2.948404	-2.612874	0.0055	I (1)

* denotes the rejection of the null hypothesis at 10% level of significance, ** denotes the rejection of the null hypothesis at 5% level of significance, *** denotes the rejection of the null hypothesis at 1% level of significance

Source: Authors' own calculations with Eviews 8.1

Table 2: Phillip-Peron Unit Root Test Results

Variables	CONSTANT, LINEAR TREND					Results	
		t-statistic	Critical values				Probability
			1%	5%	10%		
GDP	At level	-0.840068	-3.626784	-2.945842	-2.611531	0.7953	I (0)
	1 st difference	-3.387220	-3.632900	-2.948404	-2.612874	0.0183	I (1)
MNCF	At level	-1.480507	-3.626784	-2.945842	-2.611531	0.5319	I (1)
	1 st difference	-4.615099	-3.632900	-2.948404	-2.612874	0.0007	I (1)
EXP	At level	-1.363421	-3.626784	-2.945842	-2.611531	0.5891	I (0)
	1 st difference	-4.094875	-3.632900	-2.948404	-2.612874	0.0030	I (1)
FDI	At level	-3.120633	-3.626784	-2.945842	-2.611531	0.0339	I (0)
	1 st difference	-13.72839	-3.632900	-2.948404	-2.612874	0.0000	I (1)
EXCH	At level	0.649158	-3.626784	-2.945842	-2.611531	0.9892	I (1)
	1 st difference	-3.740592	-3.632900	-2.948404	-2.612874	0.0076	I (1)

* denotes the rejection of the null hypothesis at 10% level of significance, ** denotes the rejection of the null hypothesis at 5% level of significance, *** denotes the rejection of the null hypothesis at 1% level of significance

Source: Authors' own calculations with Eviews 8.1

Table 3: VAR Lag Order Selection Criteria

Lag	LogL	LR	FPE	AIC	SC	HQ
0	-3282.479	NA	6.64e+77	193.3811	193.6056	193.4577
1	-3113.230	278.7637	1.40e+74	184.8959	186.2427*	185.3552
2	-3074.725	52.09470*	6.99e+73*	184.1015	186.5706	184.9435*
3	-3047.767	28.54429	8.25e+73	183.9863*	187.5777	185.2111

* indicates lag order selected by the criterion, LR: sequential modified LR test statistic (each test at 5% level), AIC: Akaike information criterion, SC: Schwarz information criterion, HQ: Hannan-Quinn information criterion

Source: Authors

variables and serial correlation. They further claim that estimated coefficients obtained are unbiased and efficient under such specification. The VECM of the study is presented as follows:

$$\Delta GDP_t = \alpha_0 + \sum_{i=1}^m \alpha_1 \Delta GDP_{t-i} + \sum_{i=1}^m \alpha_2 \Delta EXCH_{t-i} + \sum_{i=1}^m \alpha_3 \Delta EXP_{t-i} + \sum_{i=1}^m \alpha_4 \Delta FDI_{t-i} + \sum_{i=1}^m \alpha_5 \Delta MNFC_{t-i} + \lambda EC_{t-1} + \varepsilon_t \quad (3)$$

where Δ is the first difference operator, EC_{t-1} is the error correction term lagged one period, λ is the short run coefficient of the error correction term.

4. Findings and Discussion

The results of all the econometric tests are presented in this section.

4.1 Unit Root Tests

After experimenting with all the formulae of the unit root testing, the best unit results were obtained

under intercept and the results are presented in Tables 1 and 2 respectively.

The unit results in Tables 1 and 2 designate that most of the variables are nonstationary at levels and they all become stationary at first difference under both the ADF and the PP tests. The two tests confirm stationarity of each variable at first differencing under intercept therefore all the variables are integrated at order one, that is they are all I (1).

4.2 Cointegration Analysis Results

Since all the variables are all I (1), the next step is conducted the Johansen cointegration test to determine the presence of the long run relationship among the series. In order to determine the proper lag length of the cointegration analysis, lag length selection criteria were employed and the results are presented in Table 3. The results indicate that the best criterion is AIC with lag 2.

Table 4: Johansen Cointegration Tests

Tests	Hypothesized no. of CE(s)	Eigen value	Trace statistic	0.05 Critical value	Probability value
Trace	None *	0.645328	88.75189	69.81889	0.0008
	At most 1	0.536992	53.50875	47.85613	0.0134
	At most 2	0.416749	27.32837	29.79707	0.0938
	At most 3	0.178162	8.997672	15.49471	0.3656
	At most 4	0.066137	2.326461	3.841466	0.1272
Maximum Eigen value	Hypothesized no. of CE(s)	Eigen value	Max-Eigen statistic	0.05 Critical value	Probability value
	None *	0.645328	35.24314	33.87687	0.0342
	At most 1	0.536992	26.18038	27.58434	0.0747
	At most 2	0.416749	18.33070	21.13162	0.1180
	At most 3	0.178162	6.671211	14.26460	0.5287
At most 4	0.066137	2.326461	3.841466	0.1272	

* denotes rejection of the hypothesis at the 0.05 level, **MacKinnon-Haug-Michelis (1999) p-values
Trace test indicates 2 cointegrating eqn(s) at the 0.05 level, Max-eigenvalue test indicates 1 cointegrating eqn(s) at the 0.05 level

Source: Authors

Table 5: Normalised Cointegrating Coefficient (Standard Error in Parentheses)

GDP	EXCH	EXP	FDI	MNCF
1.000000	-2.08E+10	27.00406	-10.60525	-4.355999
	(4.7E+09)	(12.4261)	(5.79281)	(1.20687)

Source: Authors

The Johansen cointegration analysis was based on lag 2 of the lag selection, since it was the lag order selected by most of the criteria and the results are presented in Table 4.

Based on the results in Table 4, trace tests indicate that there are (2) cointegrating equations at 5% level whilst the Max-Eigen tests depict the presence of a one (1) cointegrating equation at 5% level. This implies the rejection of the null hypothesis of no cointegration of the series which is illustrated by the values of the Trace statistic of 88.75189 and 53.50875 being greater than the critical values of 69.81889 and 47.85613 respectively. These results are further confirmed by the probability values of 0.0008 and 0.0134 which are also significant at 5%. Comparably, the same conclusion is drawn from the Maximum Eigen test results since the Max-Eigen value of 35.24314 is greater than the critical value of 33.87687 and its probability value of 0.0342 being significant at 5%, consequently backing up the evidence for the presence of cointegration amongst the variables.

In order to conclude the long run relationship, the normalised cointegrating coefficient from the Johansen cointegration analysis are presented in Table 5.

From Table 5, the estimated cointegrated vectors together with the associated coefficients represent the long run influence of manufacturing sector on the economic growth. The coefficients are therefore infused into Equation 2 in order to illustrate the impact of each and every variable on economic growth as illustrated in Equation 4:

$$GDP_t = -0.285844 + 2.08E EXCH_t - 27.00406 EXP_t + 10.60525 FDI_t + -4.355999 MNFC_t + \varepsilon_t \quad (4)$$

From Equation 4, EXP is negatively related to GDP whilst the all other variables, namely, EXCH, FDI and MNFC are positively related to GDP. Finally, the MNFC with a coefficient of about 4.355999 % implies that there will roughly be a 4% increase of GDP if the manufacturing sector changes by 1%. This illustrates a significant contribution made by this sector towards economic growth in South Africa.

Table 6: Vector Error Correction Model (VECM)

Variables	Coefficients	Standard Error	t-statistic
GDP	0.822184	(0.63666)	[1.29141]
EXCH	-2.08E+10	(4.7E+09)	[-4.44810]
EXP	27.00406	(12.4261)	[2.17317]
FDI (-1)	-10.60525	(5.79281)	[-1.83076]
MNFC	-4.355999	(1.20687)	[-3.60932]
ECT	-0.285844	(0.10797)	[-2.64750]
C	16.28039		
R-squared	0.743496	S.E. equation	1.56E+10
Adj.R-squared	0.615244	F-statistic	5.797140

Source: Authors

4.3 Short Run Analysis Results

Since cointegration was established amongst, the VECM was used to determine the short run relationship in the system and the results are presented in Table 6.

According to Adamopoulos (2010), the size of the error correction term (ECT) indicates the speed of adjustment of any disequilibrium towards a short run equilibrium state. In Table 6 the estimated coefficient of ECT of -0.285844 indicates the speed and it has a theoretically correct sign (negative sign) and it has a high absolute t-statistic of (0.10797). For equilibrium to be restored it is expected to be negative and it confirms that there is no problem in the long run equilibrium relationship between the dependent and the independent variables. The results from VECM indicate that the variables are able to adjust back to equilibrium after an external shock.

5. Conclusion

The purpose of study was to investigate the relationship between the manufacturing sector and economic growth in order to test Kaldor's first growth law in South Africa. In order to achieve this objective, the VECM was employed to estimate the annual time series data from 1980 to 2016 obtained from World Bank. The negative association between exports and GDP found in this study is line with both the Keynesian theoretical findings and Taspinar (2010) found the equivalent results in Poland. As far as FDI is concerned, the implication is that FDI towards manufacturing sector must be taken as the first priority to get the best out of the sector. This is based on the notion that by exporting

more, more opportunities are being opened and which is good for job creation. As far as exchange rate is concerned, its positive association with GDP is important since a better exchange rate, means earning more of foreign currency which will improve the country's trade balance.

The empirical investigation also revealed that manufacturing sector proxied by the manufacturing output has a positive and significant coefficient. The results are in line with Kaldor's first growth law which states that manufacturing is the engine of GDP growth. The law states that the growth of the GDP is positively related to the growth of the manufacturing sector, therefore, the 'engine of growth' hypothesis holds for South Africa. The similar association between these two variables was also found by Hussin and Ching (2013) in Malaysia. Based on these results, we recommend that the South African policy makers should consider advocating for strengthening and promoting this sector. As it was indicated by Zalk, (2014) this can be achieved through a structural shift towards higher growth. Therefore, a more value-adding and higher labour absorbing manufacturing sector is essential for South Africa to shift to a development path which generates more growth and higher levels of employment. Therefore, policies should be geared towards creating the environment which is more conducive for business expansion and investing in capital formation which will allow more job creation.

References

Adamopoulos, A. 2010. Financial Development and Economic Growth an Empirical Analysis for Greece. *International Journal of Economic Sciences and Applied Research*, 3(1):75-88.

- Alexander, C. 2001. *Market Models: A Guide to Financial Data Analysis*. Wiley. Available at: <https://www.wiley.com/en-za/market+Models:+A+Guide+to+Financial+Data+Analysis-p-9780471899754>. Accessed on 27 May 2018.
- Bhat, T.P. 2014. *India Structural Changes in the Manufacturing Sector and Growth Prospect*. New Delhi. Available at: <http://isid.org.in>. Accessed on 13 May 2018.
- Cantore, N., Clara, M., Lavopa, A. & Soare, C. 2017. Analysis of the Organic Food Trade Using a Gravity Model View Project Manufacturing as an Engine of Growth: Which is the Best Fuel? *Structural Change and Economic Dynamics*, 42:56-66. Available at: <https://www.researchgate.net/publication/316832438>. Accessed on 26 May 2018.
- DTI and BOI. 2018. Securing The Future of Philippine Industries. *Department of trade and industry and Board of Investments*. Available at: <http://industry.gov.ph/category/manufacturing/>. Accessed on 13 May 2018.
- Elias, S. & Noone, C. 2011. *The Growth and Development of the Indonesian Economy Economic Developments*. Available at: <http://www.rba.gov.au/publications/bulletin/2011/dec/pdf/bu-1211-4.pdf>. Accessed on 13 May 2018.
- Hussin, F. & Chee Wuan Ching. 2013. The Contribution of Economic Sectors to Economic Growth: The Cases of Malaysia and China. *International Journal of Academic Research in Economics and Management Sciences*, 2(2): 2226-3624. Available at: www.hrmars.com/journals. Accessed on 21 May 2018.
- Kaldor, N. 1966. *Causes of the Slow Rate of Economic Growth of the United Kingdom. An Inaugural Lecture*. London: Cambridge University Press.
- Kirchgässner, G. & Wolters, J. 2007. *Introduction to Modern Time Series Analysis*. Berlin: Springer-Verlag. Available at: http://rupertstudies.weebly.com/uploads/9/5/8/4/9584887/introduction_to_modern_time_series_analysis-kirchgassner_and_wolters_springer_2007.pdf. Accessed on 15 May 2018.
- Kniivilä, M. 2007. Industrial Development and Economic Growth: Implications for Poverty Reduction and Income Inequality. In *Industrial Development for the 21st Century: Sustainable Development Perspectives*, 295-332. Available at: http://www.un.org/esa/sustdev/publications/industrial_development/3_1.pdf. Accessed on 20 May 2018.
- Lee, J.-W. & Mckibbin, W.J. 2013. Service Sector Productivity and Economic Growth in Asia. In *Asia: Challenges of Stability and Growth*. 26 September 2013. Available at: <https://www.imf.org/external/np/seminars/eng/2012/korea/pdf/lee.pdf>. Accessed on 13 May 2018.
- Liveris, A. 2012. *Make It in America: The Case for Re-Inventing the Economy*. Wiley.
- Makhene, M. SA Manufacturing Sector "at a Crossroads". *Fin24*. Available at: <https://www.fin24.com/economy/sa-manufacturing-sector-at-a-crossroads-20151111>. Accessed on 13 May 2018.
- Ngulube, B. 2014. Frontier Advisory *what is the future of manufacturing in South Africa?* Johannesburg. Available at: https://www2.deloitte.com/content/dam/Deloitte/za/Documents/manufacturing/za_what_is_the_future_of_manufacturing_summary_20082014.pdf. Accessed on 11 May 2018.
- Olagbaju, I., Obembe, O.B. & Falade, O.E. 2016. Structural Change, Economic Growth and Industrial Policy in Nigeria. *Ife Social Science Review (Special Issue)*, 341-52.
- Olamade, O. & Oni, O. 2016. Manufacturing and Economic Growth in Africa: A Panel Test of Kaldor's First Growth Law. *Journal of Economics and Sustainable Development*, 7(22):26-40.
- Radnia, K. 2014. The Impacts of Oil Price and Selected Macroeconomic Variables on Consumer Price Index in IRAN (1971-2010). *European Journal of Business and Management*, 6(2):154-166. Available at: <https://iiste.org/Journals/index.php/EJBM/article/viewFile/10397/10595>.
- Rahardja, S. et al. 2012. *Picking up the Pace: Reviving Growth in Indonesia's Manufacturing Sector*. Jakarta 12910. Available at: <http://www.worldbank.org/content/dam/Worldbank/document/Indonesia-ExecSum-Manufacturing-ENG.pdf>. Accessed on 13 May 2018.
- Shijaku, G. & Kalluci, I. 2013. Determinants of Bank Credit To the Private Sector: The Case of Albania. *Working Paper Bank of Albania*, 9(48):1-36. Szirmai, A. 2008. *Explaining Success and Failure in Development*. Maastricht.
- Szirmai, A. 2012. Industrialisation as an Engine of Growth in Developing Countries, 1950-2005. *Structural Change and Economic Dynamics*, 23(4):406-20. Available at: <https://www.sciencedirect.com/science/article/pii/S0954349X1100018X>. Accessed on 20 May 2018.
- Szirmai, A. & Verspagen, B. 2015. Manufacturing and Economic Growth in Developing Countries, 1950-2005. *Structural Change and Economic Dynamics*, 34:46-59. Available at: <https://www.sciencedirect.com/science/article/pii/S0954349X15000351>. Accessed on 20 May 2018.
- Taspinar, A. 2010. Causal Relationship Between Export and Economic Growth: The Poland and Sweden Case. *Trading Economics*. South Africa Manufacturing Production. Available at: <https://tradingeconomics.com/south-africa/industrial-production>. Accessed on 11 May 2018.
- Zalk, N. 2014. What is the Role of Manufacturing in Boosting Economic Growth and Employment in South Africa. *Department of Trade and Industry There*, 1-7. Available at: <http://www.econ3x3.org/article/what-role-manufacturing-boosting-economic-growth-and-employment-south-africa>.

Senior Management's Perceptions with Regard to Strategy Implementation in the Limpopo Department of Health

WM Baloyi

Department of Cooperative Governance and Traditional Affairs, South Africa

LJE Beyers

University of Limpopo, South Africa

Abstract: Strategy implementation has always been a challenge in government departments. Therefore, this paper argues that strategy implementation should not be perceived as an obstacle in an organisation, but as a vehicle for realising organisational goals. Strategy implementation in public sector has received a limited research, whereas, organisational cultures, organisational structures, resource allocation and processes of linking the strategy formulation and implementation remains a key challenge. Therefore, a strategy implementation processes in the Limpopo Department of Health (LDoH) was investigated. The purpose of the paper was to probe the perceptions of senior managers on the implementation of the strategy in the Limpopo Department of Health. A qualitative research approach was used to collect data, the IBM SPSS statistics (Version 24) was used to interpret and analyse the data that was collected. Preliminary findings revealed that incompetence, devoting less time to the core business, and continual engagement in politics by senior managers, often lead to ineffective strategy implementation. This paper therefore recommends that the appointment of competent senior management who are capable of staying away from party politics during working hours should be considered, so as to improve strategy implementation processes in the public sector.

Keywords: Strategy implementation, Strategy practices, Strategy practitioners, Strategy praxis

1. Introduction

The success of public service organisations depends on effective implementation of strategies and optimisation of performance irrespective of influences from political, social and economic situations. Strategy implementation is the second phase of strategy implementation process which forms a pivotal part of strategic management in public service organisations. It refers to the process of executing plans and policies of the organisation to attain long-term objectives (Kordnaeij, 2016). Hence, strategy implementation in public sector is a subject that has not been broadly covered in literature (Andrews, Beynon & Genc, 2017; Burke, 2016). However, the linkage between senior management's perceptions and strategy implementation in public sector has not been explored from both theoretical and empirical viewpoints. Nevertheless, quiet number of studies was conducted locally on strategy implementation in public sector. For example, Burke (2016) investigated strategy implementation insights from the competition commission of South Africa. Ngcobu and Mdani (2015) probed evaluation of strategic management in assisting South African municipalities improve service delivery. Olivier (2015) explored

closing the strategy execution gap in the public sector: a conceptual model. Franks (2014) investigated the crisis of the South African public service.

A study by Andrews *et al.* (2017) advocates that there are several tactics to strategic management as a field of study, these include amongst others, process theories, resource-based view theory, game theory, Porter's strategic positioning, institutional theory, practice-based view theory and contingency theory. Although some of these tactics have been effectively utilised in government departments, such tactics have seldom been employed to respond to matters pertaining to the strategy implementation in public sector. Hence, the apportionment of internal resource is quiet a hurdle in public service institutions (Pablo, Reay, Dewald & Casebeer, 2007). For instance, Franks (2014) argues that the endeavours to propel policy implementation on reward systems for compensating outstanding performance has been obstructed by political interference in public service. As a results, employees lack enthusiasm to contribute effectively to the implementation process due to scarcity of performance incentives. Political interference plays an adverse role in public sector organisations at

large (Franks, 2014). It leads to reduced strategy implementation efforts and thus performance. As a result, in spite of the political environment and other external variables (such as economic, social, technological and ecological), public sector organisations should ensure that the needs of various stakeholders are contemplated including the society (Burke, 2016). However, this requires knowledgeable senior managers who are able to employ their skills and expertise competently. In order to ensure that strategy implementation manifest in public sector, it is substantial that senior management transfer their skills employees by means of coaching and mentoring (Njoroge, Machuki, Ongeti & Kinuu, 2015). This enables them to successfully implement strategies to enhance service delivery and maintain sustainability of strategies within the public sector including the Limpopo Department of Health.

Consequently, the vision and mission statements are the cornerstone for formulating and implementing organisational strategies in public sector. Thus, these should be aligned with the strategies and long-term objectives of the organisation. Hence the primary objective of the public sector is to provide efficient and effective service delivery rather than making a profit. The purpose of this paper was to probe the perceptions of senior managers on the implementation of the strategy in the Limpopo Department of Health (LDoH). The Limpopo Department of Health is one of the twelve government departments in Limpopo Province. It operates within five districts namely, Mopani, Vhembe, Capricorn, Waterberg and Sekhukhune. The primary goal of the LDoH is to provide a free health care service to the citizens of Limpopo Province as stipulated in Section 27 of the Constitution of the Republic of South Africa. Hence Section 27 of Constitution of the Republic of South Africa, 1996 specifies that everyone has the right to have access to health care services, including reproductive health care (Constitution of the Republic of South Africa, 1996). A study by Pablo *et al.* (2012) centred on the employment of internal dynamic capability as a strategic approach to enhancing primary health care services in the public sector, which its core mandates relates to that of the Limpopo Department of Health. Thus, positive internal capability or resource become critical for the achievement of strategic objectives and enhanced service delivery in the public sector at large. Strategy implementation has been viewed a fundamental challenge for both public

and private sectors which adversely impact performance (Andrews *et al.*, 2017; Burke, 2016; Olivier, 2015; Pablo *et al.*, 2007). However, it should not have been perceived as an obstacle but the vehicle for achieving long-term goals of the organisation. This paper concentrated on strategy implementation that pertains to the Limpopo Department of Health which is in public sector environment. The poor sustainability of strategies due to inefficient senior management perceptions, poor adjustment to technological innovation and changes, as well as lack of proper expertise are, however, evident in both public and private sectors (Ogaja & Kimiti, 2016). Ineffective strategy implementation, amongst others, has been attributed to managerial incompetence. In addition, poor leadership style, political engagement, poor planning and management as well as poor allocation and distribution of resources within the public sector led to strategy implementation failure (Njoroge *et al.*, 2015). The facts highlighted above negatively affect strategy implementation in public sector and therefore overall performance of the Limpopo Department of Health as such. This paper intended to add value to both private sector and public sector institutions including national, provincial and local governments, government parastatals, state-owned enterprises and other public entities.

Subsequently, it has been reported by several studies (Kordnaeij, 2016; Goromonzi, 2016; Olivier, 2015) that nine out of ten (i.e. 90%) of the strategies in both public and private sectors fails pending implementation process. Based on the challenges identified from various reports and literature, this paper sought to embark on probing the senior management's perceptions for enhanced organisational strategy implementation and various approaches that can be employed to enhance strategy implementation in the LDoH. Pertinently, the research questions for this paper were formulated thus: What are the factors that influence strategy implementation of the LDoH or what effect does strategy implementation has on the overall performance of the LDoH or what are the tools and techniques that can help senior management in ensuring successful strategy implementation in the LDoH? These research questions were pursued to explore the best strategies employed within the organisational context for improved managerial competence and hence sustainability of implementing strategies in the LDoH. This paper intends to identify the factors influencing strategy implementation of the Limpopo

Department of Health, to determine the effects of strategy implementation on the overall performance of the Limpopo Department of Health and to identify the tools and techniques that can assist senior management in ensuring effective strategy implementation in the Limpopo Department of Health.

2. Literature Review

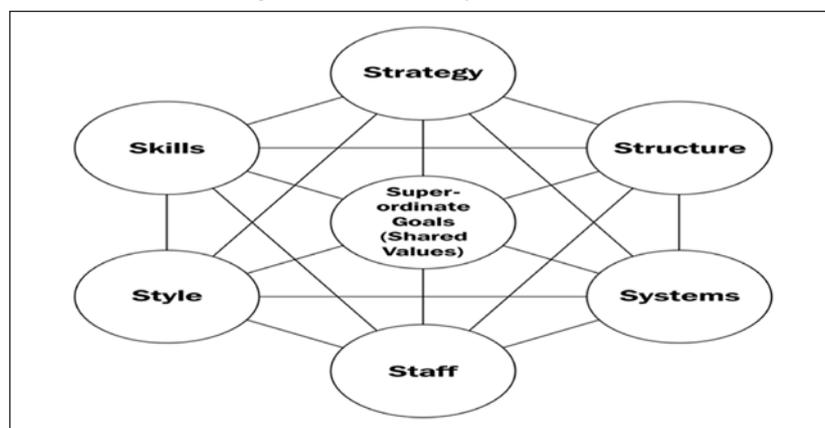
This paper was guided by the theories such as practice-based view theory of strategy, McKinsey 7-S framework and resource-based view theory. The practice-based view endeavours to elucidate organisational performance which is grounded on dynamic capabilities that can be emulated by others (Bromiley & Rau, 2016). From the strategic management point of view, Holohan and McDonagh (2017) based their research on the development of practice-based mid-range theory in public service organisations. The theory aimed to explain those taxonomies embedded on daily practice to comprehend what enables the practitioners to attain strategic mandates. Practice-based view has typically been associated with strategy-as-practice (i.e. praxis, practitioners and practices) and has however been extended to the public sector (Olivier, 2015). The three are defined. Strategy praxis refers to the process of putting strategy of the organisation into execution. Strategy practitioners are people who completely deal with the formulation and implementation of strategy. Strategy practices are actions for accomplishing strategy. Therefore, senior management in public sector has to integrate the three in order to fast-track the implementation process and thus achieve the long-term objectives.

2.1 McKinsey 7-S Framework

The McKinsey's 7-S framework was initiated by the consultant McKinsey from New York. This framework classifies the seven components. This component is categorised as "hard" and "soft" (Ochiel, Ombui & Omwenga, 2016; Olivier, 2015). The hard components are simpler to distinguish and detect and thus, can explicitly be influenced by the managers. They include strategy, organisational structure and systems. On the other hand, soft components are complex to expound and are persuaded by values, beliefs and norms embedded to organisational employees. Therefore, they include staff, style (adopted leadership style), skills (expertise of employees) and shared values. The seven components play an integral role in strategy formulation and implementation. The framework has become a significant approach of evaluating and monitoring organisational change management activities to warrant effective strategy implementation in the public sector.

Consequently, The McKinsey's 7-S framework informs this research paper by explaining the significant factors influencing strategy implementation in the Limpopo Department of Health (LDoH). The theory normally resides on the implication of senior management's perceptions with regard to strategy implementation processes. McKinsey's framework undertakes a coherent and hierarchical difference between formulation and implementation of organisational strategy, while submitting that "implementation delegated to a subordinate status as the responsibility of middle management" (Ochiel *et al.*, 2016). As a result, strategy implementation demands a dynamic organisational hierarchy which is aligned to long-term goals of the organisation. The model is illustrated in Figure 1.

Figure 1: McKinsey 7-S Model



Source (Kihara, 2017)

Figure 2: Conceptual Framework



Source: Authors

2.2 Resource-Based View Theory

A research by Bromiley and Rau (2016) suggests that that resource-based view endeavours to describe the continuous competitive edge which relies on organisational dynamic capabilities that are unique. However, dynamic capabilities are based on resource-based view of the business and thus appear to be pertinent for public sector as they emphasis on organisational resources instead of competition in the marketplace (Pablo *et al.*, 2007). By implication resource-based view theory has been relevant to the Limpopo Department of Health as a non-profit making organisation. Therefore, meticulous allocation of resources has been an apparent prerequisite for service delivery in public sector (Ngcobo & Mdani, 2015). Generally, the emphasis of resource disbursement and allocation are often prevalent for public sector institutions "since they do not normally compete for customers" as this has been the case in private sector (Pablo *et al.*, 2007:689). The resource-based view approach has been valuable tactic that assists in ensuring value creation for citizens and attainment of strategic objectives in public sector context.

3. Conceptual Framework

This paper has adopted a specific conceptual framework. A conceptual framework enables the author to graphically portray the fundamental dimensions to be studied such as key factors or models (Kihara, 2017). The framework affords senior management an explicit direction of the major variables and dimensions to contemplate during strategy

implementation in the Limpopo Department of Health. Hence the framework has been suitable for both public and private sectors. See Figure 2.

4. Factors Influencing Strategy Implementation in Public Sector

Various dimensions influencing strategy implementation in public sector includes amongst others organisational structure, organisational culture, people, communication, control, time and resources (Kihara, 2017; Olivier, 2015).

Organisational structure: Organisational structure has been regarded as one of the substantial internal strengths that persuade strategy implementation and improve organisational performance in public sector (Olivier, 2015). As a result, Limpopo Department of Health require a complete modified organisational structure and systems to enhance strategy implementation. Komingoi (2011) suggests that organisations in public sector should match the organisational structure with the chosen strategy in order to attain superior performance.

Organisational culture: People possess diverse beliefs, values, norms and standards that are deeply embedded with the organisation. Organisational culture as a dimension of strategy implementation in public sector has a persuasive effect on organisational "processes, employees and performance" (Alam & Islam, 2017). Thus, the culture needs to be aligned with the strategies, vision and values of the organisation (Olivier, 2015).

People: Human resources are essential dimension that steer strategy implementation in public and private sectors, and hence higher organisational performance (Kihara, 2017). The extensive training and development strategy of employees including leadership have to be consciously effected to support effective strategy implementation in public sector (Frank, 2014). However, the absence of employee involvement creates gradualness of strategy implementation as employees feel sidelined. Hence, teamwork has been perceived as a contributory dimension to attaining objectives of the organisation. This implies meeting the desires of the employees to the attainment of strategy implementation as a project.

Communication: Communication plays a significant role in disseminating information and knowledge in the process of strategy implementation. Therefore, regular and continuous communication becomes significant. Lack of communication strategy can be contemplated a possible reason that hamper proper strategy implementation in the public sector (Komingoi, 2011). For this reason, appropriate communication channels and strategies should be in place. These could include the use of e-mails, intranet, departmental newsletters, notice boards and so forth.

Control: The solid control of flow of information and financial resources has been vital in public sector environment. Therefore, leadership in public sector need to constrict control, maintain flexibility and capability of employees in strategy implementation. Ngcobo and Mdani (2015) suggest that the lack of ample control in public service had led to incurrence of the unauthorised, irregular and fruitless and wasteful expenditure. This has resulted to adverse effect on service delivery and performance of institutions in the public sector environment. Then, control of internal resources play a material role in ensuring effective implementation of strategies in public sector environment (Pablo *et al.*, 2007).

Time: Time has been contemplated another dimension that impede effective policy and strategy implementation in the public sector as senior managers "often spent their time garnering political favour and looking for their next position" (Frank, 2014). It has been declared scarce resource and thus an independent variable. Therefore the fulfilment of policy and strategy implementation depends much on time. At the same time, senior managers

in public sector should thus devote much time on implementing chosen strategies to ensure focus on service delivery.

Resources: Resources such as leadership's expertise and time devoted would be unceasingly necessitated to carry out any uncertainties that may arise during implementation process. Organisations in public sector encounter huge challenge in the process of strategy implementation which involves distribution of scarce resources, motivation of employees and politics (Alam & Islam, 2017). Ochiel *et al.* (2016) advocates that performance of public sector organisations are obstructed by shortage of resources. Frank (2014) contends that senior manager's lack of appropriate expertise hamper achievement of goals in the public service.

5. Tools and Techniques for Successful Strategy Implementation in Public Sector

The tools and techniques for effective strategy implementation in public sector include annual objectives, policies and functional strategies (Komingoi, 2011).

Annual objectives: Annual objectives are necessary for strategy implementation in public sector as they signify the means for distributing resources in various directorates (Komingoi, 2011). It enables senior managers in public sector to focus on set targets and measureable objectives.

Policies: Policies are required to direct the organisation in accomplishing its mandate resulting from short-term basis. Komingoi (2011) suggests that policies are there to "set boundaries, constraints and limits on the kind of administrative actions that can be taken to reward or sanction behaviour; they clarify what can and cannot be done in pursuit of the organisation's objectives". Formal policies and procedures enable senior managers to make reasonable decisions in order to attaining strategic objectives of the organisation (Kihara, 2017). The enhancement of strategy implementation in public sector depends on introducing a system that enforces proper policies and procedures execution (Olivier, 2015).

Functional strategies: Functional strategies are keys to regular activities that take place in every functional area within the organisation with the

view to successfully implement chosen strategies (Komingoi, 2011). These include, amongst others, directorates such as financial management, human resources, public relations and communications in the public sector.

6. Research Methods

This paper adopted a qualitative approach, exploratory design. The target population was 120 employees of the Limpopo Department of Health (LDoH) comprising of health professionals and middle managers. The target population was drawn from employees from Provincial Head Office, Mopani District Office and Mopani District Hospitals. Only Assistant Directors, Deputy Directors and Directors were selected to participate in the study. Further, a non-probability purposive sampling was employed. The sample size was 30 employees. A self-completion questionnaire was applied as a data collection method. The self-completion questionnaires were administered by means of drop and pick method. The preliminary questionnaires was pretested (piloted) amongst three employees of the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) in order to ascertain their opinions concerning question clarity and simplicity of answering (Creswell, 2015).

Data analysis and interpretation was conducted using IBM Statistical Packaging for the Social Sciences (SPSS) statistics (Version 24). Furthermore, descriptive and inferential statistics was utilised to interpret the collected data. Cronbach's Alpha was used as a measure of internal consistency and the average inter-item correlation. The One-Way Analysis of Variance (ANOVA) test was also used for the significance of the difference between the research variables.

7. Findings and Discussion

Data interpreted and analysed was summed up in relation to research objectives of this paper and graphs was used to explicitly illustrate the findings. 30 self-completion questionnaires were distributed amongst the respondent's, appropriately completed and returned on time. Actually, this signifies the response rate of 100%.

7.1 Demographics

Personal information of respondents was required. This included respondent's name of directorate,

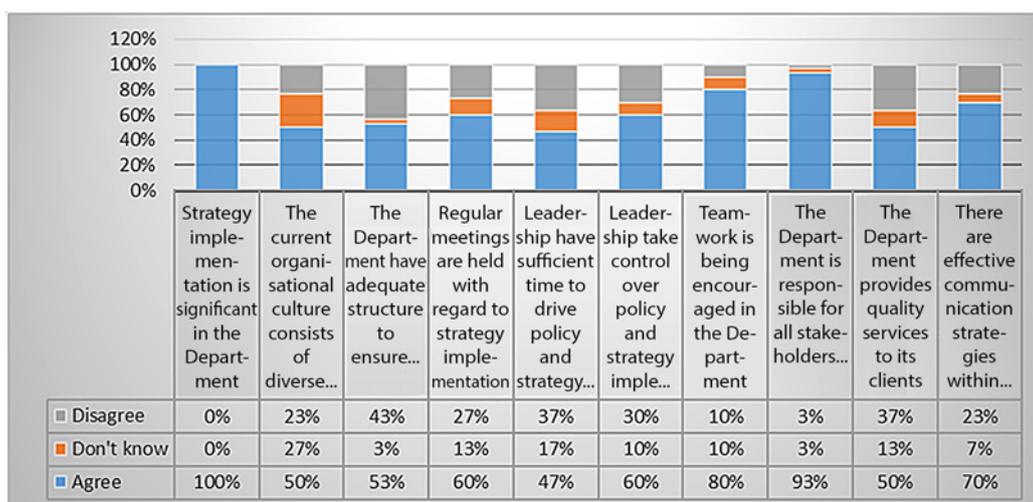
number of years in public service, gender, age, number of years in the Department, marital status, position, salary level, employment status and qualifications obtained. The findings revealed that out of 30 respondents, 23 were male and the remaining 07 respondents were female. Findings revealed that 46,7% of the respondents were aged between 36-45 years, 40% of the respondents were 46-55 years, 6,7% of the respondents were 56-65 and 6,7% of the respondents were 36-45 years. Findings also indicated that 40% of the respondents possess 11-20 years' experience in public service, 30% of the respondents have 21-30 years of experience, 20% of the respondents have 0-10 years of experience and 10% of the respondents have 31-40 years of experience. Further, the findings showed that 36,7% of the respondents have 0-10 years in the Limpopo Department of Health, 43,3% of the respondents have 11-20 years in the LDoH, 10% of the respondents have 21-30 years in the LDoH and other 10% of the respondents have 31-40 years in the LDoH. The findings also showed that 60% of the respondents were Assistant Directors, 33,3% of respondents were Deputy Directors and 6,7% of the respondents were Directors. Findings also indicated that 43,3% of the respondents were on salary level 9-10, 50% of the respondents were on salary level 11-12 and 6,7% of the respondents were on salary level 13-14.

7.2 Factors Influencing Strategy Implementation in the Limpopo Department of Health

The study sought to probe the senior management's perceptions with regard to strategy implementation in the Limpopo Department of Health. Various factors influencing strategy implementation in the department were explored. Figure 3 on the following page present the findings from empirical findings.

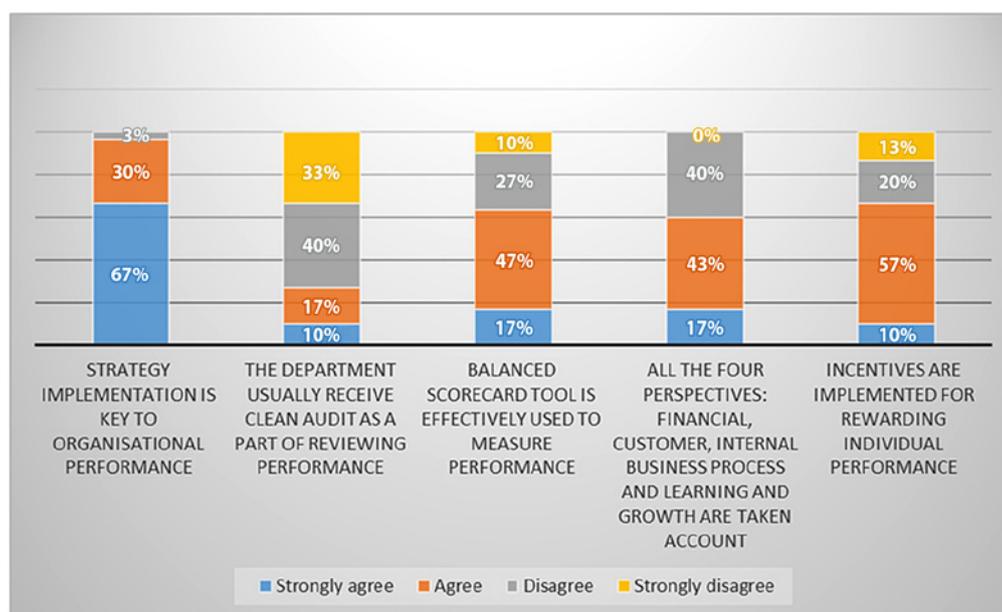
The entire respondents (100%) agreed that strategy implementation is significant in the department. On the question of the current organisational culture consists of the diverse environment, 50% of the respondents agreed, 27% don't know and while 23% disagreed. A majority of respondents (53%) agreed that the department have adequate structure to ensure proper strategy implementation, 3% don't know and while 43% disagreed. Further, a majority (60%) of the respondents agreed that regular meetings are held with regard to strategy implementation, 13% don't know and 27% disagreed. 47% of the respondents agreed that leadership have

Figure 3: Factors Influencing Strategy Implementation in the LDoH



Source: Authors

Figure 4: The Effects of Strategy Implementation on the Overall Organisational Performance



Source: Authors

sufficient time to drive policy and strategy implementation, 17% don't know and 37% disagreed.

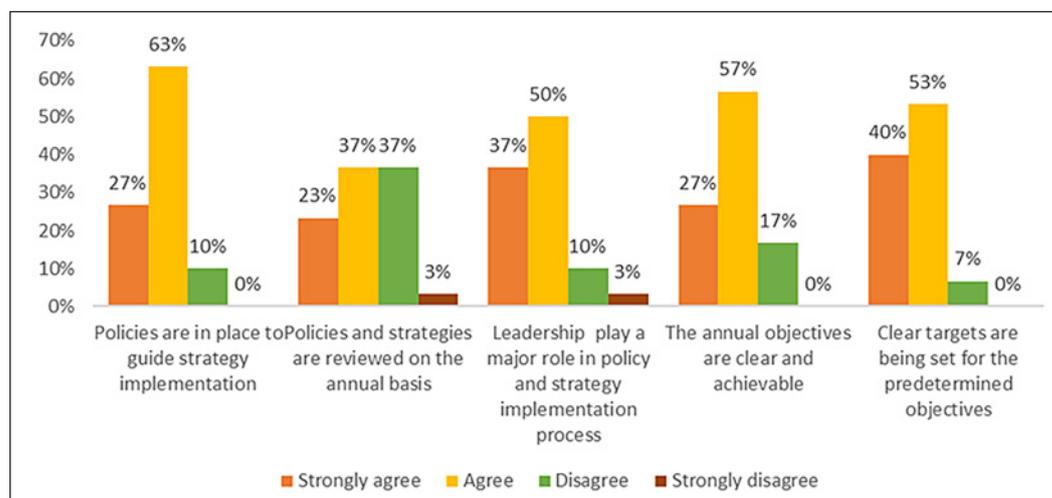
On the question of leadership take control over policy and strategy implementation, a majority (60%) of the respondents agreed, 10% don't know and 30% disagreed. Further, on the question of teamwork is being encourage in the department, a majority (80%) of the respondents agreed, 10% don't know and while 10% disagreed. 93% of the respondents agreed that the department is responsible for all stakeholders (both internal and external), 3% don't know and other 3% disagreed. 50% of the respondents agreed that the department provide

quality services to its clients, 13% don't know and 37% disagreed. The last question of determining whether there is effective communication strategies within the department, a majority (70%) of the respondents agreed, 7% don't know and 23% disagreed.

7.3 The Effects of Strategy Implementation on the Overall Organisational Performance

The study further investigated the effects of strategy implementation on the overall organisational performance. Therefore, Figure 4 above illustrates the results from empirical research.

Figure 5: The Tools and Techniques that Can Assist Leadership in Ensuring Effective Strategy Implementation in the LDoH



Source: Authors

On the first statement of strategy implementation is key to organisational performance, a majority (67%) of the respondents strongly agreed, 30% agreed and while 3% disagreed. Further, 10% of the respondents strongly agreed that the department usually receive clean audit as a part of reviewing performance, 17% agreed, 40% disagreed and 33% strongly disagreed. On the statement of balanced scorecard tool is effectively used to measure performance, 17% of the respondents strongly agreed, 47% agreed, 27% disagreed and 10% strongly disagreed. Only 17% of the respondents agreed that all the four perspectives: financial, customer, internal business process and learning and growth are taken account, a majority (43%) agreed and 40% disagreed. On the last statement of incentives are implemented for rewarding individual performance, 10% of the respondents strongly agreed, 57% agreed, 20% disagreed and 13% strongly disagreed.

7.4 The Tools and Techniques that Can Assist Leadership in Ensuring Effective Strategy Implementation in the Limpopo Department of Health

The study further explored the tools and techniques that can assist leadership in ensuring effective strategy implementation in the Limpopo Department of Health. Figure 5 above depicts the findings from empirical study.

On the statement of whether policies are in place to guide strategy implementation in the department, 27% of the respondents strongly agreed,

63% agreed and 10% disagreed. Further, 23% of the respondents strongly agreed that policies and strategies are reviewed on the annual basis, 37% agreed, 37% disagreed and 3% strongly disagreed. On the statement of leadership play a major role in policy and strategy implementation process, 37% of the respondents strongly agreed, a majority (50%) of the respondents agreed, 10% disagreed and 3% strongly disagreed. 27% of the respondents strongly agreed that the annual objectives are clear and achievable, a majority (57%) agreed and 17% disagreed. Finally, 40% of the respondents strongly agreed that clear targets are being set for the predetermined objectives, a majority of 53% agreed and 7% disagreed.

8. Descriptive Statistical Analysis

Descriptive statistics was used to explain the elements of a sample. Further, the mean, standard deviation, minimum and maximum values for all scaled questioned was also computed and used in the explanation of the findings. The item-level responses are summated to scale level and the summary of statistics and frequency distribution are supplied in Table 1 on the next page.

9. Reliability and Validity

The internal consistency of the knowledge scale was calculated using Cronbach's Alpha and the average inter-item correlation. Cronbach's Alpha is used as a measure of internal consistency of similar elements consisting of scale (Bryman & Bell, 2015).

Table 1: Summary of Descriptive Statistics of Mean Knowledge Scores (N=30)

		N	Mean	Std. Deviation	Std. Error
Factors influencing strategy implementation in the department of health	Assistant Director	18	14.5	4.579	1.079
	Deputy Director	10	16.5	5.359	1.695
	Director	2	22.5	2.121	1.5
	Total	30	15.7	5.066	0.925
Tools and techniques that assist in ensuring successful strategy implementation in the department of health	Assistant Director	18	9.11	2.139	0.504
	Deputy Director	10	9.2	2.616	0.827
	Director	2	13	1.414	1
	Total	30	9.4	2.415	0.441
The influence of strategy implementation on organisational performance in the department of health	Assistant Director	18	10.83	2.203	0.519
	Deputy Director	10	11.3	2.791	0.883
	Director	2	14.5	0.707	0.5
	Total	30	11.23	2.473	0.452

Source: Authors

Table 2: Internal Consistency Reliability Values of Scales

Scale	Cronbach's Alpha	Average Inter-Item Correlation	Number of Items
Factors influencing strategy implementation in the department of health	0.847	0.384	9
The influence of strategy implementation on organizational performance in the department of health	0.584	0.208	5
Tools and techniques that assist in ensuring successful strategy implementation in the department of health	0.724	0.365	5
Overall	0.879	0.279	19

Source: Authors

These values are presented in Table 2 above.

The values of Cronbach's Alpha are acceptable for both scales if they are greater than the minimum acceptable value of 0.6 (Babin & Zikmund, 2015). However, the following scales can be interpreted:

- For a coefficient between 0.7 and 0.8, reliability is considered good.
- For a coefficient between 0.6 and 0.7, reliability is considered fair.
- For a coefficient below 0.6, reliability is considered poor.

Therefore, the value of the average inter-item correlation is greater than the minimum acceptable value

of 0.3 (Babin & Zikmund, 2015). The Cronbach's Alpha of this study is 0.879 and the average inter-item correlation is 0.279 which is the acceptance value of Cronbach's Alpha and average inter-item correlation.

10. Conclusion and Recommendations

In conclusion, the success and survival of every organisation depends on proper implementation of the strategies. Hence, a remarkable organisational performance goes hand in hand with effective strategy implementation. Therefore, strategy implementation should be highly contemplated as it has an impact in the overall organisational performance. In addition, senior management of the Limpopo Department of Health should devote ample time to fruitfully disburse the scarce resources in order

to attain the strategic objectives of the organisation. Therefore, proper systems, processes and procedures should be in place in order to successfully drive the strategy implementation of the Department.

The paper concluded that leadership style applied by the organisation is very crucial for executing strategies. Thus, the balancing of both transactional and transformational leadership styles specifically in the Limpopo Department of Health should enable the Department to fast-track the strategy implementation processes. This involves engaging employees in decision-making process and responding to the desires of various stakeholders that is, both internal and external. In spite of that, the paper concluded that senior management of the Department should enforce policy and procedure implementation and also ensure compliance with those prescripts. This further entails reviewing policies and procedures on the annual basis to ensure smooth running of daily activities within the department.

This paper recommends that senior management should effectively document and operationalise tools and techniques for successful strategy implementation. This may include aspects such as annual objectives, policies and functional strategies of the Department. They should therefore link the strategies with the vision statement, mission statement, organisational structure, systems and organisational culture. Furthermore, senior management should devise strategies to adapt with the changes resulting from the external environments (i.e. macro-environments such as economic, social, political, ecological, legal and technological variables) because strategy implementation have been perceived a multifaceted, vigorous and ever-changing task. On the other hand, they should be capable of internally aligning resources with the strategies. Hence most of the government institutions are under-performing and lack remedial action.

The paper recommends that team-work need to be in place to ensure the effectiveness and efficiency of implementation of strategies in the Limpopo Department of Health and public service organisations at large. Therefore, the tight engagement of team members becomes pivotal to accelerate the execution process. It is further recommended that the competent, qualified senior management be appointed regardless of their political status so to ensure effective strategy implementation. The

reason being that they spend much time advancing in political activities and this leads to adverse impact on policy and strategy execution. Therefore, senior management in the public sector at large should learn from this study.

Senior management of the Limpopo Department of Health should provide full support to employees as the drivers of the strategy and policy implementation process. Thus, regular communication is essential to steer the process. This can be through meetings, mentoring, coaching, workshops, seminars and so forth. In addition, effective communication channels and strategies should be in place. This enables speedy policy and strategy execution. Furthermore, employees should be motivated by means of appropriate reward systems. This involves payment of incentives in the form of performance bonuses, and recognition by means of non-financial rewards such as awards, status and responsibility.

Subsequently, The Limpopo Department of Health should have a proper, adequate and effective organisational structure. This entails that vacant positions should be filled with the view to respond to strategy implementation challenges. Although resources to cater for that can be scarce, prioritisation becomes crucial. This implies that the Department should be able to furnish for financial, human, technological and physical resources in order to improve implementation process; and thus achieve superior performance by means of obtaining clean audits. This require earnestly devoted senior management who are ready to respond to the needs of various stakeholders including employees of the Department.

Finally, performance measurement is crucial for every organisation, for both public and private institutions. Thus, senior management should apply relevant tools and techniques to measure organisational performance within the Department. This involves gaining knowledge and insight in terms of assessing and evaluating performance using the four perspectives of balanced scorecard such as financial, customer, internal business processes and learning and growth.

References

- Alam, S. & Islam, M.T. 2017. Impact of blue ocean strategy on organisational performance: A literature review toward implementation logic. *Journal of Business and Management*, 19(1):1-19.

- Andrews, R., Beynon, M.J. & Genc, E. 2017. Strategy Implementation Style and Public Service Effectiveness, Efficiency, and Equity. *Administrative Sciences*, 7(1):1-19.
- Babin, B.J. & Zikmund, W.G. 2015. *Exploring marketing research*. 11th edition. Boston: Cengage Learning.
- Bromiley, P. & Rau, D. 2016. Missing the point of the practice-based view. *Strategic Organisation*, 14(3):260-269.
- Bryman, A. & Bell, A. 2015. *Business research methods*. Oxford: Oxford University Press.
- Burke, M. 2016. *Strategy implementation insights from the competition commission South Africa*. Unpublished Masters thesis: Johannesburg: University of Witwatersrand.
- Constitution of the Republic of South Africa. 1996. Pretoria: Government printer.
- Franks, P.E. 2014. The crisis of the South African public service. *The Journal of the Helen Suzman Foundation*, 195(11):48-56.
- Holohan, J. & Mcdonagh, J. 2017. June. How information systems managers align business and information systems strategies in public service organisations: a practice-based taxonomy. In *17th European Academy of Management Conference*: 21-24.
- Kihara, M.P. 2017. *Influence of strategy implementation on the performance of manufacturing small and medium firms in Kenya*. Unpublished Doctoral thesis. Nairobi: Jomo Kenyatta University of Agriculture and Technology.
- Komingoi, K.K. 2011. *Challenges of strategy implementation in the ministry of public works of Kenya*. Unpublished Masters thesis. Nairobi: of Business Administration: University of Nairobi.
- Kordnaeij, A. 2016. Management as a key stone of strategy implementation process. *Management and Administrative Sciences Review*, 5(1):31-37.
- Ngcobo, S. & Mdani, M.G. 2015. Evaluation of strategic management in assisting South African municipalities improve service delivery. *Journal of Governance and Regulation*, 4(1):113-123.
- Njoroge, J.K., Machuki, V.N., Ongeti, W.J. & Kinuu, D. 2015. The effect of strategy implementation on performance of Kenya state corporations. *Prime Journal of Business Administration and Management*, 5(9):1913-1922.
- Ochiel, N.A., Ombui, K. & Omwenga, J. 2016. Effects of employee involvement on strategy implementation in selected marketing organisations in Nairobi County. *Prime Journal of Social Science*, 5(2):1305-1314.
- Ogaja, C.K. & Kimiti, G. 2016. Influence of strategic leadership on implementation of tactical decisions in public University in Kenya. *International Journal of Science and Research*, 5(1):681-688.
- Olivier, A.J. 2015. *Closing the strategy execution gap in the public sector: a conceptual model* Unpublished Doctoral thesis. Cape Town: Stellenbosch University
- Pablo, A.L., Reay, T., Dewald, J.R. & Casebeer, A.L. 2007. Identifying, enabling and managing dynamic capabilities in the public sector. *Journal of Management Studies*, 44(5):687-708.

Sustaining Separatist/Terrorist/Liberation Movements in the 21st Century: Who Does the Financing?

P Chigora

Midlands State University, Zimbabwe

Abstract: The 21st century has seen the growth of insurgency, separatist, terrorist organisations and liberation movements, across the world, particularly in Africa and the Middle East, adding to the old ones that have spurned for decades in Central America and South Eastern Asia. These have threatened the consolidation of democracy and improvement of good governance. Despite their most unwelcome contribution to democratic governance and conflict zones through death, injuries and psychological trauma as well increasing vulnerability and fragility of entities they have continued to emerge and proving to be able to sustain their activities some of which have lasted for more than two or more decades. In order for these movements to sustain their activities they require heavy funding for project formulation and implementation given their organisational aims and objectives. Therefore, the purpose of this paper is to analyse the sources of funding behind these movements and organisations which have contributed to the instability of states not only in Africa but other developing countries. The paper will proffer some solutions to this ever persistent problem on human life.

Keywords: Developing countries, Funding, Liberation movement, Organisations Separatist, Terrorist

1. Introduction

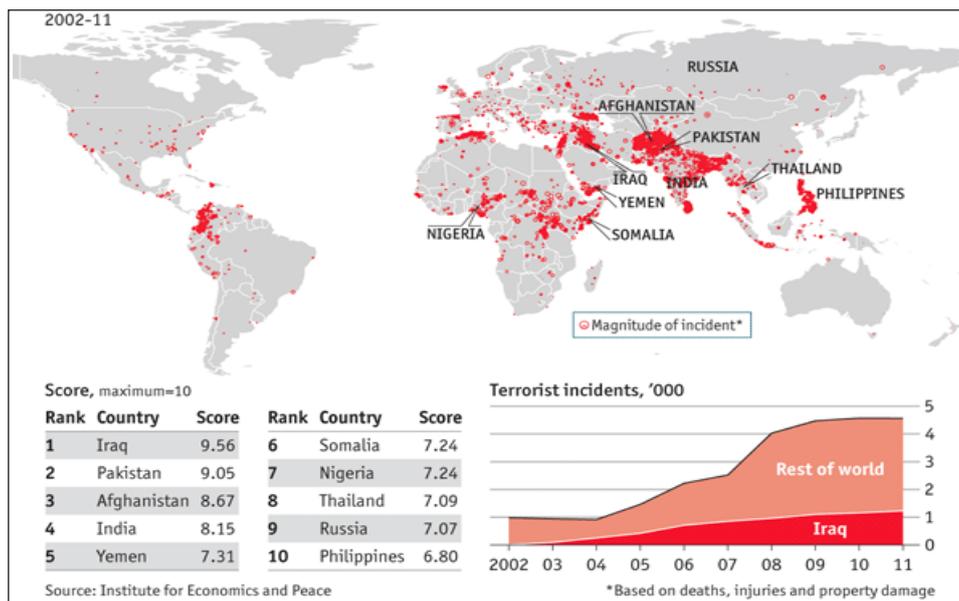
Separatist or terrorist movements derive their funding from both local and foreign sources in order to continue effectively operating. The sources of funding include among others, starting with the crudest and the traditional ones of cattle rustling, robberies, looting, to the modern which include drug trafficking, human trafficking, kidnapping, money laundering, extortion, taxation as well as trade in illicit minerals and oil. Funding may also come from governments and international organisations on one hand, and on the other hand international civil society groups and non-governmental organisations that are supportive to the cause the groups. This paper establishes the sources of funding and suggests solutions of dealing with the menace. It also highlights challenges that Africa has to deal with in order to curb or deal with challenges posed by separatist movements.

2. Conceptual Framework

The concepts terrorist organisations, liberation movements and separatist movements have often been used interchangeably owing to ranging interpretation by the actors involved. Often, what has become one's terrorist might be another one's liberator (McLean & McMillan, 2009). By definition separatism is the advocacy of a state of cultural, ethnic, tribal, religious, racial, and governmental

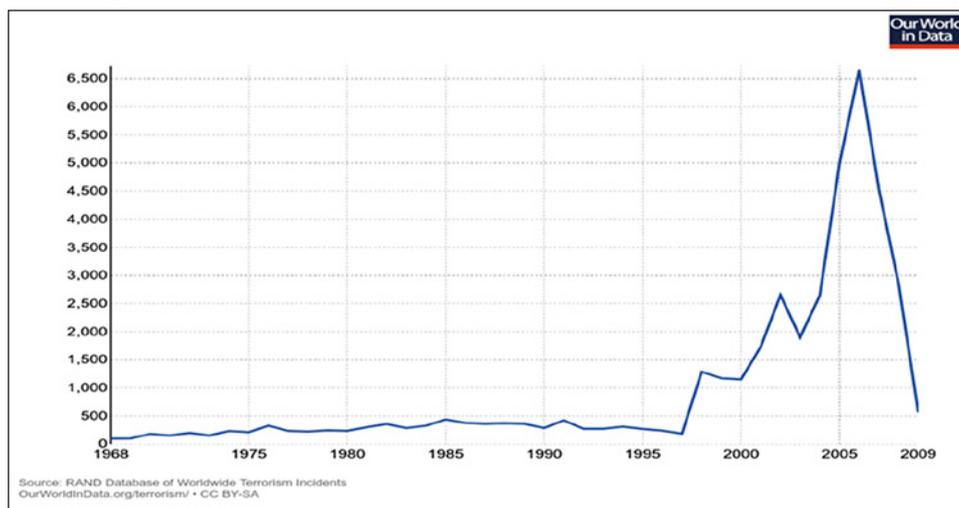
or gender separation from the larger group. While it often refers to full political secession, separatist groups may seek nothing more than greater autonomy. A separatist is someone who is a member of a particular race religion or other group within a country who believes that this group should be independent and have their own government or in some way live apart from other people (Cambridge Advanced Learners Dictionary, 2013). It is agreed amongst political scientists that the term terrorists are invariably used in a pejorative sense to describe someone who uses life threatening actions which are politically motivated (McLean and McMillan: 2009:525). For Evans and Newnham, a terrorist is someone who uses or threatens to use violence on systematic basis to achieve political objectives (1998:530). In essence a person who uses unlawful violence and intimidation, especially against civilians, in the pursuit of political aims. On the other hand, a liberation movement is a type of social movement that seeks territorial independence or enhanced political or cultural autonomy (or rights of various types) within an existing nation-state for a particular national, ethnic, or racial group (<http://www.encyclopedia.com/social-science>). A liberation fighter therefore, a person engaged in a resistance movement against what they believe to be an oppressive and illegitimate government. The approach taken by the researchers is that irrespective of classification it is the means to achieving their objective which has been discredited as the

Figure 1: Separatist Movements



Source: Institute for Economics and Peace

Figure 2: Total Incidences of Terrorism Worldwide, 1968-2009



Source: RAND Database of Worldwide Terrorism Incidents

use of violence is detrimental to the development process that enhances democratic governance and often sow seeds of divisions.

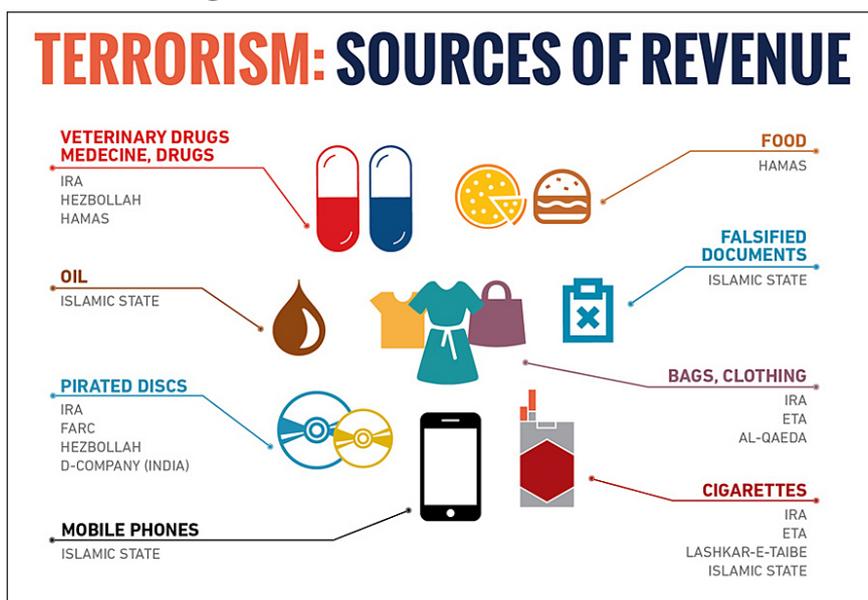
3. Historical Background to the Problem

Terrorism as a long drawn problem is not confined to Africa alone. Indeed, it is a world problem though of course, it is more pronounced in the Middle East. Separatist movements are dotted in almost every region of Africa though most pronounced in Central and East Africa as shown on the map in Figure 1 above.

There is clear historical evidence that incidences of terrorism have risen in the 21st century. Figure 2 clearly shows such escalating incidences starting from 1968.

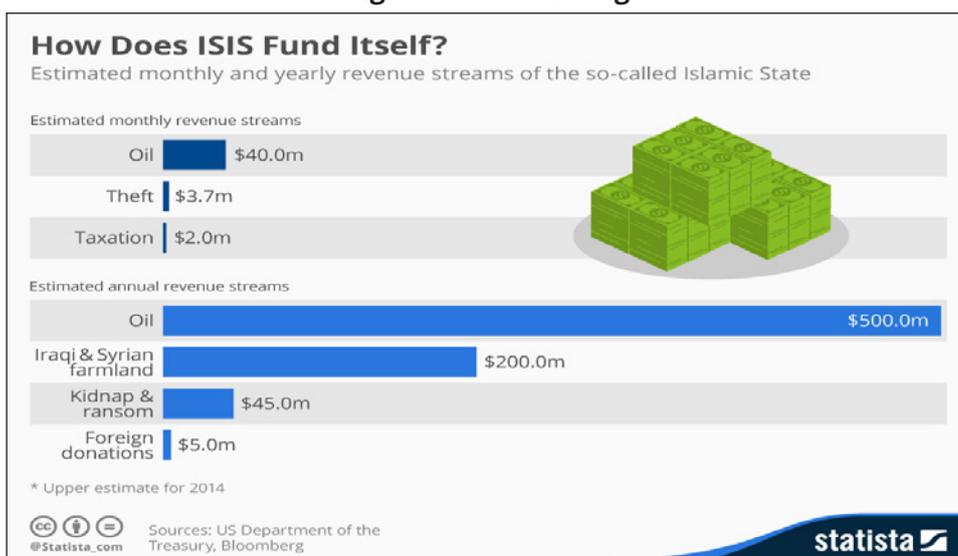
The life-blood of an effective terrorist network is financing. Without a sound source of finances, terrorists cannot travel extensively, buy weapons and effectively organise against governments. As a result, terrorists have sought to fund their activities largely outside the law whether municipal or international. Al-Qaida's worldwide operations for example require \$30-50 million per year. The September 11 attacks, for example, cost approximately \$500,000 (<http://theconversation.com/panama-papers>).

Figure 3: Terrorism Sources of Revenue



Source: Authors

Figure 4: ISIS Funding



Source: US Department of the Treasury, Bloomberg

Some terrorist groups derive much of their funding and support from state sponsors of terrorism. With increased international pressure, many of these funding sources have become less reliable and, in some instances, have disappeared altogether. In addition, newer decentralised, independent cells often do not have the same level of access to foreign funding as traditional terrorist groups. As a result, terrorist groups have turned to alternative sources of financing, including criminal activities such as arms trafficking, kidnap-for-ransom, extortion, racketeering and drug trafficking. Terrorists' use of criminal activity to raise funds ranges from low-level

fraud to involvement in serious and organised crime. It is often difficult to determine whether the funds raised from these activities are destined for terrorist activities or are simply the proceeds of general criminal activity. Described below are criminal activities terrorists are known to have engaged in, including selling narcotics, credit card fraud, cheque fraud and extortion (<http://www.fatf>). Each of these is discussed in turn.

A good example of breakdown is the ISIS which has appropriated almost all these techniques as indicated in Figure 4.

4. The Sources of Funding

The first major source of these groups is resource control and exploitation. It has been found that following the end of the Cold war, terrorist groups are finding it hard to get financial support from formal channels such as governments. As such, drug trafficking is one of the major sources of funding. This is common in known drug producing regions such as Afghanistan, Columbia and Peru. The US Drug Enforcement Administration found that 19 of the designated terrorist organisations are connected to the global drug trade and up to 60% of terrorist organisations are connected to narcotics trade in some way as indicated below:

Drug Trafficking is an attractive source of funds for terrorist groups, enabling them to raise large sums of money. The degree of reliance on drug trafficking as a source of terrorist funding has grown with the decline in state sponsorship of terror groups (<http://www.fatf-gafi.org/media/fatf/documents/reports>).

Drugs are then exchanged for weapons and follow the same smuggling routes and mechanisms to conceal profits derived from these illegal transactions. Sometimes they also use the same corrupt officials to facilitate movement of their goods. Income is also derived from taxation levied for the protection of drug growers, laboratories, clandestine landing fields and the transport of drugs. Smith, McCusker and Walters (2010:2) found that some of the terrorist organizations which derive their income from drug trafficking include Abu Sayyaf Group (ASG) in Southern Philippines and the Revolutionary Armed

Forces of Columbia (FARC). The example of FARC demonstrates clearly that:

...the organization taxes farmers \$50 per kilo of cocaine and criminal organizations \$200 per kilo. It charges \$100 per kilo to the laboratories that soak the green leaves in kerosene to extract the alkaloids that 1.5 million U.S. cocaine users regularly snort. FARC charges airplanes that transport the drugs from its territory, and has even shipped cocaine itself (<https://www.theatlantic.com/news>).

A study by Stanford University shows that:

In 1999, the FARC's membership and kidnapping peaked at 18,000 and 3,000 respectively. The FARC's heightened influence in the country, extreme kidnapping records and involvement in the drug trade elicited both domestic and international response. In 1999, a quarter of the Colombian population protested in cities throughout the country (<http://web.stanford.edu/group/mappingmilitants>).

Other groups are Basque Fatherland and Liberty in Europe which is involved in a variety of crimes including drug trafficking, the Real Irish Republican Army (RIRA) which is linked to narcotics trade in the Middle East and the Kurdistan Workers Party which is into money laundering and drug trafficking (ibid). Some of the means used to finance modern terrorism are as indicated in Figure 5.

For Abu Sayyaf Group (ASG), ransom is one way of raising funds. For example, relatives of a kidnapped Malaysian victim in effect paid 12 million Malaysian ringgit (P138 million) to the terrorist group for the

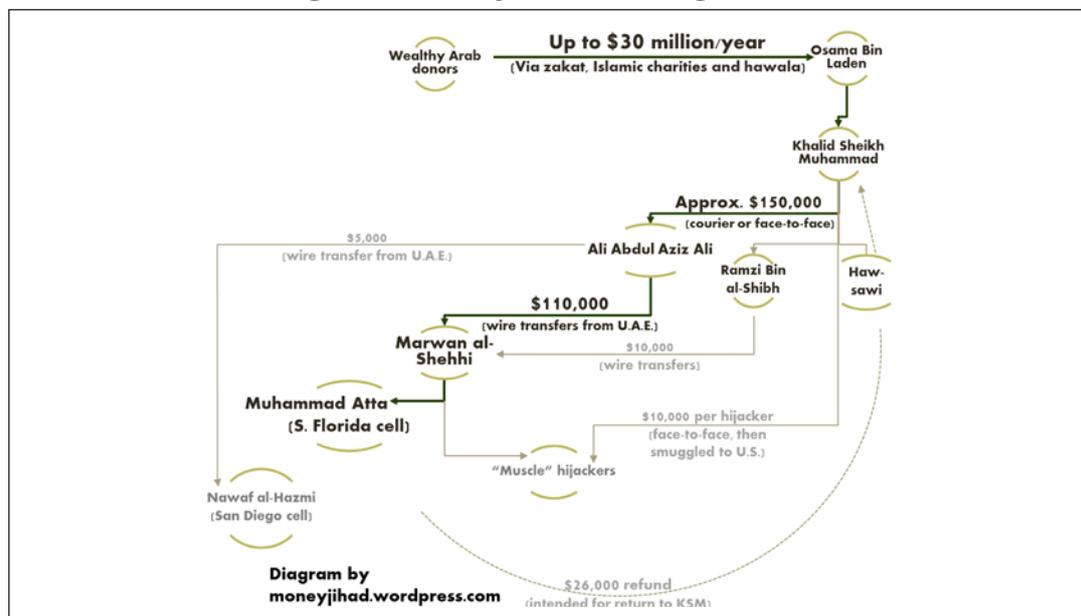
Figure 5: Means of Financing Modern Terrorism



24

Source: Authors

Figure 6: 9/11 Hijackers Funding Sources



Source: www.google.com

release on June 8 of four of its citizens kidnapped off Sabah on April 1, and hidden in Sulu. Reports have revealed that ransom has been paid, for example, after reportedly receiving 32 million pesos (638,000 dollars), ASG released Norwegian Kjartan Sekkingstad on September 17, 2016. Filipino Maries Flor was released on June 24, 2016. On May 15, 2015, two Malaysians, Thien Nyuk Fun and Bernard, were abducted by ASG from the Sandakan Resort in Sabah. The ransom amount was set at 30 million pesos for the two of them, and, upon receipt of the ransom, Thien Nyuk Fun was freed on 9 Nov 2015 (Rigoberto, 2017).

Real Irish Republican Army (RIRA) employs more or less the same tactics of terror despite hailing from a developed part of this world as the quotation below indicates that:

According to a report from Forbes Israel, the dissident group, which now calls itself the IRA, has an income of around £32m, largely generated from smuggling and organized crime. "Laundering marked or agricultural diesel and selling road fuel is a major source of funding," he said... A diesel plant said to be capable of producing 20 million liters of illicit fuel was uncovered in the Forkhill area of Co Armagh earlier this month. Trafficking alcohol over the border and smuggling cigarettes from China and Eastern Europe are also said to be a sources of income. Funding for the organization, the only European-based group on the Forbes

list, is still a considerable way behind Islamic State (Isis), which emerged as the world's richest terror group in history, with an income of £1.3bn.

In the case of al-Qaeda, trading in drugs or narcotics is one way of creating revenue as the incident below clearly demonstrates:

Oumar Issa, Harouna Touré and Idriss Abelrahman were snatched in Ghana on Wednesday by a Drug Enforcement Administration sting and shipped to New York, where they arrived on Friday to face charges of conspiracy to commit acts of narco-terrorism and providing material support to al-Qaeda, a terrorist organization. The arrests mark the first time that al-Qaeda associates have been charged with narco-terrorism offences. The complaint accused the three men of agreeing to transport large amounts of South American cocaine through West and North Africa and ultimately to Spain for \$2,000 a kilogram, a fee slated to be partly turned over to al-Qaeda and its affiliated group, al-Qaeda in the Islamic Maghreb, in return for protection along the route (<https://www.forbes.com>).

The 9/11 September hijackers had funding coming from a variety of sources as demonstrated in Figure 6.

Diamonds have been used to support terrorist movements in Sierra Leone and Angola. Diggers are protected and guarded by militants. In Angola, UNITA managed to fund its military activities through the sale

of diamonds valued at US\$3,72 billion between 1992 and 1997 (Ndumbe & Cole, 2005:54). Despite being defined as bloody diamonds, the mineral was still able to secure a market and fund the war. Between 1992 and 2002, UNITA is said to have operated the largest and most well-organised illegal diamond trading in the world. Conduit for the diamonds and arms purchase in Zambia was the Mwinilunga region as well as other cross border sites such as Mongu and Lusaka regions. Even more shocking is that UNITA traded with big diamond companies such as De Beers. It is claimed that a security company called British Mine Police working with De Beers used helicopter gunships to protect UNITA-controlled diamond mines (ibid, 56). In 1998, the United Nations Security Council came up with Resolution 1173 which placed an embargo on UNITA diamond trade. When the lucrative usual route was blocked, UNITA traded with several Lebanese and Hezbollah traders in violation of the UNSC sanctions (ibid, 54). Savimbi, the leader of UNITA, was fully in charge diamond mining, trading and financial operations. His death therefore dealt a heavy blow to the movement which became so weak and gave in to peace talks. Control over territories endowed with marketable resources is one of the major sources of separatist movements. DRC is a classic example of this. Most of the armed rebel groups apparently occupy large territories which are rich in minerals such as gold, coltan and diamonds. They are able to easily acquire ammunition through illegal exploitation and trading (Tunda, 2016:31). Such resources have been able to sustain rebels and their families for a long time. Therefore, there is little if any effort on their part to embrace peace as it may mean being banished to perpetual poverty. Natural resources in North Kivu which is in Eastern DRC have enabled rebels not only to fund themselves, but also to easily get new recruits because they can afford short term rewards (Lyll, 2017:15). Those who are recruited eventually find it lucrative to stay on since they can use the gun to loot and extort. The whole incentive to work and achieve gradually dies down. One rebel movement in North Kivu, the National Congress for the Defence of the People (CNDP) formerly led by Laurent Nkunda is thought to have earned 15% of its revenue from mineral trade (ibid, 16). Another separatist movement in the same area, Mouvement du 23 Mars (M23) decided not to go into mining. Miners were left on their own. The movement levied taxes on households and transport thereby getting proceeds from mining but indirectly. It is alleged that a significant proportion of the group's transport tax revenue came from coltan and cassiterite across Goma/Gisenyi border (ibid). M23 simply

secured routes and collected its dues even from bulk minerals such as metals like tin, coltan and wolframite. Further evidence below shows how resources are oiling separatist movements in DRC.

The ongoing conflict in the Democratic Republic of the Congo, which Nellesmann noted has claimed 7 million lives, is increasingly seen as a conflict driven by criminal interests, rather than as a political insurgency. The exploitation of resources there totals \$722 million to \$862 million annually. Only about two percent of that goes to armed fighters – the rest ends up in the pockets of organized crime (www.cnn.com/2016/06/10/environmental-crime-funds-terrorism-and-is-growing-faster-than-global-economy).

Smuggling is yet another source of income for terrorist activities in the DRC and neighbouring countries which harbour terrorists.

...smuggling of DRC's natural resources is linked to conflict in the region, meaning that Al Shabaab remains sufficiently resourced to fund its activities despite efforts by African Union Mission in Somalia and the United Nations to cut off its channels of funding. Gold from DRC finds its way to Kampala, Nairobi, Bujumbura and Dar es Salaam before being smuggled to other markets.

Rwanda is also mining in Eastern DRC. As such, it is also supporting M23 and uses the chaos and instability to loot various minerals including diamonds. Stearns found out that Rwanda was involved with the group right from its founding (Stearns, in Lyall). Rwanda is said to have provided direct military support, facilitating recruitment and also desertions from the armed forces of the DRC and providing arms, ammunition, intelligence and political advice. All that support can translate to huge sums of money if so converted. The East African terror group Al-Shabaab, which has been linked to Al-Qaeda, drew somewhere around \$250 million in funding from illegal charcoal in 2013 and 2014. And as is well known, ISIS is funding itself with oil. Trading in charcoal is a traditional means of raising funds and indeed in the modern era resembles an archaic means.

4.1 Funding from Other Terrorist Organisations

Small terrorist groups may from time to time derive their funding from bigger and well-established

separatist movements. This becomes the case when for example they are ideologically linked. A good example is ISIS which from its inception was financed by al Qaeda though Osama bin Laden and Zarqawi (who founded ISIS) were not the best of friends (Stern & Berger, 2016:16-17). The two organizations were linked together by their total indifference to the Americans and their activities particularly in the Middle East. This link later on paid its dividends. Following the September 9/11 attacks in America, Zarqawi returned the gesture extended to him by rallying behind Osama bin Laden. Such support to smaller terrorist organizations results in the expansion of the smaller one as is the case today with ISIS which is almost eclipsing al Qaeda.

Within East Africa and the Horn, al-Shabaab is being financed by foreign actors including al-Qaida linked groups. That financing enabled the group to gain control over most of Southern and Central Somalia and most of Mogadishu right to the town of Kismayo (Shikman, 2018). Some terrorist movements do not actually hide their sources of funding. In 2011, a Boko Haram spokesman is reported to have said that: 'Al-Qaida is our elder brother. We enjoy financial and technical support from them. Anything we want from them, we ask them' (McCoy, www.independent.co.uk/news). It is against this sound financial backing that separatist and terrorist movements are difficult to subdue. They possess the financial muscle to carry on with their destabilization activities. It is claimed that at one time, Osama bin Laden sent an aide to Nigeria with \$3 million in local currency to dispense among groups that shared al-Qaeda's mission to impose Islamic rule. One of the "major beneficiaries" as reported by the International Crisis Group, was Boko Haram. "We are not saying all \$3 million went to Boko Haram," an author of the report told the *Daily Beast*. "What I can tell you from talking to lots of conservative Muslims in Nigeria is that there was a lot of money coming into northern Nigeria, there are many sources of that money. One of those sources was from al-Qaeda."

4.2 Violence

Violence is also one way separatist movements can fund their operations especially when the national government in which the movement operates is weak. Separatist movements can seize equipment and resources on the battlefield. ISIS is alleged to have looted the banks in Mosul in June 2014 (Stern &

Berger). This enabled the organisation to get richer and richer as each day passed. The economy of violence has also funded rebels in Eastern DRC. Rebels can erect roadblocks, levy taxes, profiteer from forest resources and pillage cattle. In fact, no commodity escapes predation as products seemingly small such as milk, cheese and palm oil are also clear targets. All this began at the turn of the century. Boko Haram which is a terrorist movement operating in northern Nigeria also derives part of its income from ransom, robberies and looting. It further attacks police stations, army barracks and looting small villages during market days to get cash and food items (www.fatf.org/media/fat). Of late, there has been an offshoot from Boko Haram called Ansaru which is again involved in robbery and kidnapping in order to get funds to sustain its survival as a movement. Boko Haram (BH) has moved ahead in its bid to raise funds by abducting women and then demanding cattle payment for their return. At times, BH demand as many as 40 cattle for the release of each woman captured. Kidnapping for ransom is not confined to BH but also to terrorist groups in Algeria, Mali, Niger and Mauritania. Hostages can be sold into slavery if ransom is not secured for their release. Terrorist groups such as Boko Haram are intricately networked and funded.

4.3 International Associates Seeking Local Linkages, Individuals, Organisations or States

Separatist or terrorist movements have also obtained assistance from governments who for various reasons find doing so lucrative. UNITA which fought the government of Angola from 1975 to 2002 was helped by many governments partly because of the polarity that originated from Cold War politics. The apartheid South African government which was opposed to Eastern Communism was one of the main financiers in Sub-Saharan Africa. During the 1980s, it is estimated that UNITA was supplied with US\$80 million by the South African government while the South Africa air force contributed regular drops of arms, ammunition, medicine and food to UNITA troops (www.sahistory.org.za). UNITA under Savimbi also got help from Egypt, Morocco, Senegal, Somalia and Tunisia. Saudi Arabia and Kuwait as known enemies of communism and rich in oil resources provided support valued at around US\$60 to US\$70 million annually. In addition, the US government through the CIA also forked out US\$15 to US\$20 million each year for weapons, medicine, logistics and training (ibid). It therefore comes as no wonder why UNITA

withstood government forces for that long. It was a financially sound military machine and logistically well-endowed. The availability of resources explains why and how Savimbi was able to convert his guerrillas to a conventional army before his demise in 2002. Diamonds were also used by DRC rebels to fund their activities. It is estimated that before 2000, 75% of diamonds produced in DRC were smuggled out of the country. High value stones produced in the Equateur province were held by rebel movements such as RCD-Goma and RCD-Kisangani, MLC and their Ugandan allies (Ndumbe & Cole, 2005). Illicit diamond trade and support from diamond cartels in some parts of the world help to explain continued unrest in DRC in which separatist movements greatly feature.

Illicit oil trade particularly in the Middle East also raises funds for separatist movements. For example ISIS's largest form of funding is said to come from the black-market sale of oil from seized oil fields located in eastern Iraq and Syria. ISIS can produce between 25,000 and 40,000 barrels of oil per day. ISIS started smuggling oil in late 2013 when it took oil fields in eastern Syria and has since expanded to support many black-market oil refineries along the Syrian border and eastern Iraq that produce gasoline and heating oil. The smuggling networks that ISIS has created to export crude oil are even more elaborate. They follow their path into Turkey, though the group has been smuggling crude oil as far as Afghanistan and Armenia. Middlemen are paid to assist the group in smuggling the barrels, earning millions for the fighters. ISIS also takes oil directly from pipelines and storage tanks. Militants then load the oil onto trucks and sell the barrels on the black market for \$25 to \$60 per barrel. In 2014, the average market value for crude oil was fluctuating between \$95 and \$112 per barrel, meaning ISIS was selling oil for 42 percent to 74 percent below market value. Discounted oil will always sell due to high demand in the global market. Transportation of the crude oil is routed by trucks through Islamic State-controlled territories into Turkey. Estimates show the sale of oil generates about \$1 million to \$2 million per day for ISIS (securityintelligence.com/funding-terrorists-the-rise-of-isis).

4.4 Ransom From Individuals, Countries, Organisations

Kidnapping and drug trafficking are some of the major sources for separatist movements in

Columbia and Venezuela. The Colombian government estimated the revenue for guerrilla and paramilitary organisations totalled US\$311 million from extortion and US\$236 million from kidnappings in 1998 alone (Smith, McCusker & Walters, 2010:2). Extortions are done to both legal and illegal businesses by organisations such as FARC. This organisation uses Venezuela as a safe haven to extort and kidnap both locals and foreigners. Around 2004, it was estimated that Columbia supplied 90% of cocaine to the world and the bulk of this came from FARC (Ortiz, 2014). The involvement in drug trade has enabled FARC to survive as a guerrilla movement for over half a century with enough energy to sustain its war against successive governments of Columbia.

In the Horn of Africa, the breakdown of the government of Somalia has given rise to large number of pirates who take ships, its crew and passengers as hostages until such a time that they are ransomed. The government of Somalia through the Transitional Federal Government has generally failed to police its waters hence the subsequent problem from pirates who hail from its soil. They are also somehow frustrated by their government for various reasons. The major motive for piracy is undoubtedly profit. This profit is then used to fuel terrorist activities inland. A Ukraine ship M V Faina was released for a reported US\$3, 2 million ransom in February 2009 after being held for 6 months. Similarly, a Saudi super tanker M V Sirius was released for US\$3 million to Eyl-based pirates in January 2009 (Ploch, Blanchard, O'Rourke & Mason, 2009). Pirates are not concerned much with taking over the government but with profits from the trade.

4.5 Illicit Dealing Human Trafficking/Organ Trafficking, Money Laundering, Weapons Trade

Smuggling of drugs as well as contraband and weapons by extremist 'Muslim' groups is yet another source of financing. Profits are transmitted as bulk cash to a destination chosen because of it has porous regulatory controls and through the use of structures such as shell companies which are known to have a good reputation in areas they are operating (ibid). And shell companies facilitate the easy distribution of money since they are formerly registered. ISIS makes \$1 million to \$2 million a day in oil production, has obtained over \$100 million in ransoms from kidnapping

and collects "taxes" from the 6 million people it has gained control over (theconversation.com/panama-papers-show-how-easy-it-is-to-finance-terror-using-u-s-shell-companies).

Such companies may produce invoices for non-existing goods in order to facilitate transactions of illegal goods through formal channels. The Albanian National Army and the National Liberation have been allegedly involved in large-scale smuggling of weapons, narcotics and other goods to finance terrorist activities in Macedonia and Kosovo (ibid). All these are a source of funding for the survival of the organisation. Diasporas also fund terrorist groups. For example:

The Albanian diaspora funds the KLA through an organisation named "Homeland Calling", soliciting funds in the U.S. (mostly Brooklyn), Australia, Canada, Switzerland, Germany, and other European nations. A UN arms embargo prevents member nations from funding the KLA. The European press alleges that ethnic Albanian drug traffickers contribute to the rebel army, a report that arms trade experts confirmed. Although most ethnic Albanians are Muslim, the Kosovo independence movement is not much influenced by Islamic fundamentalism. The group's spokesman says that they shun the assistance of Middle East radicals despite sketchy reports that Iran surreptitiously finances the KLA. The State Department denies, at least for the record, that it knows the source of KLA funding.

Some leading Muslim office bearers in the United States have been caught and prosecuted for secretive dealings involving large sums of money destined for terrorist organisations. One example involved Almoudi, the former head of American Muslim Council who in 2004 pleaded guilty to illegal financial dealings with Libya. He was involved in a plot to assassinate Prince Abdullah of Saudi Arabia. Subsequently, he was sentenced to 23 years in prison for providing hundreds of thousands of dollars to men who had been hired by the Libyan government to assassinate the Crown Prince (Landman, 2010). In August 2010, a jury in Eugene convicted Peta Seda, former head of al Haramain Islamic Foundation. He was accused of conspiring to move money out of the US without declaring it and with filing false tax returns to hide the fact that the money ever existed. He admitted in his trial that the money was intended to assist 'our Muslim brothers

in Chechnya but the money had been directed to Saudi Arabia without filing the CMIR on the way to Saudi Arabia' (ibid).

Taxes from the local people or local elites, business, and companies to include international organizations also fund terrorism. Terrorist acts sometimes stem from militant nationalists who are bent on creating separatist states (Spielvogel, 2009:951). Such groups flourish because they receive local support from those sympathetic to their agenda. A classic example could be the Irish Republican Army which had considerable support in Northern Ireland. Taxes become a source of income as they are imposed on strategically chosen people for their protection. Targets may be shopkeepers, politicians, fishermen, businessmen and banks. While taxes are a source of money for BH, in Mali, they also play a major role as income to separatist groups. Here, they are called Zakat which means obligatory provision of funds for charitable religious purposes. These funds are collected on behalf of a terrorist group, MUJAO.

Every year a Muslim must pay a religious tax (Zakat) amounting to 2.5% of TOTAL earnings as part of their duty to support Islam. This is commanded from the Koran. How it is to be distributed is also detailed in the Koran. Mosques usually are the agency that collect and distribute Zakat payments – hence Imams are the ones getting caught out by Western security people for supporting terrorist organizations. Some payments uncovered being made to terrorist organization like HAMAS, in Canada for example, were reaching into the millions. One eighth of the contributions ZAKAT according to the Koran is to support the active cause of Islam (the creation the domination of Islam over all others) – which is also the ultimate cause of jihad (concit.org/how-islam-fund-terrorism-through-zakat-payments).

Taxation also acts as another source of financing for terrorist financing particularly in Canada. Such money is derived from extortion of civilians inside or outside the country with threats of unspecified action for failure to comply. For the Liberation Tigers of Tamil Eelam (LTTE) extorting civilians was a source of income from the 1980s to the new millennium. The World Tamil Movement acted as the main front organization for LTTE. Businesses were taxed according to success. Families were taxed up to \$280 annually and each family had to provide a

member for the Civil Defence Force (Thompson, in Gartestein-Ross & Frum, 2012:35). Taxation was extended throughout Sri Lanka in the diaspora. In 1990, 10 LTTE members were caught extorting 50 Deutschemarks (DM) per month and they threatened to harm families if not paid. By the same year, extortionists were moved to India. In 2000, as the Tamil prepared for a major battle, they reportedly expected every Tamil family in Australia, Canada and the UK to contribute US\$1000 to the cause (ibid).

For ISIS, the process of state-building has included some tax-building. Initially, the group depended on outright violence to raise cash. But as ISIS made the transition to ISIL, its revenue extraction became more sophisticated. "Despite a rocky beginning, ISIL today in many ways looks and acts like a state", noted Ahram. In Mosul, according to reports, ISIL enforced taxes on a variety of commercial activities, including telecommunications companies that had relay towers in ISIL-controlled zones. Those who refused to pay risked abduction or murder. In Syria's Raqqa province ISIL imposed the jizya (poll tax), the same tax the prophet Muhammad placed on non-Muslim communities.

Human trafficking provides funding for the same terrorist group stated above. That is the case because most Tamils would want to be taken out of Sri Lanka to secure better jobs in foreign countries. Around 1986, it was estimated that a group of eight Tamils might pay \$800 to be taken out of Sri Lanka. Large scale shipments took place in that year. By the turn of the century rates for the same had risen to between \$10 000 and \$40 000. In 1994, 200 Tamils were taken into the Netherlands from Russia (Thompson, 2012:39).

Another equally important source of income for terrorist group in Africa except Southern and parts of Central Africa is cattle rustling. Since cattle are used as draught power, have a religious significance and provide a source of meat, they are easy to dispose of. Often they are sold in distant markets or alternatively kept for use where they cannot be located by their original owners. In Nigeria, BH deploys a number of tactics to profiteer from cattle rustling. It sometimes creates its own markets to sell cattle in BH controlled territories. Scattering and selling cattle in distant markets is yet another tactic. Alternatively, cattle can be sold in small markets or can be hidden in neighbouring countries to be

sold at a later stage, Terrorist Financing in West and Central Africa). Governments in Cameroon and Nigeria have sometimes reacted by closing cattle markets, but this has not brought the problem. Terrorist-linked rustlers keep on perfecting and revising their skills.

Added to this is extortion, diaspora communities can be a significant and consistent source of funds. Estimates state that before 2001 one terrorist group collected up to USD 1 million a month from expatriates in Canada, Britain, Switzerland and Australia, making it among one of the most well-funded terrorist groups in the world. One report outlines how extortion demands were made on expatriate businesses of up to CAD 100 000 and GBP 100 000 in Canada and the UK respectively, with equally high demands made in France and Norway (ibid).

In addition, trade in endangered species also helps to raise money. According to Christy, there is also evidence suggesting that trade in ivory is one of the means being used to forge links among the LRA, Al Shabaab, ISIS and other terrorist groups.

A weak state facilitates funding of terrorist organisations through corruption. As highlighted by OECD report 2015,

Corruption and terrorism do not only join forces in conflict-affected countries where criminal activities are likely to flourish. They have become a major concern in countries where corruption has become endemic and made the country itself or its neighbours vulnerable to terrorist activities. Terrorist organisations use corruption to both finance and perpetrate terrorism. Like criminals and those they corrupt, they use the same grey areas in legal systems and porosity of the financial sector to channel their financing. As such, no country is totally immune.

Separatist and/or terrorist organizations have perfected their fundraising activities to include operating within the confines of the law. In other words, they have hijacked legitimate means of raising money but for unlawful ends. Included in the legal route are charities or non-profit organisations which possess characteristics that make them particularly attractive to terrorists or vulnerable to misuse. Legitimate businesses also privately raise funds for terrorist activities and they do so without force exerted upon them.

In the end:

...the proceeds of legitimate businesses can be used as a source of funds to support terrorist activities. This is a particular risk in sectors which do not require formal qualifications (such as a master craftsman certificate) and where starting a business does not require substantial investments. The risk that a business will divert funds to support terrorist activity is greater where the relation between sales reported and actual sales is difficult to verify, as is the case with cash-intensive businesses (ibid).

In some cases, individuals and families are so committed to some of these organisations such that they find it compelling to fund them probably on a small scale. The quotation below summarises it all.

In some cases, terrorist groups have been funded from internal sources, including family and other non-criminal sources. The amounts of money needed to mount small attacks can be raised by individual terrorists and their support networks using savings, access to credit or the proceeds of businesses under their control. Terrorist organisations can be highly decentralised, and self-funding can include cases in which a relatively autonomous external financial facilitator who is not directly involved in planning or carrying out an attack nevertheless contributes funding (ibid).

The commitment to terrorism sometimes sees members becoming so committed to the extent of getting in outright fraud. This can be done by credit card fraud. It would include various methods of making dishonest purchases through the use of someone else's credit card details– but one of the easiest ways to do so is to buy goods using the internet or by phone (carding). The two cases studies in this case relates to credit card fraud showing the vulnerability of credit cards to misuse for terrorist financing purposes and other illegal activities.

5. Dealing With the Challenge

5.1 Cutting of Market Routes

Disrupting and dismantling terrorist financing networks is essential to combat terrorism. Terrorist organisations' diverse requirement for financing creates a strong logic for seeking to disrupt terrorism by choking off funding flows to all terrorist-linked activities. Interdicting these flows can degrade the

capability of terrorist groups over time, limiting their ability to launch attacks, increasing their operational costs and injecting risk and uncertainty into their operations, which can have tactical benefits, such as damaging morale, leadership and legitimacy within a network or forcing terrorist groups to shift activity into areas where they are more vulnerable, including areas that they would otherwise avoid (ibid).

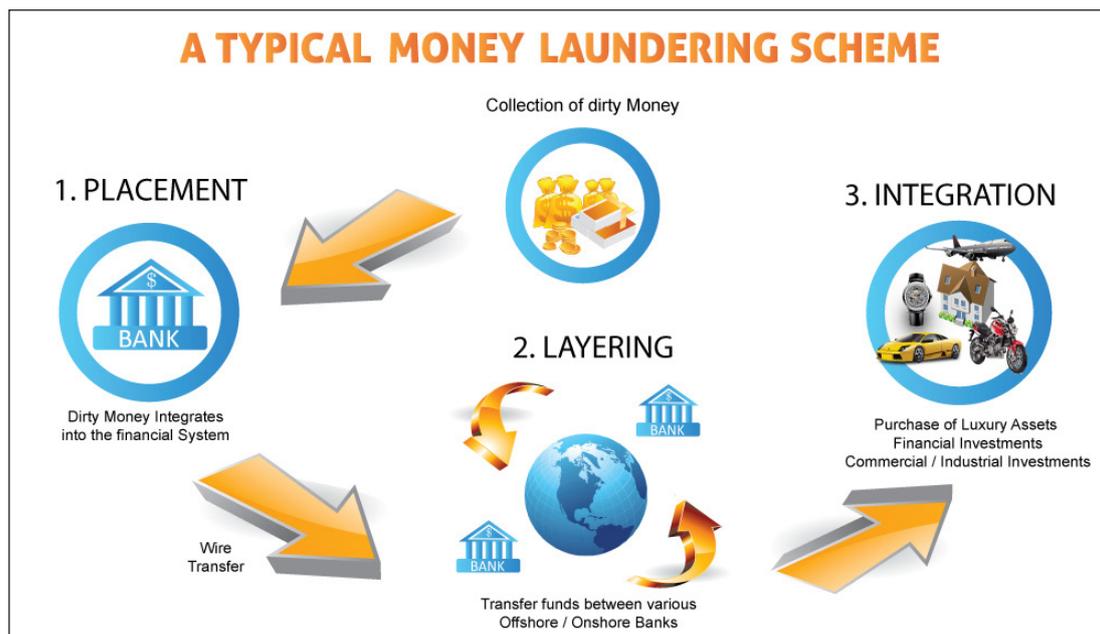
One of the remedies to problem of terrorist funding is to close markets in areas where terrorists thrive on cattle rustling. This could make it hard for proper conduct of the trade. For example, in March 2016, Borno state authorities in Nigeria reacted by closing down 4 cattle markets linked to BH. These were Gambouri, Dusuman, Shuwari and Ngom. In August of the same year, Cameroon also closed its main cattle market for the north of Mayo-Sava (Terrorist Financing in West and Central Africa). Without following up these closures with further action, such a move might arouse the anger of genuine cattle sellers. As such, there is need for a thorough screening of cattle to determine the genuine and those which have been stolen. It is important to ensure that once markets are closed, then borders should be secured to avoid free movement of rustlers.

Financing terrorism is different from terrorism itself. It is recommended in this research that financing terrorism should be criminalised if progress is to be made towards stability. Therefore, organisations and individuals involved from one who sells ware at a stall to big companies must all face the full wrath of the law. Governments which are involved must also be sanctioned. If world organisations such as IMF get involved in the fight against terrorism, chances are high that success can be achieved. For example:

In 2000, the IMF responded to calls from the international community to expand its work on anti-money laundering (AML). After the tragic events of September 11, 2001, the IMF intensified its AML activities and extended them to include combating the financing of terrorism (CFT). In 2009, the IMF launched a donor-supported trust fund to finance AML/CFT capacity development in its member countries.

Dealing with money laundering at its source is another way of countering and ultimately destroying terrorism. This means that money laundering has to be blocked and each of its stages so that it does not mutate from one stage to the other. This can be seen in Figure 7 on the following page.

Figure 7: Stages of Money Laundering



Source: www.google.com

Terrorism is rife because movement of funds has been made a lot easier worldwide. This makes it easier to finance separatist movements. There is need to stop transfer of funds even if they are small amounts. The 9/11 September attacks may have used a small amount of between US\$400 000 to US\$500 000 to be accomplished (Dalyan, 2008:137). Therefore, a sound means of securing against funds that may be destined for terror is important as a means of curbing the challenge. Supply routes for funding also need to be cut. One way of dealing with the menace is the application of sanctions. Sanctioning Iran for state sponsorship of Hezbollah (and other) terrorism can reduce problems of terrorism. The group continues to receive significant funding and resources from Iran. Without undermining the JCPOA, which is limited to nuclear development and proliferation, more vigorous action could be taken against Iranian entities such as the IRGC Qods Force, Mahan Air, and a host of others involved in Tehran's support for terrorism. The designation of Hasan Dehghan Ebrahimi in February 2017 was a move in the right direction.

Since the bases and training camps of Islamic terrorist groups are largely outside the United States, counterterrorist strikes against them are possible. Where there are effective democratic governments where each member can account for his or her source of funds, reducing terrorism is possible.

5.2 Local Strategies

Local ways of handling terrorism would include saving elephants by funding effective organisations on the ground, prosecuting ivory traffickers in international courts and banning ivory trade in perpetuity. Furthermore, effective surveillance including flying manned and unmanned surveillance aircraft over the heavily forested north-eastern region of Nigeria wherever intelligence officials believe there are terrorists is one way of keeping them on their feet. Using satellite tracking, military and intelligence agencies can isolate training camps and countries known to support such movements and launch sophisticated air strikes against such bases. Preventing Terrorists from raising, moving, and using funds is one way of pursuing them to dejection. As such,

...targeting Hezbollah's criminal enterprises in South America, Africa, and Europe is important as well. Additionally, whenever possible, officials should inform the Treasury Department about any Hezbollah connections to actions taken under authorities other than support for terrorism, Apply secondary sanctions under HIFPA to financial institutions that bank Hezbollah or its associates outside the Middle East, such as in Africa or Latin America.

Culture of tolerance and cohesion and peace among religions of the world would contribute to

a culture of peace and tolerance, in which terrorist violence will lack fertile seeding-ground. The Christian churches and other faiths should create a culture of tolerance among people while working for social healing and reconciliation. Another way of curtailing this problem is to develop capabilities to deal with cybercrimes. Kenya is a good example of an African country that has implemented these strategies. She has continuously killed Facebook and twitter accounts which propagate terrorism. It was reported that between 2015 and 2016, the Kenyan Intelligence Services closed 250 Facebook accounts and 367 twitter accounts linked to terrorism (B Abdrishid). Declaring war against cybercrimes is pivotal because it is one of the ways capable of arresting the recruitment of youths into terrorism. Another notable achievement in Kenya is the setting up of the National Counter terrorism Centre which works with communities and institutions to reduce the appeal of extremist ideologies mainly among the youths.

5.3 General Strategies

These would include but not limited to reducing the number of failed states through regional and international support mechanisms, improving on democracy and good governance and deterring African states from supporting terror. It is clear that failed states in Africa are associated with extremist movements. Countries like Eritrea should be encouraged or compelled to stop sponsoring terrorism in the Horn and parts of East Africa. Western democracies have successfully reduced terrorism through good governance. Africa may need to take some notes from this success story.

5.4 Challenges to Address

Whilst efforts have been made and are underway to deal with menaces of terrorist, separatist and liberation wars, there are still challenges. Firstly, due to paucity of boundaries and accomplices across borders and fragile states, overwhelming terrorists remains a challenge. Resources monitoring is difficult particularly in failed states such as those in Central Africa and the Horn. Only when democratic governments are in control and can account for their resources is it possible to curtail terrorism. The local cause and the national concern such as ethnicity, regionalism, marginalisation, religious intolerance all need to be dealt with since they breed separatism. All the actions being

highlighted here would require close co-operation and integrations within and beyond the borders. Given that borders particularly in Africa are very porous, it would prove hard to effectively deal with the problem of terrorism without cooperation from other neighbouring countries. Most of the terrorist groups in Africa, the Middle East and so on often use neighbouring countries as sanctuaries. Without their cooperation, therefore, very little can be achieved. Some resources that are exploited provide a lifeline to the locals to the extent it is difficult for the locals to disengage. A community that depends on resource exploitation requires a formal market and the terrorist organizations are the key to accessing both the domestic and the international market. If a democratic government is able to secure and assure the livelihoods of such people without going punitive, then chances are high that they can disengage from terrorist activities.

6. Conclusion and Recommendations

The paper has demonstrated that one of the major challenges facing governments and by extension democracy is terrorism. Terrorists thrive because they have sources of funding which enable them to sustain their activities. The sources are both formal and informal and are networked beyond borders and in some cases go global. Some of the major sources of funding for major terrorist groups such as ISIS, al-Qaeda, al-Shabab and Boko Haram include drug dealing, illegal mining, oil trade, kidnapping and demanding ransom, cattle rustling, taxation, and fraud, among others. The research has noted that both local and international mechanisms can be employed to deal with the menace. Some of the means would include massive surveillance of suspected areas, blocking trading activities of suspected terrorists, prompt reporting of suspect monetary transactions and ensuring that as much as possible, recruiting grounds are insulated. In the long run religious tolerance might also help in dealing with the challenge of terrorism.

References

- Abdrishid, B. 2018. Kenya leads globally in virtual counter- terrorism: Decimation of online jihadists and recruiters by Kenya Counter terrorism. Available at: <https://intelligencebriefs.com>. Accessed on 21 January 2018.
- Cambridge Advanced Learners Dictionary. 2013. Cambridge: Cambridge University Press.

- Dalyan, S. 2008. Combating the Financing of Terrorism: Re-thinking Strategies for Success, Defence against Terrorism, *Review*, 1(1):137-153.
- Evans, G. & Newnhan, J. 1998. *The Penguin Dictionary of international relations*. London: Penguin books.
- Landman, S.I. 2017. A Review of the Current Trends in Terrorism Financing: Written Testimony Presented to the House Committee on Financial Services, Subcommittee on Oversight and Investigations, Tuesday 28 September 2010. Available at: www.investigativeproject.org. Accessed on 5 July 2017.
- McCoy, T. 2018. Paying for Terrorism: Where does Boko Haram gets money from? Available at: www.independent.co.uk/news. Accessed on 20 January 2018.
- McLean, I. & McMillan, A. 2009. *Oxford concise Dictionary of Politics*. Oxford: Oxford University Press.
- Ndumbe, J. & Cole, D. 2005. The Illicit Diamond Trade and Civil Conflicts and Terrorism in Africa. *Mediterranean Quarterly*, (16):52-65
- Otis, J. 2014. The FARC and Columbia Illegal Drug Trade, November 2014. Available at: www.wilsoncenter.org. Accessed on 7 January 2017.
- Ploch, L., Blanchard, C.M., O'Rourke, R. & Mason, R.C. 2011. Piracy off the Horn of Africa, CRC Report for Congress, 27 April. Available at: <https://fas.org/sgp/crs/row/R40528.pdf>. Accessed on 5 January 2017.
- Smith, R.G., McCusker, R. & Walters, J. 2010. Financing of Terrorism: Risks for Australia. Trends and Issues in Crime and Criminal Justice. Australian Institute of Criminology.
- Spielvogel, J. 2009. *Western Civilization Since 1800*. Belmont: Thompson Higher Education
- Stearns, J. & Berger, J.M. 2016. *ISIS: The state of terror*. London: William Collins.
- Stearns, J. 2017. Rebellion and conflict minerals in North Kivu, *Conflict Trends*.
- Thompson, J. 2012. Hosting Terrorism: The Liberation Tigers of Tamil Eelam in Canada. In D, Gartestein-Ross & Senator, L.F. (eds). *Understanding and Addressing Violent Extremism in Canada*. Washington: Fed Press.
- Tunda, K.F. 2016. Disarmament, demobilization and reintegration in the Democratic Republic of the Congo. *Conflict Trends*, 4(2016):26-32.

Examining the Role of Transport Infrastructure on Economic Development in South Africa

T Ncanywa

University of Limpopo, South Africa

N Stuurman

University of Fort Hare, South Africa

Abstract: Economic development refers to economic growth accompanied by changes in output distribution and economic structures. These changes may include an improvement in the material wellbeing of the poorer half of the population, a decline in agriculture's share and an increase in service and industry's share of gross national product, an increase in the education and skill of the labour force, and substantial technical advances originating within the country. Transport infrastructure such as highways, bridges, ports, airports and railways is critical in achieving economic development and growth. The study examined the existing relationship between economic development and transport infrastructure in South Africa from 1960 to 2014. The study applied vector error correction model to examine the relationship between gross national income changes as a measure of economic development and transport infrastructure spending in South Africa. The methodology applied brought about a positive relationship between transport infrastructure and economic development. To promote development and improve productivity through transport infrastructure investment, the government should, therefore, increase funding at the same time maintain a low inflation rate. This can be achieved by monitoring fiscal and monetary policies to promote development rate of the aggregate demand in combination with public transport infrastructure policy and other policies as well. Development and management of transport infrastructure and the provision of public services is recommended to meet the growing transport infrastructure needs in South Africa.

Keywords: Economic development, New growth theory, Transport infrastructure, Vector error correction model

1. Introduction

The Accelerated and Shared Growth Initiative–South Africa (ASGI-SA) has identified inadequate infrastructure as one of the six most important constraints to growth in South Africa (Kirsten & Davies, 2008). If infrastructure is strongly linked to economic development it could play a major role in providing greater mobility and choice, leading to an improvement in incomes and welfare of society (Yemek, 2006). Infrastructure comprises of investments and related services that raise the productivity of other types of physical capital, for example transport, power, water and communication. Social infrastructure comprises of investments and services that raise the productivity of human capital, for example education and health (Perkins, Fedderke & Luiz, 2005). So, infrastructure development can influence economic development by improving the material wellbeing of the poorer citizens, an increase in the education and skill of the labour force, and substantial technical advances originating within the country (Nafziger, 2012).

Transport infrastructure such as highways, bridges, ports, airports and railways is critical in achieving economic development and growth. Economic development refers to the sustained, concerted actions of communities and policymakers that improve the standard of living and economic health of a specific locality (Nafziger, 2012). The definition of economic development according to Todaro and Smith (2010) is an increase in living conditions, improvement of the citizen's self-esteem needs and free and a just society. Infrastructure investments have been traditionally viewed as a policy instrument for development in several developing countries (Perkins *et al.*, 2005). According to the New Growth Path that was launched in 2010 by the Department of Economic Development, infrastructure has been targeted as one of the job drivers in the economy. Presenting the Infrastructure Development Cluster (IDC) briefing in February 2012, the Minister of Transport highlighted the South African government's interest to invest in infrastructure and making it a central priority in addressing problems of inequality, poverty and unemployment (Cheteni, 2013).

Governments around the world rank infrastructure policy among their greatest concerns. For instance, South Africa's infrastructure lies at the heart of government's stimulatory fiscal package and is a pivotal component of the New Growth Path (Department of Economic Development, 2010), accounting for just less than 8% of GDP in the 2012/13 fiscal year.

According to an International labour organisation (ILO) report, although infrastructure development is not identified as a direct Millennium Development Goal (MDG) target or indicator, without it, many of the targets will not be met (ILO, 2010). Infrastructure development is a prerequisite for poverty alleviation and employment creation in poor countries (Rust, 2008). The South African institute for civil engineers (SAICE) 2006 reported that, although the South African government had embarked on increasing infrastructure expenditure, there is still failure to invest in the maintenance and renewal of infrastructure. According to SAICE (2006), most of the infrastructure in South Africa is in either a fair, poor or very poor state.

Transport infrastructure expenditure is increased by the government every year. National accounts estimates show that public and private sector capital spending increased in real terms by 4.3 per cent and 4.6 per cent respectively in 2011, and 11.1 per cent and 4.3 per cent in the first three quarters of 2012 (Budget speech, 2013). However, as a percentage of GDP, capital spending has not yet recovered to the level reached in 2008, prior to the recession. Nominal public sector capital investment stood at 7.1 per cent of GDP in 2011, with private-sector investment at 11.9 per cent of GDP (Budget speech, 2013). Since government is increasing transport infrastructure expenditure, it was imperative to find out how is economic development affected. Therefore, the aim of this paper is to analyse the role of transport infrastructure on economic development in South Africa. Most researchers concentrated on the role of transport infrastructure on economic growth and this study looks at a broader concept which is economic development (Fourie, 2006). Literature on economic development is limited as reviewed on empirical literature whereas the topic focuses on changing the lives of people (Rust, 2008; Cheteni, 2013).

2. Literature Review

The complex and multidimensional problems of economic development have resulted into development

of a number of theories, explanations, arguments and assertions (World Bank, 2000; Deaton 2010). These theories describe tools and strategies for making development goals achievable.

2.1 The Linear Stages of Growth Models

The model focused on the utility of massive injections of capital to achieve rapid GDP growth rates. The two famous models are Rostow's stages growth model and the Harrod-Domar model (Todaro & Smith, 2010). Rostow (1962) viewed the process of development as a sequence of historical stages namely the traditional society, the preconditions for take-off, the take-off, the drive to maturity and the age of high mass consumption. The decisive stage is the take-off, through which developing countries are expected to transit from an underdeveloped to a developed state. Increasing rate of investments especially on infrastructure is considered to be necessary to induce per-capita growth. The Harrod-Domar model emphasized that the prime mover of the economy is investments (Bersley & Ghatak, 2003). Every country therefore needs capital to generate investments. The key weakness of these models lies in their simplifying assumptions that a single production function is assumed for all countries whereas countries may pursue distinct development paths (Adelman, 1999).

2.2 New Growth Theory

Endogenous growth or the new growth theory emerged in the 1990s to explain the poor performance of many less developed countries, which have implemented policies as prescribed in neoclassical theories. Unlike the Solow model that considers technological change as an exogenous factor, the new growth model notes the evolution of economic development, that technological change has not been equal nor has it been exogenously transmitted in most developing countries (World Bank, 2000). New growth theorists linked the technological change to the production of knowledge (Romer, 1986; Lucas, 1988; Aghion & Howitt, 1992). The theory argues that the higher rate of returns as expected in the Solow model is greatly eroded by lower levels of complementary investments in human capital (education), infrastructure, or research and development (R&D). Therefore, the theory promotes the role of government and public policies in complementary investments in human capital formation and the encouragement of foreign private investments in

knowledge-intensive industries such as computer software and telecommunications (Meier, 2000).

Although the new growth theory helps to explain the divergence in growth rates across economies, it was criticized for overlooking the importance of social and institutional structures (Skott & Auerbach, 1995). Its limited applicability lies in its assumptions. For example, it treats the economy as a single firm that does not permit the crucial growth-generating reallocation of labour and capital within the economy during the process of structural change. Moreover, there are many other factors which provide the incentives for economic growth that developing countries lack such as poor infrastructure, inadequate institutional structures and imperfect capital and goods markets (Cornwall & Cornwall, 1994). Policy-makers will therefore need to pay careful attention to all of the factors that determine the changes and their impacts on the aggregate growth rate.

2.3 Fundamental Theorems of Welfare Economics

There are two fundamental theorems of welfare economics. The first states that any competitive equilibrium or Walrasian equilibrium leads to a Pareto efficient allocation of resources. It is taken to be an analytical confirmation of Adam Smith's "invisible hand" hypothesis, namely that competitive markets tend toward an efficient allocation of resources (Swan, 1956; Torado & Smith, 2009). The second theorem states that out of all possible Pareto-efficient outcomes, one can achieve any particular one by enacting lump-sum wealth redistribution and then letting the market take over (Dwyer, 2005). This appears to make the case that intervention has a legitimate place in policy – redistributions can allow us to select from all efficient outcomes for one that has other desired features, such as distributional equity (Kularante, 2006). According to Clarke (2001) the shortcoming is that for the theorem to hold, the transfers have to be lump-sum and the government needs to have perfect information on individual consumers' tastes as well as the production possibilities of firms. An additional mathematical condition is that preferences and production technologies have to be convex.

2.4 Neoclassical Welfare Theory

Neoclassical economics is a term variously used for approaches to economics focusing on the

determination of prices, outputs, and income distributions in markets. This is done through supply and demand, often mediated through a hypothesized maximization of utility by income-constrained individuals in accordance with rational choice theory (Grosman & Helpman, 1990). The essence of neoclassical welfare theory is that the performance of economic institutions can and should be judged according to whether they provide economic goods in quantities that accord with people's relative desires for those goods (Grosman & Helpman, 1990). High marks are given to economic systems that display a close "fit" between the relative terms on which economic goods are made available and people's relative preferences for those goods. According to neoclassical welfare theory, individual's manifest preferences are not data because they are assumed to be knowable, psychological, verifiable truths concerning an aspect of reality that we refer to as human happiness. The justification can be phrased in negative form of the classical liberalism.

2.5 Transport Infrastructure

Van Wyk (2004) conducted a study on the role of transport infrastructure investment in South Africa, using a growth model. The study revealed a positive relationship between transport infrastructure investment and economic growth. It was found that road and development activities leads to the development of human resources. This implies that transport infrastructure is an important driver for social economic development and plays an essential role in poverty alleviation.

The impact of transport infrastructure investment and transport sector productivity on South African economic growth for the period 1975 to 2011 was examined by Cheteni (2013). Vector Error Correction Model (VECM) and Bayesian Vector Autoregressive model (BVAR) were employed and an insight into the dynamic shocks on economic growth through impulse responses was provided. The researcher recommended that in order to stimulate growth and productivity through infrastructure investment, the government should increase funding at the same time maintain a low inflation rate. Aschauer (1989) pioneered the research on the impact of the infrastructure investment on output and productivity growth. The results showed relatively slower growth in public capital accumulation in the United States during

the 1970s and 80s, and was largely responsible for the private sector productivity slowdown.

Aschauer (1989), Lynde and Richmond (1993) investigated the causes for the decline in the US output and productivity growth since the early 1970s. It was found that the services of the public capital are an important part of the production process and that about 40% of the productivity decline in the United States was explained by the fall in public capital-labour ratio. Ford and Poret (1991) suggested that cross country differences in productivity growth might also be explained partly by differences in levels of infrastructure spending. Aschauer (1993) argued that the public infrastructure such as streets and highways, mass transit, water and sewer systems should be considered as factors of production, along with labour and private capital, in the private sector production process. Therefore, to raise productivity growth countries must boost the rate of capital accumulation on the tangible capital such as plant and equipment, or intangible capital such as that generated by research and development expenditures. Fedderke and Garlick (2008) did not find a significant relationship between infrastructure development and economic growth in South Africa when the ordinary least squares were used. However, macroeconomic policies such as ASGISA, RDP have been found to influence economic infrastructure development in South Africa.

3. Research Methods

This study focused on the impact of transport infrastructure on economic development in South Africa between the periods 1960 to 2014. The section exposes the model estimation techniques to be used in the study on quarterly data extracted from the South African Reserve Bank.

3.1 Empirical Model

The study employed an econometric model to evaluate the impact of transport infrastructure on economic development. Gross national income is modelled as a function of gross domestic product, inflation rate and transport infrastructure expenditure. Based on the insights given in the literature review section and on the availability of data, this study specified the model as follows:

$$GNI_t = \beta_0 + \beta_1 GDP_t + \beta_2 TIE_t + \beta_3 INFL_t + u_t \quad (1)$$

Where:

GNI = the sum of a nation's gross domestic product (GDP) plus net income received from overseas. Gross national income (GNI) is defined as the sum of value added by all producers who are residents in a nation, plus any product taxes (minus subsidies) not included in output, plus income received from abroad such as employee compensation and property income. GNI is the proxy used to measure economic development.

TIE = these indicators cover freight, container and passenger transport, car registrations, road deaths and spending on infrastructure. Transport infrastructure expenditure shows transport equipment which is a proxy measure of transport infrastructure measured in millions of Rand.

GDP = the monetary value of all the finished goods and services produced within a country's borders in a specific time period. Gross Domestic Product in South Africa measured in one million rand (GDP at constant prices seasonally adjusted).

INFL = Inflation is a sustained increase in the general price level of goods and services in an economy over a period of time. When the price level rises, each unit of currency buys fewer goods and services. Inflation rate shows consumer price index, which is the proxy to measure inflation, and is measured in Millions in South Africa.

B_{0-3} = parameter coefficient

UT = error term

3.2 Analytical Framework

This section outlines the econometric estimation techniques employed to determine the role of transport infrastructure on economic development.

3.2.1 Stationarity

A stationary time series can be defined as one with constant mean, constant variance and constant auto-covariance over time (Blungmart, 2000). Stationary time series give meaningful sample statistics such that means and variance correlates with other variables. Statistical measures with such qualities are vital for description of future behaviour in data modelling. Model lacking stationary test give spurious regression, biased t-ratios, incorrect inferences and artificial R-squared that is very close to one (Engle & Granger, 1987).

Stationary tests are intended to detect stochastic trends although they might have weakness in doing so through giving imbalanced and misleading inferences if deterministic trends exist. The Dickey-fuller (DF) and Augmented Dickey Fuller (ADF) are testing techniques conducted when testing for stationarity. ADF adds lagged dependent variables to the test equation which removes distortions to level of statistical significance (Maddala & Kim, 1998). The Phillips-Perron (PP) test involves fitting and, the results are used to calculate the test statistics. The PP tests corrects for any serial correlation and heteroscedasticity in the errors u_t , non-parametrically by modifying the Dickey Fuller test statistics. Phillips and Perron's test statistics can be viewed as Dickey-Fuller statistics that have been made robust to serial correlation by using the Newey-West (1987) heteroscedasticity – and autocorrelation-consistent covariance matrix estimator (Engle & Granger, 1987).

3.2.2 Johansen Cointegration and Vector Error Correction Model (VECM)

The study used the vector autoregressive (VAR) analysis specially known as the VECM approach models for estimation. The VAR lag selection criteria shall be employed which will be followed by the Johansen cointegration test and the VECM methods in order to detect the impact of transport infrastructure on economic development. Cointegration test is conducted in order to determine whether any long run relationships exist within the set of the variables, thus to determine that the variables in the model are cointegrated or not.

VECM has been seen to have cointegration relationships built into specification so that it restricts the long run behaviour the endogenous variables to

converge to their co integration relationships while allowing for short-run adjustment dynamics (Engle & Granger, 1987). The Error Correction Model (ECMs) represents the speed of adjustment to restore equilibrium in the model, thus they directly estimate the speed at which a dependent variable returns to equilibrium after a change in an independent variable.

Gujarati (2004) argues that diagnostic tests should be performed so that the model finally chosen is a good model in the sense that all the estimated coefficients have the right signs, they are statistically significant on the basis of the t and F tests, the R-Squared value is reasonably high and the Durban-Watson d has acceptable value (around 2). Tests that were conducted under this study will include normality test, serial correlation LM test and heteroscedasticity test.

4. Findings and Discussions

The results obtained from the econometric analysis are reported in this section.

4.1 Tests for Stationarity Results

If the absolute computed statistic is greater than the critical values from the tables, we reject the null hypothesis and conclude that the time series is stationary (Engle & Granger, 1987). If the absolute value is less than the critical value, we do not reject the null and conclude that the time series is non-stationary. The Augmented Dickey Fuller and the Phillips Perron tests used for stationarity are reported in Table 1 below and Table 2 on the next page. These tables indicate that all the variables become stationary after being differenced.

Table 1: Augmented Dickey Fuller Results

Augmented Dickey Fuller			
Variable	Intercept	Trend and intercept	None
LGNI	-1.648111 -3.866640*	-2.543292 -4.026192*	2.831372* -2.496913**
LGDP	-2.052288 -4.154147*	-3.033451 -4.419391*	3.169269* -2.499420**
LINFRA	-1.485103 -15.86005*	-2.047432 -15.83607*	1.950226 -15.61169*
LINFL	-3.015719 -11.24553*	-2.968273 -11.26469*	-1.403516 -11.27175*

Source: Author compilation

Table 2: Phillips-Perron Test

Phillips-Perron Test			
Variable	Intercept	Trend & intercept	None
LGNI	-1.914264 -21.60508*	-2.806445 -22.53491*	5.787678* -17.85190*
LGDP	-2.351511 -22.43886*	-3.176743 -23.58297*	6.418400* -17.99224*
LINFRA	-1.561134 -21.93609*	-2.926933 -21.95110*	1.703554 -20.97032*
LINFL	-5.125000* -38.74790*	-5.088392* -58.34122*	-2.401704** -38.80809*

Source: Author compilation

Table 3a: Unrestricted Cointegration Rank Test: Trace

Hypothesized No of CE(S)	Eigen Value	Trace Statistic	0.05 Critical Value	Prob **
None *	0.131785	52.79430	47.85613	0.0160
At most 1	0.083955	22.97670	29.79707	0.2472
At most 2	0.019048	4.474157	15.49471	0.8618
At most 3	0.001971	0.416217	3.841466	0.5188
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level *denotes rejection of the hypothesis at the 0.05 level **Mackinnon-Haug-Michelis(1990) p-values				

Source: Author compilation

Table 3b: Unrestricted Cointegration Rank Test: Eigen Value

Hypothesized No of CE(S)	Eigen Value	Max-Eigen Statistic	0.05 Critical Value	Prob **
None *	0.131785	29.81760	27.58434	0.0254
At most 1	0.083955	18.50254	21.13162	0.1122
At most 2	0.019048	4.057940	14.26460	0.8532
At most 3	0.001971	0.416217	3.841466	0.5188
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level *denotes rejection of the hypothesis at the 0.05 level **Mackinnon-Haug-Michelis(1990) p-values				

Source: Author compilation

4.2 Johansen Cointegration Tests

Cointegration has been noted to determine the possibility of a linear equation and to see if the variables are stationary. However, if there is evidence that a linear combination of the series exists, we can conclude and say that there is cointegration, and the variables have a long run relationship. Tables 3a and 3b present the Johansen cointegration tests on trace and maximum eigen value statistics.

In Table 3a, the Johansen cointegration test results show the rejection of null hypothesis which is

rejected only when the trace statistic is greater than the critical value. At none, the test reveals that there is one integrating equation at 5%. The trace statistic is 52.7 greater than the critical value which is at 47.8. However, the 'At most 1, 2 and 3' rows show that the trace statistic is lower than the critical values of which we fail to reject the null hypothesis.

The eigen value at none in Table 3b shows the test statistic of the maximum eigen value at 34.06 and the critical value being 27.58 and therefore reject the null hypothesis since it is greater than the critical value of 27.58 at 5%. The results confirm that there

is one cointegrating equations between the variables. However, at most 1, 2, and 3 we fail to reject the null hypothesis as the critical value is greater than the maximum eigen statistic. The cointegration test from both Tables 3a and 3b have proved that variables in the model are cointegrated. It can be concluded that there's one cointegrating equation, and therefore there is a long run relationship which in this aspect the VECM model can be estimated.

4.3 Vector Error Correction Model (VECM) Results

The study proceeds to use VECM to estimate the model where economic development is estimated as a function of gross domestic product, transport infrastructure expenditure and inflation. Table 4 presents the results of the estimates in the long run relationship.

The standard procedure in VECM analysis is to report positive as negative and negative as positive, thus multiply all the coefficients with minus. The results shown above reflect that there is a positive relationship between transport infrastructure expenditure and economic development. A one-unit increase in transport infrastructure will induce 0.95 unit increases in economic development. Gross Domestic Product (LGDP) on the other hand shows a positive relationship with economic development, as a unit increase in LGDP will induce a 0.069197 increase in economic development. This is in line with both empirical evidence and economic theory which shows consistency as an increase in gross domestic product tends to promote or improve economic development (Aschauer, 1993).

Empirical evidence and economic theory show that in the long run an increase in inflation can lead to prices increasing and cost of production increasing of which this will lead to a decline in economic development (Cheteni, 2013). A one-unit increase in inflation will lead to a 0.001001

decrease in economic development. The relationship is however, not statistically significant because t-statistics of 0.00052 is smaller than the standard value of 2.

The speed of adjustment is 0.54747 which means that in the error correction model, variables adjust to long run shocks affecting the natural equilibrium at 54.75 per cent and there is a short run relationship in the series. The relationship between gross domestic and economic development is positive in the short run. There is a positive relationship between economic development and transport infrastructure as witnessed by Chandra & Thompson (2000). A unit increase in transport infrastructure would increase economic development by 0.953182 units. The relationship is supported by theories of Bersley and Ghatak (2003) that increasing rate of investments especially on infrastructure is considered to be necessary to induce economic development.

4.4 Impulse Response

Gujarati (2009) explained that the impulse response function (IRF) traces out the response of the dependent variable in the VAR system to shocks to each of the variables. Figure 1 on the next page illustrates the shocks or reactions of economic development to a one standard deviation of changes on the independent variables. It also indicates the directions and persistence of the response to each of the shock over a particular period of 10 months. The first graph shows the response of economic development to itself, a standard deviation (own shock), however leads to economic development trending upwards and downwards. In the first period towards the fourth period the shock is seen by a decline in economic development but however it shows some trend of improvement from the period fifth period.

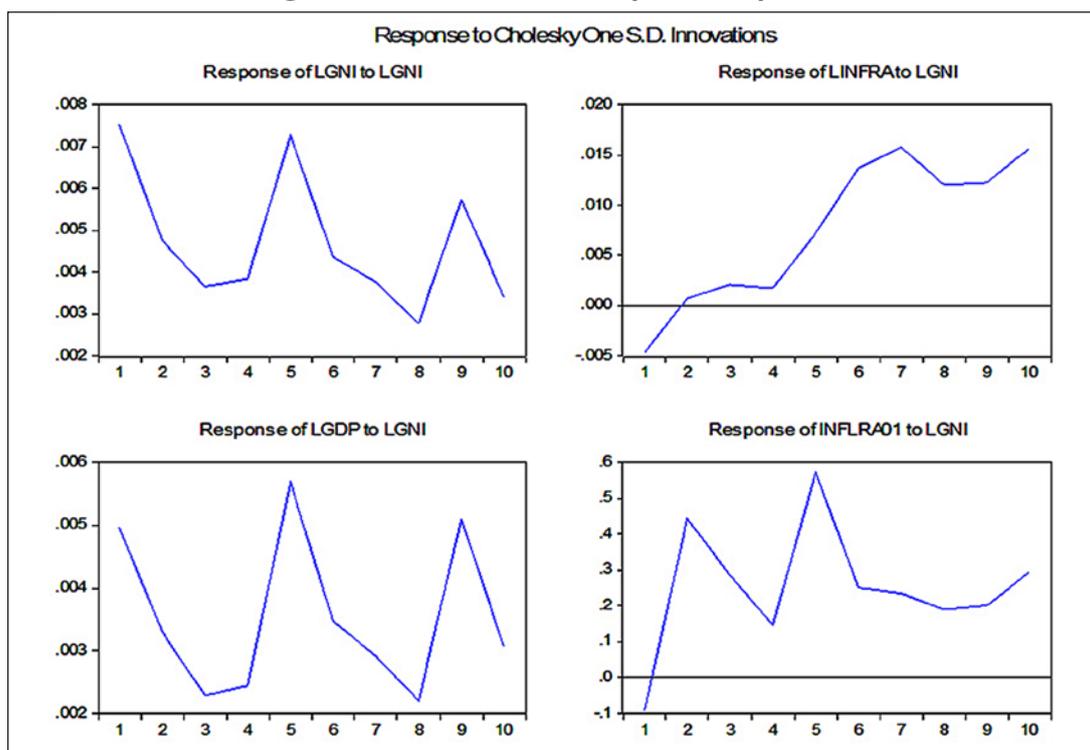
The second graph shows the response of economic development to economic growth of which one

Table 4: VECM Results (Long Run Relationships)

Variable	Coefficient	Standard Error	t-statistic
LGNI	1.000000	-	-
LGDP	-0.069197	(0.02053)	[-3.37132]
LINFRA	-0.953182	(0.02577)	[-36.9820]
INFL	0.001001	(0.00052)	[1.93835]

Source: Author compilation

Figure 1: Presentation of Impulse Responses



Source: Author compilation

Table 5: Variance Decomposition

PERIOD	S.E	LGNI	LINFRA	LGDP	INFL
1	0.007343	100.0000	0.000000	0.000000	0.000000
2	0.008978	99.69342	0.023936	0.240803	0.041844
3	0.009842	97.64579	0.630005	1.311016	0.413187
4	0.011193	90.04478	4.579514	1.494807	3.880895
5	0.013488	90.23679	4.498552	1.179466	4.085193
6	0.014599	89.42538	5.074433	1.056884	4.443306
7	0.015656	86.89137	5.172133	0.984998	6.951494
8	0.016903	80.23332	8.483297	0.909700	10.37369
9	0.018591	80.19051	8.740892	0.847493	10.22110
10	0.019475	79.17014	9.630987	0.809216	10.38966

Source: Author compilation

standard deviation shock to growth would lead to a decline in economic growth (Figure 1). The effect on development is felt strongly on the fifth period where it tends to take a sharp decline. However, with transport infrastructure one standard shock deviation leads to economic development being below zero for the first two periods but however in the long run thus the tenth month the effect is later on felt with time. Transport infrastructure seems to have a slighter effect on economic development.

4.5 Variance Decomposition

Variance decompositions separate the proportions of a change in the dependent variables that can be attributed to their "own" shocks and shocks to other variables (Maddala & Kim, 1998). A shock to a variable will affect that variable directly, but will also be transmitted to the other variables through the dynamic structure of the VAR. Table 5 will show movements thus own shocks and variance decomposition of economic development and other

variables and analyse the relative importance of each of the determinants or variables influencing these movements.

Table 5 notes variance decomposition for 10 periods and also to explain clearly how the variables have an effect towards economic development fluctuation in the short and the long run. If we consider the second quarter period of, impulse or innovation shock, economic development accounts to 100% of its own shock or fluctuation to itself. However, with shocks to transport infrastructure expenditure, gross domestic and inflation the fluctuations for economic development are 0.02%, 0.24% and 0.04% respectively and don't account much for the fluctuation towards economic development.

In the long run, thus for period 10, economic development accounts to 79% of fluctuations to its own shocks. Transport infrastructure in the long run is 9.6% that accounts to economic development fluctuation, and gross domestic product, inflation has values of 0.8% and 10.3% respectively. In the long run transport infrastructure is seen to have a more effects on economic development fluctuations as it causes 9.6% of the fluctuations in the long run. Throughout the whole period economic development is influenced by its own shocks in the short run and of which in the long run influence is seen to be taken over by transport infrastructure as it accounts for most of the fluctuations in economic development as shown in Table 5.

4.6 Diagnostic Tests

Diagnostic tests were conducted to ensure if the model is robust. The normality test was conducted to see if the model is normally distributed of which the Jarque Bera repeated p value of 0.068294 which shows that residuals are normally distributed. The model was also tested for serial correlation thus the LM test of which there is no reflection of serial correlation within the model. The probability for the LM test was 0.567 which is more than the standard value of 0.05. Lastly there was no heteroscedasticity test was conducted which showed the probability result of 0.3842 which is greater than 0.05.

5. Conclusion and Recommendations

The paper examined the existing relationship between economic development and transport infrastructure in South Africa in the period 1960-2014.

Cointegration, vector error correction model, variance decomposition and impulse response functions have been employed to investigate the relationship. Some diagnostic tests have been used to test for the reliability of the model.

The positive relationship between the transport infrastructure and economic development as revealed by the study has brought forth some interesting aspects, of which the government should try by all means to improve the quality of infrastructure, especially the transport sector. To promote development and improve productivity through transport infrastructure investment, the government should, therefore, increase funding at the same time maintain a low inflation rate. This can be achieved by monitoring fiscal and monetary policies to promote development rate of the aggregate demand in combination with public transport infrastructure policy and other policies as well. Development and management of transport infrastructure and the provision of public services is indeed the only way to meet the growing transport infrastructure needs in South Africa.

References

- Agbaeze, E.K. & Onwuka I.O. 2014. Impact of Micro-Credit on Poverty Alleviation in Nigeria. *Business and Management Review*, 2(1): 1-27.
- Adelman, I. 1999. The Role of Government in Economic Development. Department of Agricultural and Resource Economics. University of California: Berkeley Working Paper No. 890. California.
- Amjadi, A. & Yeats, A.J. 1995. *Have Transport Costs Contributed to the Relative Decline of African Exports? Some Preliminary Empirical Evidence*. Washington, D.C.: World Bank International Economics Dept. International Trade Division.
- Arvanits, A. 2002. *Foreign Direct Investment in South why has it been low*. p.1.
- Aschauer, D.A. 1989. Is public expenditure productive? *Journal of Monetary Economics*, 23(2): 177-200.
- Aschauer, D.A. 1993. Genuine economic returns to infrastructure investment. *Policy Studies Journal*, 21(2):380-390.
- Bersley, T. & Ghatak, M. 2003. Incentives, choice and accountability in the provision of public services. *Oxford Review of Economic policy*, 19(2):235-249.
- Blungmart, M. 2000. The Augmented Dickey-Fuller tests. *Journal of Econometrics*. 21(1):131-143.
- Budget speech. 2013. National Treasury. Government Gazzette. Pretoria.
- Chandra, A. & Thompson, E. 2000. Does Public Infrastructure Affect Economic Activity? *Journal of Regional Science and Urban Economics*, (30):457-490.

- Cheteni, P. 2013. Transport Infrastructure Investment and Transport Sector Productivity on Economic Growth in South Africa (1975-2011). *Mediterranean Journal of Social Sciences*, 4(13):61-772.
- Crossley, P., Chamen, T. & Kienzle, J. 2009. Rural transport and traction enterprises for improved livelihoods. *Food and Agriculture Organization of the United Nations*. Rome.
- Deaton, A. 2010. Understanding the Mechanisms of Economic Development. *Journal of Economic Perspectives, American Economic Association*, 24(3):3-16.
- Department of Economic Development. 2010. Pretoria
- Department of Transport. 2012. *Transnet Limited Annual Report 2009*. Available at: <http://www.transport.gov.za/>. Accessed on 17 October 2015.
- Development Bank of Southern Africa. 1998. Infrastructure: A Foundation for Development. Development Report 1998. Pretoria: DBSA.
- Dwyer, G.P. 2005. *Economic growth theory and financial development: basic theories of growth*. Available at: www.jerrdwyer.com. Accessed on 20 May 2016.
- Engle, R. & Granger, C. 1987. Cointegration and error correction: representation, estimation and testing. *Econometrica*, 35:251-276.
- Engle, R. 1984. Wald, Likelihood Ratio and Lagrange Multiplier tests in Econometrics. In Z. Griliches and M.D. Intriligator. *Handbook of Econometrics, Volume II*. Elsevier Science Publishers BV.
- Engle, R., Granger C. & Clive, W.J. 1987. Co-integration and error correction: Representation, estimation and testing. *Econometrica*, 55(2):251-276.
- Fedderke, J. & Bogeti, Z. 2006. Infrastructure and Growth in South Africa: Direct and Indirect Productivity Impacts of 19 Infrastructure Measures, *World Bank Policy Research Working Paper 3989*, August 2006.
- Fedderke, J. & Garlick, R. 2008. Infrastructure Development and Economic Growth in South Africa: A review of the accumulated evidence, *Policy Paper Number 12; School of Economics*, University of Cape Town and Economic Research Southern Africa. Cape Town.
- Fourie, J. 2006. Economic Infrastructure: A Review of Definitions, Theory and Empirics. *South African Journal of Economics*, 74(3):530-556.
- Grosman, G. & Helpman E. 1990. Comparative advantage and long-run growth. *American Economic Review*, 80(4):796-815.
- Gujarati, D. 2004. *Basic Econometrics*. New York: Springer.
- ILO. 2010. Local Development through Infrastructure Investments and Jobs – Advisory Support, Information Services and Training Programme (ASIST-AP), ILO Regional Offices for Asia and the Pacific. Available at: http://www.ilo.org/asia/whatwedo/projects/lang—en/WCMS_098915/index.htm. Accessed on 24 March 2010.
- Kirsten, M. & Davies, G. 2008. ASGISA: *Is the Bar Set High Enough? Will the Accelerated Infrastructure Spend Assist in Meeting the Targets?* TIPS Conference, 29-31 October 2008. Cape Town: Development Bank of Southern Africa.
- Lynde, C. & Richmond, J. 1993. Public capital and total factor productivity, *International Economic Review*, 34(2):401-414.
- Maddala, G.S. & Kim I.M. 1998. *Unit Roots, Cointegration and Structural Change*. Cambridge: Cambridge University Press.
- Nafziger, E.W. 2012. *Economic Development*. Cambridge: Cambridge University Press.
- Perkins, P., Fedderke, J. & Luiz, J. 2005. An Analysis of Economic Infrastructure Investment in South Africa. *South African Journal of Economics*, 73(2):211-228.
- Rostow, W.W. 1962. *The stages of economics growth*. London. Cambridge University Press.
- Rust, F.C. 2008. A systems approach to managing research and technology development in the road infrastructure sector in South Africa. Confidential CSIR Report, CSIR/BE/SRM/IR/2008/0001/B, CSIR, Pretoria.
- South African Institute for Civil Engineers. 2006. Report card 2006. Pretoria: South African Institute for Civil Engineers.
- Todaro, M.P. & Smith, S.C. 2010. *Economic Development*. Addison-Wesley: Pearson
- Van Wyk, L. 2004. *A Review of the South African Construction Industry Part 2: Sustainable construction activities*. Pretoria, South Africa: CSIR Boutek. Available at: <http://www.csir.co.za/akani>. Accessed on 29 October 2009.
- Yemek, E. 2006. *Budgetary Perspectives in Shared Growth Policy Interventions in South Africa. Occasional paper*, IDASA- Africa. Budget unit.

Providing Better Services to All Through the Implementation of E-Governance at the Local Government Level in South Africa

TI Mokgopo

University of Limpopo, South Africa

Abstract: The sphere of local government in South Africa is often viewed as an institution that is closest to people. It is also perceived to be the first point of contact between members of community and government institutions. This means that most service delivery objectives that are contained in the *Constitution of the Republic of South Africa* are achieved at the local government level, thereby making municipalities the most important institution in the country. This saw municipalities being able to touch any area or communities where the national and provincial government cannot reach including disadvantage rural areas. Such development led to the introduction of e-governance as a way of providing services to both public and private sector in the country. The main reason is that the internet has become an important way to conduct business and to communicate between government departments and members of the community. However, current evidence points to the fact that local governments worldwide, including South Africa, have been slow to respond to these developments: the implementation of e-governance and use of internet to provide e-services. Based on that this paper advocates for the implementation of e-governance at the local government level in South Africa as a measure of improving and achieving Constitutional objectives of providing better services for all. This paper argues that through e-government or e-governance, municipalities will be in a better position to respond to service delivery challenges faced by members of the community because in itself (e-governance) public participation is achievable. The paper concludes that local e-governance is a better way of providing municipal services to different communities in the country.

Keywords: E-governance, E-government, Good governance, Implementation, Information technology, Local government

1. Introduction

The transition from the apartheid era into a democratic dispensation in South Africa ushered in major opportunities for members of community to be provided with adequate services by the government. Though being celebrated and appreciated, this transition came also with challenges which affected the provisions of services to majority of citizens especially those residing in remote rural areas. Based on such challenges the country has since been rocked with community protest by different communities in all the South African nine provinces. This shows that the system adopted in the country post 1994 for the provision of services to members of community is falling or it was not capacitated enough to cater for all. The expectation by members of the community was and still is that the establishment of municipalities "local municipality" in their areas will turn around service delivery woes in their community. Unfortunately, the sphere of local government being the government that is closest to people could not cater for the needs of the majority of people. This is because some of

them reside far from municipal offices. While others are unable to access services due to ill health or if they are, they are unable to stand for a long time on the queues to pay for utility bills and municipal services. This saw many communities taking the matter on the street, protesting against what is termed poor service provision or lack of service at all in their areas.

Such community protest in the name of poor service delivery led to the South African government searching for proper ways in which services can be rendered to different communities including remote areas in the country, with the aim of alleviating poverty and lack of access to municipal services in the townships and rural communities. This is because the era in which communities in South Africa lives in is different as compared to the one adopted or used during the apartheid. Communities are now living in what is known as the information communication technology (ICTs) era. These developments made it possible for citizens to move offline to business online to acquire e-services from private sectors without physically being present to receive such services.

Based on that it was observed in this paper that the new information age in which local communities live in start to show some cracks in how government and municipalities renders its services to citizen. The new information age has changed the manner in which government will or renders its services to its consumers (Maleka, 2016). This is to say that the use of internet has become an important way to communicate, render services and conduct business (Streib & Willoughby, 2002). Furthermore, the use of Information Communication Technology (ICT) is being seen as a way of widening access to government information and services in developing countries. Unfortunately, e-government development remains at a very low level at the local government in South Africa (Olivier & Murenzi, 2017). This is surprising because there is a tremendous growth of electronic transaction in the private sector in South Africa and that leave one with multiple questions as to why public sectors are slow in implementing e-government or governance infrastructure. This created serious frustrations in the public eye, especially to those who cannot differentiate between private and public sectors. Streib and Willoughby (2002:198) point out that it is therefore very understandable as to why citizens compare local government performance to that of e-commerce giants such as Amazon.com. This paper provides that through e-governance some service delivery challenges at the local government level can be resolved because citizens including those residing in the rural areas can be able to move from businesses to government online in seconds.

The purpose of this paper is to answer a question as to why it is necessary to implement e-governance at the South African local government. This paper will also provide the reason why it is imperative for local government to connect with citizens via the internet and the need for the provision of municipal e-services in South Africa. Pursuant to that it will outline the process of implementation e-governance at the local government level and critic how best can adequate services be provided equitably to members of the community. This includes the challenges and strength of both e-government and e-governance. This paper argues that it is possible to connect citizens including rural communities to enable them access to municipal e-services. Furthermore, this paper concludes that the implementation and provision of e-services by municipalities will bridge the gap between citizens and their municipalities. This will ensure that accountability and public participation prevail at the local government level.

2. The Constitutional Status of the South African Local Government

After the abolishment of apartheid and the transition into a democratic era, local government was given a constitutional status with the main aim of providing democratic and accountable government to local communities in South Africa. In trying to accommodate all communities (urban and rural) in the country, local government is expected to consist of municipalities that must be established to cover the whole territory of the Republic (*Constitution of the Republic of South Africa*, 1996). The process is explicitly provided for and outlined in terms of section 155 of the *Constitution*. Section 155 provides for the categories of municipality that must be established in the country, namely: (i) category A, which is municipality that has exclusive municipal executive and legislative authority; (ii) category B, which is a municipality that shares municipal executive and legislative authority in its area with a category C municipality and; (iii) Category C which is a municipality that has municipal executive and legislative authority in an area that includes more than one municipality (Section 155 (1) (a)-(c), *Constitution*).

Being the third sphere of government in South Africa, its objectives amongst others include ensuring that services are provided to communities in a sustainable manner while encouraging the involvement of communities and community organisations in its matters (Section 152, *Constitution*). The notion of community involvement led to the sphere of local government being viewed as the first point of contact between members of the community and their government through local government (Mokgopo, 2016). This is the reason why it is being perceived and defined as an institution that is closest to people (Mokgopo, 2017). It is therefore very clear that the main purpose for the establishment of the sphere of local government in South Africa was and still is to improve service quality and ensure equity in the provision of services while enhancing participation by citizen in government system (Fox & Gurley, 2006). Based on that, the author highlight that in order to do so, there is a need to strengthen local government in South Africa to ensure better services for all. This is because through local government, service delivery objectives as provided for in the *Constitution* can be achieved while on the other hand the cost of service-delivery can be minimised to accommodate remote areas that were and are still affected by the injustice of the past. All this is

being done to allow communities to have access to municipal services that they are entitled to in terms of the *Constitution*.

Due to its constitutional status, there is always a high demand and high level of expectation by communities from their municipalities to provide them with adequate services. Unfortunately, it does happen that communities are not afforded with such services as expected and this resulted in most municipalities in the country experiencing serious service delivery protests with communities demanding better services from their municipalities (Mokgopo, 2016:69). In 2004 most rural communities had taken the matter to the street to demand better services from government. As a result, local government was under a serious spotlight (Managa, 2012). Unfortunately, the majority of these protests have been marked by exceptionally high levels of violence and vandalism (Managa, 2012:1). Some communities lamented lack of communication from their municipalities (Mokgopo, 2018:35). The process which points out clearly that indeed the local government in South Africa need to be strengthened and capacitated to provide adequate service to all citizens. Traditionally, one would think that after 1994 the concept of service delivery and e-governance would have been absolutely intertwined (Thobakgale & Mokgopo, 2018:25). This is to ensure that municipal services reached vast majority of citizens in the country. Unfortunately, current evidence points out that most municipalities in South Africa have been very slow to respond to these developments.

It is worth noting that the issue of how to deliver services to communities in an effective and adequate manner is not only faced by the South African government. According to Rahman (2009), governments throughout the world are in quest of finding novel ways to deliver public services more efficiently and effectively to reach members of the community at large. That is the reason why this paper advocates for the implementation of e-governance as a system that can alleviate the burden of providing service to members of the community.

Like any other innovation the South African local e-governance has its own disadvantage such as lack of infrastructure in the townships and rural community, making the process of connecting communities to the internet problematic. These include the maintenance of ICTs infrastructure, as well as

the high cost of data in the country. However, one of the advantages of introducing and maintaining local e-governance is that electronic service delivery has the ability to enable citizens access to government (municipal) services in different ways. Furthermore, through e-governance community members from different communities can receive services by just calling municipal central toll-free number and be provided with a pool of service (service menu) and choose the appropriate one they are looking for. The opportunities that come with the introduction or the implementation of e-governance service lead to the author concluding that local e-governance is the way to go in order to reach the vast majority of citizens in the provision of services.

3. Understanding the Concept of E-Government and E-Governance

It is worth noting that there are some slight differences between e-government and e-governance and for clarity sake their differences will be outlined below. The main reason for such clarity is that both these terms are intertwined and in most cases one can be used or preferred over the other in this paper. It should also be noted that in defining these concepts, it does not mean that there is no governance at all at the South African local government. The main aim of this paper is to come up with new techniques and strategies of transforming and strengthening governance at the local government by making it more accessible to all citizens in the country. For clarity sake different definitions will be provided because there are different ways in which the concept of e-government can be defined. This paper will look at and critic various definition on the subject matter as provided by different scholars. This paper will also provide a definition that best fit the concept.

3.1 E-Government

E-government is defined as referring to the use of information and communication technologies with the main aim to improve and better the provision of government services to citizens. Kesar and Jain (2008) writes that e-government can also strengthen interactions with business and industry and ensuring citizen empowerment through access to information or more efficient government management. E-government should not be seen as a profit center as it will never be but it should be viewed as a way of maximizing communication to

citizens and facilitating harmonious provision of services to communities. On the other hand, Abdul Kalam (2018:18-19) points out that:

"E-government can also be defined as the transformation of government to provide efficient, convenient & transparent services to the citizens & businesses through Information & Communication Technologies. Furthermore, he writes that above all e-government is a process of change in the way government shares information and delivers services to achieve greater transparency and convenience in transacting with citizens and businesses".

On the other hand, World Bank define e-government as referring to the technology-enabled transformation of government which is governments' best hope of reducing services delivery costs, while on the other hand it is aimed at increasing transparency in government, promoting economic development, facilitating the advancement of an information society and improving service delivery and public administration (World Bank, 2018). For the purpose of this paper e-government can be defined as the process of moving citizen services online, the process which, in this paper, encourages it to be implemented at the local government level in South Africa. However, the main challenge with the above provided definitions is that they do not provide governance of ICTs. It is such omission that kicks in the concept of e-governance in this paper.

3.2 E-Governance

In simple terms e-governance means electronic government and it is generally understood to be a wider concept than e-government. E-governance refers to electronic governance and it concerns itself with using Information and Communication Technologies at various levels of government (Maleka, 2016:167). E-governance can bring about required change in the manner in which citizens relate with government and government to citizens. This is because among other things its prerequisites include telecommunication networks, skilled staff, cross-government systems, internal agency systems and internet access. E-governance in itself provides better service delivery on the side of government to citizens, it empowers citizen through access to information in a fast and efficient way and it improve interactions with industry and business.

E-governance is preferred more than e-government in this paper because among other things its objectives includes connecting citizens through e-citizens and e-services, while building external interactions (e-services) and improve government processes (e-administrations). Most government institutions or departments in South Africa took the initiative of applying e-governance strategies in the form of e-administration and e-procurement with the main aim of improving administration. Not only was this initiative carried out at the national or provincial and departmental levels, some municipalities have also launched free Wi-Fi as a method of improving citizen access to e-services. It is worth noting that the initiatives of e-governance is to strengthen the relationship between government (municipalities) and society, thus enhancing community participation at the local government level. According to Maleka (2018:167) the use of e-governance refers to how supervisors and managers utilise internet and Information Technology to execute their functions of coordinating, supervising, planning, organizing and staffing effectively.

From above, it is very clear that e-governance involves the use of technology to bring local government to recipients of services (communities) in new ways. E-governance makes use of innovative ICTs such as the internet to provide information and knowledge and to delivery efficient and cost-effective services. According to Signore, Chesi and Pallotti (2005) the thought behind the adoption of ICTs is to move beyond the passive information-giving to active citizen participation in the decision making process. This therefore kicks in the good news that its implementation at the local government can bring new concepts of citizenship both in terms of community needs (citizen) and responsibilities. The reason behind this conclusion being that its nature is to enable, engage and empower the citizens (Pallotti *et al.*, 2005:1). From the above discussions, this paper highlight that e-governance can be regarded as an ICT-enabled route to achieve good governance because it has the ability of integrating people and process information and technology in the service of governance initiatives.

4. Why E-Governance at the Local Government

The South African government over the years has since recognized the importance of ICT and more recently what is known as electronic government

(e-government) with the main aim of improving the manner in which services are provided to citizens. Such recognition is also aimed at increasing the overall efficiencies of government in general. This is due to the fact that information and communication technology has the potential of addressing social problems, strengthen democratic institutions in the country and empower citizens to overcome development challenges. Therefore, the South African government is implementing e-government with a number of poverty alleviation programmes to improve the living standards of its communities such as the Black Economic Empowerment (BEE) and Municipal Public-Partnership Pilot Programme (MPPP).

Furthermore, e-governance is an attempt by the South African government to ensure public service delivery and the total management of the quality of the services being provided. It is therefore not surprising that the author in this paper advocates for its implementation at the local government level. The reason being that electronic government is the concept by which services and much of the information that is currently available at the local government or in the country in general can be provided to members of the public on a 24/7 basis through the utilization of technology. By making all these services available to all citizens' members of the community will be spared the necessity of physically procuring these services and information at the municipal offices. This means that by migrating offline to online citizens can easily move from waiting for municipal services for a long time to access such services online without even visiting municipal offices physically.

The evolution of electronic-governance came at the right time where many countries including South Africa are at the edge of merging or reducing the number of municipalities as a means of improving service quality and lowering the cost of service-delivery. Such reduction is aimed at improving the services provided to communities by dysfunctional municipalities. Another reason for such consideration is to increase accountability while improving equity or enhancing public participation at the local government level. But then the main reason why there is a serious cry about local e-governance and its implementation is to make municipalities more independent and transparent. Furthermore, is to provide municipalities with more autonomy by providing them with more power to act within and formalize their institutional by upholding all the

benefits attached to the sphere of local government in the country.

Pursuant to that e-governance services are two fast and easy to use and such accessibility can be done within a second. As a result, five reasons can be provided why it is necessary to immigrate offline to online at the local government:

- The use of ICTs will reduce service delivery cost and increasing venue from the national government to the local government;
- It will help in re-structuring (fragmented) administrative processes at the local government in the country;
- It will expedite the exchange of information between municipalities and communities including government departments or businesses;
- The use of ICTs is faster and more efficient in delivery public service;
- Finally, it will improve internal efficiency at the local government.

E-governance at the local government is concerned with whether communities are able to interact with their respective municipalities using ICT channels and media in a convenient and affordable way. Such interaction is varied and it includes information as well as services flows between communities and their respective municipality including government. With citizens receiving important information from municipalities using electronic means. This includes using electronic communication to consult with citizen on the part of the municipality, the process which will indirectly and directly ensure community participation by all in the affairs of the municipality.

Abrahams and Newton-Reid (2008:33) highlight that interactions can be facilitated and achieved by affordable access to electronic communications network and services. The main reason why there is a serious need for such affordable access to municipal services and information is because in some instance the provision of services using toll-free numbers over a fixed municipal line will depend on members of community having access to affordable fixed line services. Furthermore, the supply of municipal information via the internet (websites) will also depend on communities having easy access and affordable internet.

As a point of departure, should the above criteria not be met, it might result in serious implications for the implementation and improvement of e-governance at the local government level in South Africa. The reason being that the channels available to ensure interaction between local government and communities depend mostly on the penetration of ICTs service that are affordable. Majority of municipalities in South Africa have websites yet only few or a small percentage of citizens have access to the internet to be able to access any available information or online services.

The study that was conducted by Abrahams and Newton-Reid (2008:34) which the author in this paper fully attests to its findings provides explicitly that all municipalities in the country have fixed line numbers where they can be contacted. Unfortunately, most people who form part of the majority in the country and happen to fall under the marginalised groups rely only on mobile technology for regular interaction and communication. The process is beyond an average citizen's affordability to contact the municipality using mobile phone as most of them use their phones to send text messages including free "please call me" service. It is therefore unlikely that even if such options were available from the municipalities such please call me messages from members of community will be replied to. Summarily, it is clear that members of the community mostly if not all are not yet able to interact with their municipalities in an affordable and convenient way, due to broad policy failure to achieve universal service and access both at the local government and in the country (Abrahams & Newton-Reid (2008:34). That is the reason why there is a great demand for the implementation and improvement of local e-governance at the South African local government level. The section that follows will provide guideline and different stages on how to develop e-government services at the local government.

5. The Process of Implementing E-Governance Services

The main reason why there is a serious cry for e-governance services is because in itself e-governance promise to make government in general more responsive, legitimate, transparent and responsive to both economic and social challenges faced by different communities in the country. Unfortunately, the process of developing and implementing

e-governance applications at the municipal level in South Africa is a stringent process which requires political will because if not well implemented and monitored e-governance systems can waste resources. It is worth noting that e-governance is an evolutionary phenomenon. As such, its introduction at the local government does not necessary mean that the old method of providing services to communities is automatically faced out. This is to say that new e-governance projects when introduced and implemented should take into account (cognisance) existing experiences (method) used in the past to safeguard municipal (projects) investments. Furthermore, the implementation of e-governance service should not be aimed at a certain ethnic or specific communities, its implementation should be of paramount important, relevant and usable by a large number of people including deep rural areas. To make sure that e-governance is implemented at the local government level there are four stages that need to be followed to ensure that this process is carried out adequately. These stages are known as e-governance models and are cataloguing, transaction, vertical integration and horizontal integration.

5.1 Cataloguing

The main idea behind this model is to focus on cataloguing local government (municipal) information and presenting them on the web. Such initiative requires municipalities to create an administrative website to enable access or to deal with the current pressure that is faced by municipalities from external actors who are demanding to get on the municipal net to access services. With cataloguing, parts of local government's non transactional information are put of the site (Pallotti *et al.*, 2005:3). The reason why moving online at the local government is encouraged is because not only is local government being viewed as the sphere of government closest to people but that many people in this new information age are able to access information on services from different private sectors from the web. This therefore created a serious thirstiness and expectation from citizens to receive same services from their municipalities in the same manner as those provided by private sectors.

5.2 Transaction

This is the second stage of implementing e-governance. It is regarded as the second stage or model because it pays more attention on connecting

internal government (municipal) system to an online and allows communities to transact with their municipalities electronically. This stage allows communities to perform transactions such as paying municipal rate or traffic fines directly to municipalities as well as renewing license online.

This stage provides electronic communication between municipalities and communities there by making communication a two-way process where communities move from being passive participants to playing active role. This is to say that transaction stage present municipalities on the internet as an active response. Now, the most interesting part about this stage is that members of community are given fair and proper chance to transact with their municipalities online by either filling in necessary forms and municipalities' responds back by providing either confirmation or acknowledgement of receipt.

Transaction stage creates a one stop online centre to make services available through a portal. Pursuant to that it is worth noting that through this stage citizens, who are municipal customers, enter through the portal at the municipal services they need as opposed to expecting them to traverse numerous sites looking for or in order to find information they need from the municipality.

Pallotti *et al.*, (2005:4) highlight that:

"the issue (time and cost) of integration of legacy systems comes onto the scene. The reason being that the information collected by government and local government may be politically sensitive and, therefore, the installation of appropriate security mechanisms may be an important technical consideration".

This means that the Electronic Communications and Transaction Act 25 of 2002 comes to the party to ensure the safety of communities in transacting with their municipalities in as far as the authentication and confidentiality is concerned. The adoption of this Act is being celebrated in the African continent as one of the best Act in Africa to provide for the safety and implementation of ICTs. Furthermore, it is being celebrated because it provides for the registration and accreditation of authentication service provider and such authentication is attached to the concept of advanced electronic signature (*Chapter 6 ECTA, 2002*). Moreover, chapter 7 of the same

Act provide protection to customers by providing for disclosure requirements by suppliers. In this instance this will apply to municipalities in offering services or goods for sale and exchanging information by way of electronic transaction (*Chapter 6 ECTA, 2002*).

5.3 Vertical Integration

After online transactions, municipal services will become prevalent and mature thereby creating serious expectations from members of the community. As such this stage is aimed at moving towards the transformation of local government services rather than focusing on digitising and automating existing processes. Electronic governance/government is not a matter of simply putting existing local government services online or on the internet, it requires a re-conceptualisation of the local government service. By so doing this will be creating a system where full benefits of achieving e-government strategies will be realised. However, such achievement will not take place until organisational changes accompanied by technological changes at the local government is realised.

It is worth noting that most transactional stages are too fragmented and urbanised and the way forward will be to integrate them at different level of local government. With vertical integration the role played by municipal employees changes dramatically. The reason being that in the old traditional method of providing services offline many municipal employees were and are still responsible for processing localised municipal transactions. This is to say that they only served a certain group of communities but with the emergence of e-government system as a way of proving services to communities there is a lot expected from them to ensure that such services reach majority of people on time.

5.4 Horizontal Integration

This is the last stage in proving guidance on the stages to be taken in making sure that communities in South Africa receive municipal services using electronic systems. Horizontal integration is more concerned with community developed and it provides for the achievement of information technology from citizen's point of view. The main idea here is to integrate different services that are available within the departments in the municipalities. This will ensure that each department is up to speed

and not left behind because at this stage the vision brought by the internet will be clearer.

The main reason why it is necessary to integrate services offered by different department in each municipality is because citizens require more than one service from their municipality. All this will be achieved if one-stop service centre can be established. This will also make sure that each department in the municipality knows what, when and where the other department is providing services to communities. The question is how can all this be achieved? In providing an answer to this Pallotti *et al.*, (2005:5) captured this very well and writes that "databases across different functional areas will communicate with each other and ideally share information, so that information obtained will propagate through all municipal departments". In line with the above, communities will be able to receive variety of services across different departments or sections in the municipality at once.

In short, the last two stages complements each other in that they maintain that members of community desire to see the sphere of local government as an integrated information base and one contact point where all service offered by different departments within the municipalities are available to all at any time. The right term to be used for this kind of transaction is "one-stop shopping". In simple terms such integration takes place vertically and horizontally.

Pallottii *et al.*, (2005:3) writes as follows regarding this two stages of integration:

"Vertical integration refers to local and central administrations connected for different services or functions of government, whereas horizontal integration means integration across different service and functions. In defining the stages of e-government development, the vertical integration across different levels within similar functionality will be attained before the horizontal integration across different functions because of their different level of complexity. This last stage of e-government vertically and horizontally integrated represents for citizens and ideal situation in which they have online access to ubiquitous government services with levels of government and functional walls inside government transparent to them".

Having provided such guideline on how to develop e-governance services at the local government the

question that follows is how can communities become active participants in local e-governance services?

6. E-Governance Via Telecommunications

It is worth noting that access to public services in South Africa or any part of the world through any electronic means forms part of e-governance. E-governance in itself can broaden openness and facilitate community involvement. This is to say e-governance in South Africa should be evaluated through public participation. The best way to achieve service delivery via e-governance is by empowering communities through telecommunications. Telkom in South Africa is the main service provider of communications services and it operates both mobile communications and fixed line (Naidoo, 2012:63). However, there are different mobile operators in the country and amongst them include Vodacom, Cell C, MTN and Virgin Mobile. With these various mobile operators there is still no enough cell phone infrastructure in the country to provide e-government services to all communities.

Beside the use of phones in accessing e-services, multi-purpose community centres also places a huge role in helping communities to have access to e-services. Multipurpose Community Centre should be viewed and be defined as public places where different community members or citizens in general are or can be able to access internet using computers and other digital technologies that enable them to create, learn, gather information and communicate with their municipalities and other government institutions. The centres are built with IT facilities that are shared by all local community within a remote or rural area. There are several opportunities and challenges that come with the establishment of Multi-purpose community centre. Some of the opportunities that provoke the establishment of the Multi-purpose centre in the rural communities include:

- Multi-purpose centres provide a means of dialogue between rural communities.
- It can enhance distance learning through distance education.
- It facilitates the sharing of information.
- It also offers an opportunity to reduce social isolation and marginalization experienced by those residing in rural communities.

7. Challenges of Implementation and Strengthening E-Government and E-Governance at the Local Government in South Africa

Like any other innovation, there are also some challenges attached to the implementation and development of proper e-governance channels and strategies at the local government level in South Africa. Some of the challenges include lack of access by communities to e-governance services even if they are implemented. Such lack of access to local e-governance (e-services) to all citizens makes it difficult to celebrate the effort made so far by other municipalities in developing e-governance service. This is mainly caused by what is known as rural-urban divide in the distribution of resource or provision of services. Other issues include lack of necessary skills in the use of internet by citizens, inability to read and understand the content; high costs of data (internet access) and long waiting times due to network failure in connecting to the internet.

Language also seems to be a great concern challenging the implementation of e-services to reach the majority of communities in the country. This is because municipal information is generally presented in English thereby excluding those who are illiterate in taking part in the activities of their municipality. Though some municipalities have websites, observations made in this study explicitly show that the functionality of this site is affected by the language used. This somehow affects community engagement using municipal site because the main target audience is not reached. Information might be there but if not understood by majority of people then it is as good as not being there. This in itself illustrates the nature of digital divide in our municipalities. However, the main challenge of achieving e-governance at the local government is mainly due to theft of copper. The growing theft of copper cables has affected e-governance negatively, and undermined the implementation of unbundling policy in South Africa as well as being a threat to the country's security and socio-economic development (Naidoo, 2012:64). Another challenge is due to lack of skilled people. This is evident from what was provided by the Department of Communication where it was pointed out that:

"the central challenge to the implementation of the Information Society Development Plan (ISAD) in South Africa is the serious shortage of ICT skills

and the state's limited capacity to deliver the necessary task force. This skills shortage is exacerbated by the brain drain caused by skilled ICT personnel and professionals leaving to work in developed countries or moving from the public to the private sector" (Department of Telecommunication, 2018).

Another factor threatening the implementation of local e-governance is culture and tradition. It is not easy to automatically migrate rural people from offline to online because they are mostly used to receiving offline services from their municipalities. People residing in rural areas are used to the word of mouth in passing information from one person to another. However, in trying to build a better service delivery mechanism at the local government level it is about time rural communities are taught on the importance of passing and accessing information via the internet and using mobile phones.

Political instability at the local government can also become a major factor threatening the implementation of e-services in different municipalities. Though the City of Tshwane proved to be moving in the right direction there is a serious political disruption in the provision of local e-governance services. This paper provides that political disruption sometimes comes when a new political party win the local government elections and begin to introduce new programmes without working on what was implemented. Though corruption and court battle between the Democratic Alliance and the City of Tshwane is not the subject matter in this paper it is worth noting that recent court battle by the DA approaching the High Court to side aside the tender that was awarded in rolling out broadband in the City is enough evidence of political disruption. Whether there were irregularities or not, that stand to be proven but for the purpose of this paper the City of Tshwane is applauded for having managed to implement e-governance services and providing free Wi-Fi to citizens to have easy access to municipal services and become active participants in the affairs of the municipality (Maxanda, 2018).

Mintzberg (1973,2018) highlight that the ability of local government to manage disruptive external political forces is an important threat to real progress in the implementation of or e-governance services. Because such disruption provides serious difficulties that affects the vision about marvellous things that technology can do for municipalities.

This is to say that the implementation of e-governance will require serious attention from both the council and municipal managers (political will). This process requires more research and time; something which most municipalities proved – they either don't have enough time or they are just not interested in providing e-services. The blame should also be against municipal manager because they are too busy to an extent that they do not have any time to spare for introspection or experimentation of the new development that is constantly taking place in the area of electronic governance. Streib and Willoughby (2002) point out that municipal managers always rush from one task to another throughout the day such as going to staff meetings, meeting with community leaders, etc.

8. Conclusion and Recommendations

This paper concludes that local e-governance is a better way of providing municipal services to different communities in the country including previously disadvantaged rural communities. The implementation of e-governance services will ensure that different communities are provided with enough information and services that is available and being provided for by their municipalities. By so doing they will automatically become active participants in the activities of their municipality. However, it is worth noting that local e-government initiatives involve more than just a municipal website. Municipal website should have enough information and be accessible to members of the community. Therefore, as a way of accommodating all communities including remote areas there is a need to introduce either free Wi-Fi or the reduction of the cost of data to enable the citizens fair access to local e-governance services.

Furthermore, local e-governance development strategies should be built upon the previous once as highlighted in this paper above (municipalities can still copy from either the national or provincial government) until such time that municipalities are able to improve and provide e-services to communities and business. The main reason why this paper advocate for the implementation of e-governance in transforming local government in South Africa is because access to e-governance services is very fast, e-governance is reliable and it can build or ensure accountable local government that is responsive to the needs of communities. In ensuring that e-governance prevails, this paper recommends that municipalities should

update the information that is available on their websites constantly. Furthermore, municipal council should also make enough funding available to further develop and improve available ICTs infrastructure at the local government (municipal) level.

References

- Abdul Kalam, A.P.J. 2018. Introduction to governance and e-governance. Available at: http://shodhganga.inflibnet.ac.in/bitstream/10603/19278/6/06_chapter%201.pdf. Accessed on 29 February 2018.
- Abrahams, L. & Neton-Reid, L. 2008. e-Governance for social and Local Economic Development: Gauteng City Region perspective. 2008. Link Public Policy Research Paper No. 9 November 2008, pp.1-47.
- Barnard, A., Pretorious, L. & Venter, L. 2005. The influence of the ECT Act on a typical computing curriculum. Available at: <http://alternation.ukzn.ac.za/Files/docs/12.1b/03%20Bar.pdf>. Accessed on 17 February 2018, pp.397-412.
- Department of Telecommunication. The national Information society and development plan. Available at: http://uir.unisa.ac.za/bitstream/handle/10500/21060/Implementation%20of%20E-Government_in_South_Africa_naido0.pdf?sequence=1. Accessed on 15 March 2018.
- E-governance. Available at: <https://en.wikipedia.org/wiki/E-governanc>. Accessed on 7 March 2018.
- Electronical Commission of South Africa. Available at: <http://www.elections.org.za/content/Elections/Laws-and-Regulations-Electoral-Commission/>. Accessed on 20 March 2018.
- Fox, W.F. & Gurley, T. 2006. Will consolidation improve Sub-national governments? *World Bank Policy Research*, pp.1-45.
- Kesar, S. & Jain, V. 2008. *E-government implementation challenges at local level: A citizens' centric perspective AMCIS 2008 Proceedings*, pp.1-10.
- Makhura, A.M. 2016. Open tender procurement to beat corruption, Cape Times. 7 October 2016. Available at: <https://www.iol.co.za/capetimes/business/open-tender-procurement-to-beat-corruption-2077180>. Accessed on 20 March 2018.
- Managa, A. 2012. Unfulfilled promises and their consequences: A reflection on local government performance and the critical issue of poor service delivery in South Africa 76 *Policy brief* Pretoria: Africa Institute of South Africa, pp.1-9.
- Maxanda, S. DA heads to court to reverse 'suspicious' multi-billion ANC broadband tender. Available at: <https://www.timeslive.co.za/politics/2018-03-08-da-heads-to-court-to-reverse-suspicious-multi-billion-anc-broadband-tender/>. Accessed on 22 March 2018.
- Mintzberg, H. 'The nature of managerial work'. Available at: <http://hib510week9.pbworks.com/f/The+Nature+of+Managerial+Work,+Mintzberg+1973.pdf>. Accessed on 13 March 2018.

- Mokgopo, T.I. 2016. The burning South Africa in the 20 years of democracy: Service delivery protests and the demarcation problems with specific reference to the case of Malamulele and Vuwani. Paper published in the SAAPAM Limpopo Chapter Conference Proceedings, pp.65-74
- Mokgopo, T.I. 2017. The decentralized nature of the sphere of local government. *Journal of Public Administration and Development Alternatives*, 2(2):82-102.
- Mokgopo, T.I. 2018. Why democracy and good governance in Africa after Independence: Critical analyses. *Bangladesh e-Journal of Sociology*, 15(2):26-39.
- Mutula, S.M. 2010. Challenges and opportunities of e-government in South Africa. *The Electronic Library*, 28(1):38-53.
- Naidoo, G. 2012. Implementation of E-government in South Africa –successes and challenges: the way forward, *International Journal of Advances in Computing and Management*, 1(1): 62-66.
- National Traffic Information System. 2018. Available at: <http://www.enatis.com/>. Accessed on 20 March 2018.
- Olivier, V.B. & Murenzi, P. 2017. E-government Challenges faced by selected district municipalities in South Africa and Rwanda, *Administratio Publica*, 25(1):141-172.
- Public Service Regulations of 2001. Available at: http://www.dpsa.gov.za/dpsa2g/documents/acts®ulations/regulations1999/PSRegulations_8_01_2002.pdf. Accessed on 17 February 2018.
- Rahman, H. 2009. Framework of e-governance at the local government level. Available at: <https://www.semanticscholar.org/paper/Framework-of-e-governance-at-the-local-government-Rahman/47da5fba7e71479db6cd3819005ad36ebe7b71b3>. Accessed on 27 February 2018, pp 23-47.
- Republic of South Africa (RSA). 1996. *The Constitution of the Republic of South Africa*, 1996. Pretoria: Government Printers.
- Republic of South Africa (RSA). 2002. The South African Electronic Communications and Transactions Act 25 of 2002. Pretoria: Government Printers.
- Republic of South Africa (RSA). 2005. The South African Electronic Communications Act 36 of 2005. Pretoria: Government Printers.
- Signore, O., Chesi, F. & Pallotti, M. 2005. E-government: challenges and opportunities CMG Italy-XIX Annual Conference, 7-9 June 2005. Florence, Italy, pp.1-16.
- Streib, G.D. & Willoughby, K.G. 2002. Local governments becoming E-government: Getting the sizzle, avoiding the fizzle. Available at: <http://www2.gsu.edu/~padgds/Streib%20Local%20Government%20and%20Egovernment.pdf>. Accessed on 27 February 2018, pp 200-211.
- The Batho Pele vision. A better life for all South Africans by putting people first. Available at: <http://www.dpsa.gov.za/documents/Abridged%20BP%20programme%20July2014.pdf>. Accessed on 28 February 2018.
- The South African Revenue Service. Available at: <http://www.sars.gov.za/Pages/default.aspx>. Accessed on 20 March 2018.
- Thobakgale, M.P. & Mokgopo, T.I. 2018. Public Procurement and South Africa's 1996 Constitution: Panacea for combating corruption? *Journal of Public Administration and Development Alternatives*, 3(1):25-32.
- Welcome to free TshWi-Fi powered by the City of Tshwane. Available at: <http://www.tshwane.gov.za/Pages/WIFI.aspx>. Accessed on 22 March 2018.
- World Bank. 2013. 'eGovernment Transformation: From Nice-to-Have to Must-Have'. Available at <http://www.worldbank.org/en/news/speech/2013/05/31/speech-eGovernment-transformation>. Accessed 17 February 2018.

Financing Climate Change Mitigation Measures in South African Local Government

MM Mashamaite

University of South Africa, South Africa

Abstract: A transition from energy intensive economy to green economy requires a notable capital investment in addition to the capital required by municipalities for provision of services needed to meet development goals. Green infrastructure investments will need approximately USD\$5.3 trillion to effect climate change mitigation actions globally. This paper reviewed literature, paying attention to the financing of climate change mitigations within the local government with special reference to one South African Metropolitan Municipality, the City of Tshwane Metropolitan Municipality. The City of Tshwane Metropolitan Municipality relies on public finance sources which are insufficient to achieve the development goals and address the climate change issues through green projects. The review of literature revealed that local governments across the globe prefers green finance as an alternative financing source for funding green projects. Accessing private sources of capital is a challenge for the local governments due to lack of adequate skills for preparing projects, poor good governance practices and poor credit rating. This paper employs a qualitative approach and focuses on the financing of climate change mitigation measures at a local level. The paper concludes that if local government can establish innovative measures to attract financing for green projects and such will close the financing gap.

Keywords: Climate change, Development goals, Green finance, Local government, Mitigations

1. Introduction

The world is confronted by a triple catastrophe of sustainability (Addison *et al.*, 2010:118). Over and above social and economic matters such as escalating inequalities, worldwide financial crisis, unemployment, the threat of climate change associated to an over-reliance on fossil fuels and the depletion and pollution of natural resources, is prospectively pushing the world to stages of hazardous instability. Moreover, South Africa is undermined by high levels of inequality, poverty, corruption, unemployment, diseases and poor education and democratic governance. Additionally, South Africa is faced with the rise in commodity prices and debt, consumption-led growth have concealed issues such as rising costs and declining competitiveness of the economy.

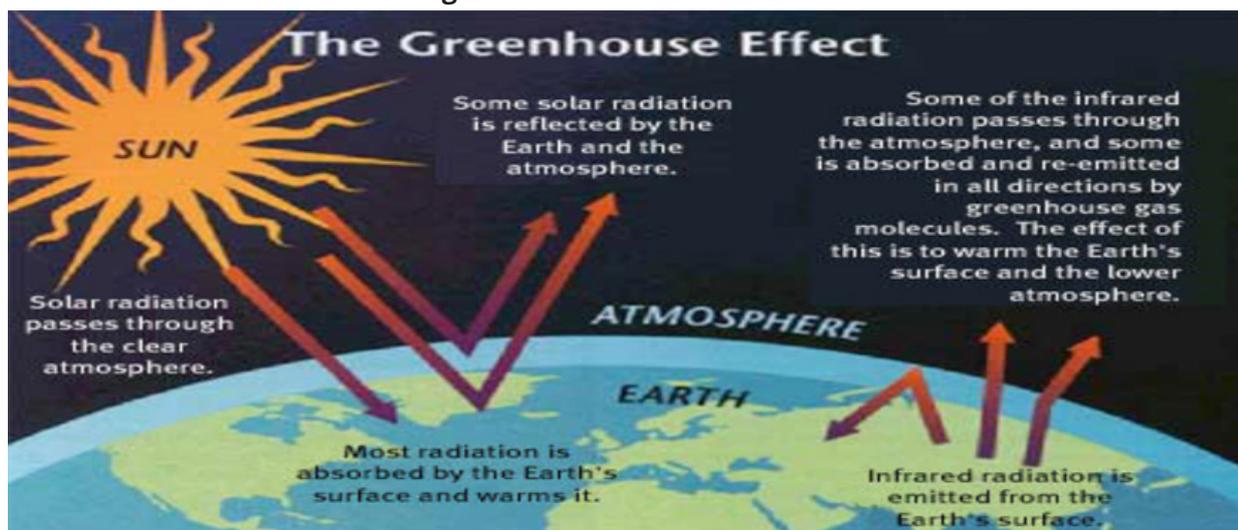
South Africa is ranked 13th largest carbon dioxide emitter globally, in spite of the country's relatively small population and economy. The country is vulnerable to global warming due to poor resilience and extreme climate events (DEA 2011). South Africa has realised far-reaching political, economic and social changes since 1994, and has illustrated a growing commitment to sustainable development. The South African *Constitution* recognises

sustainable development as a human right. South Africa has pledged to emission reduction (peak between 2020 and 2025 at respectively 34% and 42% below a business-as-usual trajectory, plateau for approximately a decade and decline in absolute terms thereafter) to the adequate provision of financial resources, technology transfer and capacity building support provided by developed countries (UNFCCC, 2011). This paper will first contextualise climate change and provide a definition thereof, describe the climate change trends from global to local context. Provide a brief discussion of the mitigation actions in South Africa and the City of Tshwane Municipality, the current financial inflows available for the municipality as well as the challenges and recommendations of financing the mitigation actions.

2. Contextualising Climate Change

Climate change is defined as "any change in climate over time whether due to natural variability or as a result of human activity" (Pielke, 2001:86). While Trewartha & Horn (1980:40) define climate change as an average weather, condition of an area characterised by its own internal dynamics and by changes in external factors that affect climate. Brainard, Jones & Purvis (2009: 18-21) and DiMento

Figure 1: The Greenhouse Effect



Source: National Research Council (2010)

& Doughman (2014:5-6) expand their definition of climate change to the involvement of both changes in average conditions and changes in variability including for instance, extreme events. It is the long-term shift in weather patterns in specific region. Therefore, from the mentioned definitions it can be generalised that climate change is the long-term shift in weather conditions identified by changes in temperature. There is a practice of interchangeable use of climate change and global warming. Climate change implies change in addition to the increasing temperatures while global warming refers to warming of the planet earth because of human activities. Intergovernmental Panel on Climate Change (IPCC) (2013) refers to global warming as an unequivocal and continuing rise in the average temperature of the earth's climate system. The process of natural warming can be seen in Figure 1, which is based on the greenhouse effects where the sunlight emitted onto the Earth's surface is absorbed by the oceans and land (National Research Council, 2010).

The strong global warming observed since the middle of the 20th century has been largely attributed to human influences on the climate. Scientists proved that human and natural activities contributes significantly towards climate change because of the greenhouse gas (GHG) emitted from burning of fossil fuel, as a result these emission form a layer in the atmosphere that traps a proportion of radiant energy from the sun. This fact disputes the possibility that climate change is caused by bio-geographical cycles of the earth only. de Costa Ferreira, Martins, Barbie & de Costa Ferreira (2011:55) attest that if

climate change was indeed just a natural caused problem, then it would mean that there is nothing that can be done about it except accepting and coping with it. However, that is not the case as there are adaptations and mitigation means to respond to the impacts of climate change.

Land use changes, such as deforestation and conversion of land to agriculture, have also contributed carbon dioxide to the atmosphere (Mastrandrea & Schneider, 2010:25). The human influences on the climate system have increased substantially. South Africa has relatively high emissions for a developing country, measured either per capita or by GHG intensity (emissions per unit of GDP). By any measure, South Africa is a significant emitter of GHGs in Africa. Currently available data indicate that, unchecked by climate mitigation action, South Africa's emissions could grow rapidly by as much as fourfold by 2050. The majority of South Africa's emissions arise from energy supply (electricity and liquid fuels) and use (mining, industry and transport), and mitigation actions with the largest emission reduction potential focus on these areas.

3. Global Climate Trends

Climate change is a phenomenon that affects all economies globally at all spheres, though the effects and impacts are not equal. For one to understand the regional trends of climate change the global trends, effects and impacts should be explored. In 2007 the IPCC reported that as a result of climate change the planet earth will experience more

frequent hot days and nights and less of cold days and nights. The report further warned that these increase in temperatures would head to significant changes throughout Arctic that will result in heavy floods. The Bulletin American Meteorological Society (2013:1112) alerts that there is a 90% chance that the global temperatures will rise by 3.50 degree Celsius to 3.70 degree Celsius in less than hundred years. This increase in temperatures could result in rising sea levels, volatile weather patterns, water shortage and other secondary effects.

Climate change has a global impact across various sectors. It has a significant impact on economies, ecosystems and the communities (Houghton, 2009:175; Sango, 2013:20). The communities' health is threatened through shortage of fresh water as well as increased diseases. These impacts have incalculable economic risks. Climate change threatens basic needs such as water, food, health, transport and shelter with the rise in temperatures, sea levels and change in precipitation as well as intense extreme events (Leary, 2008:291; National Research Council, 2010). Although climate change is a global problem, the impact will not be felt the same across the globe. Some nations will experience more adverse impact than others because of the adaptive capacity. Numerous scientific studies are in consensus that climate change has a negative impact on the economic development of the countries and the countries will experience unequal impact of climate change, but they do not specify which country will be mostly or less affected. According to Houghton (2009:233) the overall impact of climate change is predicted to be reduced to 20% in per capita production with a greater impact in developing countries.

4. African Trends

Africa is exposed and vulnerable to climate change and variability (Boko *et al.*, 2007:433; IPCC, 2011). Boko *et al.* (2007:436) put emphasis on the fact that climate change affects basic needs such as water by imposing pressure on the availability, accessibility and demand of water in Africa. On the other hand, Tadesse (2010:1) share same sentiments with authors who are concerned about the threat of climate change on basic needs, and the author is concerned that Africa is a lighter polluter globally but will experience severe impact of climate change in the pursuit of water and food security. Climate change affects several sectors, Lalthapersad-Pillay and Udjo (2012:872) attest that climate change induces migration; they assume that

people relocate from rural to urban areas because rural areas are mostly poverty-stricken and the effects of climate change are already felt on weather temperatures. The authors fear that this relocation will put more pressure on urban infrastructure. It can be deduced from various views of researchers that climate change impact is severe in different sectors and the economies of most African countries are at risk and their development is threatened, as such their capacity to adapt are limited.

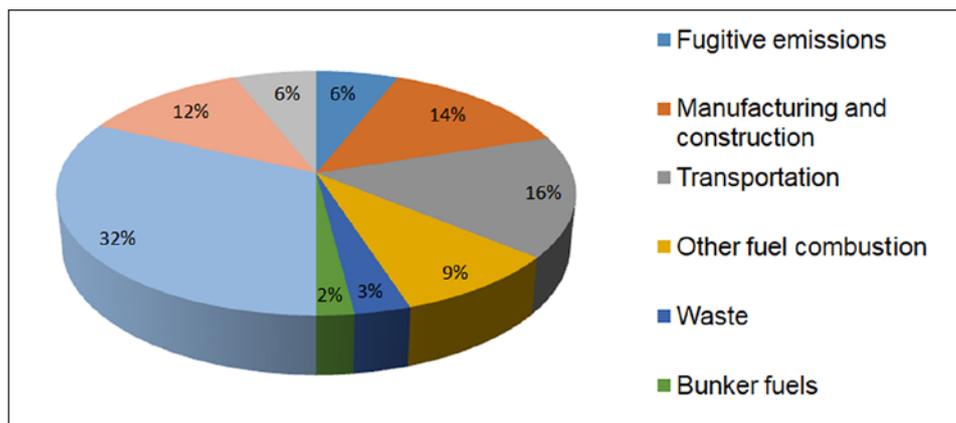
The IPCC (2007) in its Summary for Policy Makers listed the examples of specific projected impacts for Africa because of climate change:

- By 2020, between 75 and 250 million people are projected to be exposed to increased water stress due to climate change.
- By 2020, in some countries, yields from rain-fed agriculture could be reduced by up to 50%. Agricultural production, including access to food, in many African countries is projected to be severely compromised and will adversely affect food security and exacerbate malnutrition.
- Towards the end of the 21st century, projected sea level rise will affect low-lying coastal areas with large populations.
- The cost of adaptation could amount to at least 5-10% of Gross Domestic Product (GDP).
- By 2080, an increase of 5-8% of arid and semi-arid land in Africa is projected under a range of climate scenarios.

The climate predictions could mean that the heat waves and winter flooding could become more frequent with devastating impacts on people and the natural environment. In 2008 the UNFCCC acknowledged that certain scientists doubt the scientific basis of the Kyoto protocol alleging that the connection between increases in GHG emissions and climate change is not clear (UNFCCC, 2008). The compelling evidence brought forward by the IPCC (2009) proving the positive connection between increased GHG emissions and climate change disputed this.

5. South African Trends

South Africa is both a contributor to and potential victim of global climate change because it has

Figure 2: World GHG Emissions by Sector in 2012 (Excluding Land-Use)

Source: DEA (2012)

energy intensive, fossil-fuel powered economy and is highly vulnerable to the impacts of climate variability and change. South Africa is the largest emitter of the GHG emissions in Africa (Department of Environmental Affairs and Tourism, 2007 – now named Department of Environmental Affairs). The (IPCC, 2012) considers climate change to be one of the pressing challenges to the local levels globally. Research studies show that the anticipated climate impact for South Africa is no different from those experienced across the globe. Impacts such as change in rainfall time and volume, change in season (anticipating longer summers) and increased climate variability (i.e. floods and droughts) as a result consequences such as loss and damaged road infrastructure will be experienced. These studies further warn that the poor will be highly affected because they have limited adaptive capacity.

The largest emitter of the GHG emissions in Africa is South Africa (DEAT, 2007) with energy and transport sectors leading as emitters of CO₂ in South African cities, accounting for more percentages of emissions. Figure 2 above indicates the GHG emissions per sector in the year 2012.

As indicated in Figure 2 electricity is the largest emitter in South Africa. Eskom generates electricity from coal, in the year 2010 Eskom reportedly produced 224.7000 metric tons of CO₂ (Sasol, 2011). Transportation is second, these emissions are mostly from the road transport usage such as driving of private, freight and public transport vehicles and little from other modes of transport such as aviation and maritime. South Africa's increased economic development leads to an increased urbanisation and motorisation, which resulted in more people owning cars. The majority of motorised transport

relies on the availability of fuel, being almost completely dependent on oil, which is non-renewable source of energy (IPCC, 2007; Oswald, 2011:56), thus increasing the GHG emissions. As more people buy and drive cars daily in South Africa to meet their independent mobility needs, less people will walk, cycle or use public transport. The increase in cars leads to traffic congestion, pressure for road space and a reduced availability of parking. The pressure put on the road surface together with weather events leads to damaged road infrastructures, which may lead to an increase in accidents. This adds to difficulties of providing reliable, safe and efficient public transport as well as safe facilities for pedestrians and cyclists. Therefore, the pursuit of independence on the car has actually led to the people dependent on their cars to meet their travelling needs. The National Climate Change Response Strategy (2011) has identified a transport sector mitigation programme that combines energy efficiency and emissions reduction programmes for road-going vehicles.

Climate change is generally anticipated to still be a problem in the future. According to Oduniyi (2013: 44), South African climate is expected to be drier and hotter in the future than it is today. Ragab & Prudhomme (2002:24) & IPCC (2001) indicate that by 2050, the annual temperatures will increase by 1.5 to 2.5°C in the south and 2.5 to 3.0°C in the north. NRC (2010) warns that the warming of Indian Ocean means more droughts for Southern Africa. In line with scientific opinion, South Africa believes that it is critical that average global temperatures do not rise above 2°C from pre-industrial levels in order to avoid the most severe social and environmental impacts (DEA, 2012). As a responsible global citizen, with moral and legal obligations under the

UNFCCC and its Kyoto Protocol South Africa is committed to contributing its fair share to global GHG mitigation efforts. Hence, South Africa has committed itself to an emissions trajectory that peaks at 34% below a "Business as Usual" trajectory in 2020 and 40% in 2025, remains stable for almost a decade, and declines thereafter in absolute terms. Scientific studies attempt to project what could happen at specific regional and local areas, the level of uncertainty increases (IPCC, 2012). The National Assessment notes that there is a high potential for "surprises", major, unexpected events that will have significant impacts.

In terms of the future predictions of climate change and its impacts, there is a consensus amongst scientists that with the available policies on mitigation, the GHG emissions will grow to the next century (IPCC, 2001; Agrawal, 2005; IPCC, 2007; Agrawal, 2008). In the climate change context, the transport and energy sectors are rapidly growing sources of GHG emissions and the significant mitigation benefits can be found in the sector (National Climate Change Response, 2011). The response strategy indicates that through the mitigation processes there are co-benefits to be realised such as improved air quality, reduction of time between trips, decrease in accident rates and increase in production. Although everyone is at risk of climate change impact, the costs and degree of impact will vary based on regional context. South Africa is energy intensive and its economy is fossil fuel powered as a result it is amongst the countries that are highly vulnerable to the impacts of climate change.

6. Mitigating the Impact of Climate Change in South Africa

There is a need to mitigate climate change. Mitigation refers to the minimisation of the effects of climate change. According to Harris & Birjlandi Feriz (2011:29) mitigation measures involve the following:

- Reduction of GHG emissions, either reducing the level of emission related activities or by a shift to energy efficient and renewable energy technologies that permits similar level activities at a lower level of CO₂ emissions.
- Carbon sinks enhancement: preserving forested areas and expanding forestation.

In terms of the Stern review reports (2006,2007) mitigating the effect of climate change is a long-term measure, whilst adaptation to climate change is a short-term measure. This paper is more interested in the long-term measure for long-term solution. Mukonza & Mukonza (2015:90) assert that climate change has created a need for policies to address and minimise its impacts and effects. The country's National Climate Change Response Policy (2011) provides the overarching framework from which cities develop their individual climate change strategies that inform their IDPs (South African Cities Network, 2016:32). Prior to the COP17 in 2011, the South African cabinet approved the National Climate Change Response White Paper in 2010. The response paper included a proposed carbon tax, which is aimed at making funds whilst regulating emissions from carbon. There is already a heavy investment on renewable energy and the establishment of the National Development Plan (NDP) to visualise the environmentally sustainable transition and low-carbon economy to underway effectively by 2030. Mitigation actions involve various stakeholders and are executed and financed by diverse institutions such as non-governmental institutions, business and industry, research institutions, agencies and all three spheres of government. Furthermore, the response interventions on climate change are diverse, varying from action plans, regulations, policies, research, strategies and regulations of mitigation and response project and programmes. South African municipalities have various financing schemes, varying from national government to assist in mitigating the impacts of climate change. These schemes include Municipal Infrastructure Grant, Urban Settlements Development Grant, Public Transport Infrastructure and Systems Grant, Illiteracy Demand-side Management Grant, Municipal Disaster Grant, Municipal Relief Grant and Regional Bulk Infrastructure Grant, as well as opportunities to access an array of international financing options aimed at low-carbon initiatives for climate change mitigation (City of Tshwane, 2015). Moreover, municipalities can utilise some incentive schemes to stimulate action plans, and can also apply for fiscal policies (City of Tshwane, 2015). The next section discusses the South African means of financing mitigation actions.

7. Financing Mitigation Actions in South Africa

Globally there is a disagreement on climate finance. Developing countries persist that developed countries

Table 1: Four Broad Categories of Climate Change Finance

International Climate Funds	<ul style="list-style-type: none"> •Clean Development Mechanisms •Global Environmental Facility •Global Climate Change Alliance (GCCA) •UNEP and Clean Technology Funds
Bilateral and Multilateral ODA	<ul style="list-style-type: none"> •Bilateral Grants •EU/Commission •GTZ, DANIDA, DFID, etc
Domestic Public Sector	<ul style="list-style-type: none"> •Intergovernmental Transfers •Local Municipal and Provincial Revenue •Green Fund •Energy Efficiency - Demand Side Management Grants
Private Sector Financing	<ul style="list-style-type: none"> •Grant Funding •Venture Capital and Equity Finance •Debt and Project Finance

Source: Misuka Green Development Solutions (2013)

should take a lead in responding to climate change and finance the developing countries to increase their capacity in responding to climate change (IPCC 2014). Nevertheless, the developed countries are reluctant to lead in this regard. Climate mitigation for most countries is not the main target, but it is outgrowth of efforts driven by economic, security, or local environmental concerns (Jaroszowski & McNamara, 2014:16). The South African government has signed diverse global environmental agreements that are implementable at municipal level (South African Cities Network, 2016: 12). Additionally, the country has committed to mitigate the impact of climate change through the reduction of the greenhouse gas emission and facilitation of the low carbon growth development. In 2009, the South African government highlighted a determined trajectory for reducing emissions, subject to international financial aid.

Addressing climate change has become a priority for South African municipalities. According to South African Local Government Association (2016), the municipalities have begun to source financing for the remarkable capital investment and engage in testing different inventive models for funding. These tests may influence the future of municipal infrastructure financing and address the current challenges of investment in the green infrastructure (SALGA, 2016). Therefore, lack of access to finance for climate-related projects could be a death knell to attempts of dealing with the impacts of climate change. In the 2009 Copenhagen Accord, developed countries pledged raising USD 30 billion by 2012, increasing to USD 100 billion per year by 2020 for financing climate change project in developing countries. Again, in 2011 these commitments were repeated at the

Cancun decision and Durban Platform. Hallegate, Heal, Fay and Treguer (2012:17) state that implementation of mitigation actions is important for sustainable development. The climate resilient road projects and programmes require financing mechanisms to cater for each phase. Hammer *et al.* (2011:76) assert that regulatory authority and financial tools are important policy instrument necessary for municipalities to achieve the outcome of the climate resilient projects and programmes. The City of Tshwane has been able to access different sources of funding with different degrees of success; funding such as the international multilateral grants and bilateral grants; municipal own revenue raised through property taxes; intergovernmental grants; and concessionary loans for very large infrastructure projects. However, DBSA (2012) acknowledged that climate finance complex and fractured, as a result the ability to duplicate and upscale the climate change projects is limited. Literature review indicates that municipality mixes the four broad categories of funding as indicated in Table 1 above to finance the climate change projects. However, there is a large dependence on grants from international sources to finance innovation, and intergovernmental grants to finance planned policy interventions.

Developed countries are obliged to provide funding for developing countries under the United Nations Framework Convention on Climate Change (UNFCCC) for extra costs for reducing the climate change impacts. For instance, the cost of shifting energy generation from fossil fuel to renewable energy. Numerous climate finance institutions are established to provide financial support. Globally, financing mechanisms developed includes a

number of multilateral, bilateral, domestic public and private climate. However, for a country to access international climate finance it has to have a high standard of capacity and expertise to establish projects in terms of stringent, unfamiliar and rigorous requirements. The same applies to the equity partnerships and private debts; significant standard of preparatory work is required to ensure that the projects are financially feasible to the lender. The normal climate finance support accessible to developing countries are sourced from private sector and government cooperation, national public finance budget and the market mechanisms such as carbon markets. South Africa has access to the following climate finance support:

- Technical assistance, which is accessible through particular climate finance grants from multilateral and bilateral agencies, including the Global Environment Facility and once operationalized, the Green Climate Fund and the bilateral development assistance programmes like the Germany's Gesellschaft für Internationale Zusammenarbeit (GIZ).
- Access to the carbon markets through the Clean Development Mechanism (CDM) have been used, though not easy, through the climate change mitigation projects. The Clean Development Mechanism (CDM) is a flexible mechanism under the United Nations Framework Convention for Climate Change (UNFCCC) to enhance the implementation of projects that have specific carbon reduction advantage, but would be difficult to be implemented because of financial barriers. Only projects that meet the stringent regulations of the CDM would qualify for certified emission reductions (CERs) which have a monetary value. The CDM has mainly two goals:
 - » To financially assist countries without emissions targets (i.e. developing countries) in achieving sustainable development.
 - » To help those countries with emission reduction targets under Kyoto (i.e. developed countries) in achieving compliance by allowing them to purchase offsets created by CDM projects.

United Kingdom's Department of Energy and Climate Change and the Department for International Development are the major donors in South Africa

for climate-related projects and programmes. Additionally, Germany through its twin arms of GIZ and KfW as well as others such as Denmark, Finland, France, United States and Switzerland are amongst the major donors. For municipalities to access the bilateral or multilateral Official Development Assistance (ODA) must approach the National Treasury and apply for funding (DBSA, 2011). ODA accounts less than 2% of the South African budget. South Africa's evolving status as a middle-income country, its increasing role in the development of the BRICS bank together with other factors related to the domestic pressures faced by donors could mean that donors may reduce or terminate traditional ODA to South Africa. Chapter 11 of the South Africa's climate change response Change Policy stipulates the legal framework for resourcing. The chapter encourages private and public finance institutions to collaborate with civil societies and the communities to finance the mitigations actions and any other interventions to climate change. Since 2003, South Africa has received US\$536 million from international climate funding instruments for climate change projects. Of these funds, US\$524 million targeted mitigation projects and US\$6.78 million were earmarked for adaptation projects.

Financial instruments and support provided to South Africa consists of loans (85%), grants (5-10%) and technical assistance (5%). The focus of this support is on energy efficiency and renewable energy projects with smaller allocations to natural resource management, climate policy and demonstration of other green technologies. In addition to the allocation for environmentally related public expenditure in the national budget, the South African Government has established and supported a number of climate specific budget allocations through its agencies and departments. These include the Department of Energy's Energy and Eskom's Efficiency Demand Side Management (EEDSM) grant. The grant is available to energy efficiency projects implemented by municipalities to assist with the retrofitting of municipal infrastructure and other project developers and the National Green Fund (GF) launched in October 2012 and administered by the DBSA with an amount of R1.1 billion over three years.

8. Challenges and Recommendations of Financing Mitigations in South Africa

South Africa as a developing country with high rate of poverty and unemployment needs to grow

its economy expeditiously. Thus, climate change threat adds stress to already existing challenges and threatens economic development. In view of the South African economic status quo, it is of crucial importance to assess whether the economic developmental goals are compatible to the international obligations and commitment to respond to climate change; to assess the possibility of the country realising the contradictory goals of promoting industrial development and at the same time employing and reducing carbon emissions and; to assess whether the available policies are sufficient to facilitate the emission reductions and any other action plans. Literature reveals a number of factors that have potential to pose risks in implementing the climate resilient projects and programmes; factors such as lack of finance, capacity, social acceptance of the projects and programmes and political will. South African Cities Network (2013:28) indicates that municipal grants and revenues are outweighed by the infrastructure needs of cities, thus leaving municipalities with fewer options but borrowing funds. Unfortunately, World Bank reports that out of 500 cities in developing countries just below 5% cities are found creditworthy enough to have access to the global financial markets (UNEP, 2015). The World Business Council of Sustainable Development and the Group of Twenty High-Level Panel on Infrastructure Provision encourages the private sector to be involved in infrastructure projects. The private sector involvement will encourage the skills transfer to the public sector. Moreover, the private sector has more advanced technological instruments that can be useful in the public projects.

Theoretically, climate change mitigation is compatible with the South African socio-economic goals. In fact, the mitigation actions can benefit the economy. For instance, the poor as the most vulnerable to climate change impact will benefit from mitigation actions as in a long-term these actions support socio-economic development goal (Bowen *et al.*, 2013:278). Moreover, the mitigation actions will make South African economy more competitive in a carbon-constrained future. South African government is confronted by formidable socio-economic challenges, and by far the government is not doing so well in addressing the challenges. Thus, turning the economy "green" is an additional challenge, with all its complexities and difficulties of socio-economy. The municipalities have to make difficult decisions to find balance between competing interests of the communities with limited resources and funding.

Furthermore, lack of political will to address the challenges faced in implementing projects and programmes is a challenge on its own. Other challenges include high transaction costs, competitiveness, costs for emission reductions, availability of investment capital and little progress in technological development. Overcoming these challenges to implementation requires policy intervention and incentives. Most importantly, the municipal spending patterns should be adjusted to accommodate the mitigation strategies.

9. Conclusion

South African government has not yet established a comprehensive national climate finance facility, the DEA and the National Treasury with the help of DBSA, have been working on developing such a scheme. The Government has acknowledged the necessity to mobilise funds at the local government level and has allocated funds towards climate change mitigation and adaptation. Globally, South Africa continues to support the agenda the Africa Group and BRICS, and has stressed that the country's reduction of GHG emissions remains conditional on appropriate financial, technical and technological assistance from developed economies.

References

- Addison, N., Burgess, L., Steers, J. & Trowell, J. 2010. *Understanding Art Education: Engaging reflexively with practice*. London: Routledge.
- Agrawal, S. 2005. *Bridge over Troubled Waters: Linking Climate Change and Development*. Paris: OECD.
- Agrawal, A. 2008. *The Role of Local Institutions in Adaptation to Climate Change*. Washington, D.C.: The World Bank. Available at: <http://www.icarus.info/wp.../agrwal-adaptation-institutions-livelihoods.pdf>. Accessed on 14 June 2018.
- Boko, M., Niang, I., Nyong, A., Vogel, C., Githeko, A., Medany, M., Osman-Elasha, B., Tabo, R. & Yanda, P. 2007. *Africa. In: Climate Change 2007: Impacts, Adaptation and Vulnerability Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge University Press, Cambridge, United Kingdom.
- Bowen, K.J., Miller, F., Dany, V., McMichael, A.J. & Friel, S. 2013. *Enabling environments? Insights into the policy context for climate change and health adaptation decision-making in Cambodia*. *Climate and Development*, 5:277-287. Available at: <http://dx.doi.org/10.1080/17565529.2013.833077>.
- Brainard, L., Jones, A. & Purvis, N. 2009. *Climate Change and Global Poverty: A billion lives in the balance?* The Brookings institution: Washington, D.C.

- Bulletin American Meteorological Society. 2013. HiWater Comprehensive Watershed Science in China. Vol 94. Issue 8.
- City of Tshwane Metropolitan Municipality. 2015. *Earth hour city challenge 2015 journeys towards sustainability – City of Tshwane*. Pretoria: Government printers.
- da Costa Ferreira, L., Martins, R., Barbi, F. & da Costa Ferreira, L. 2011. Governing Climate Change in Brazilian Coastal Cities: Risks and Strategies. *Journal of US-China Public Administration*, 8(1):51-65.
- Department of Environmental Affairs & Tourism. 2007. A National Climate Change Response Strategy for South Africa. South African Department of Environmental Affairs and Tourism. Pretoria: Government printers.
- Department of Environmental Affairs. 2011. *Defining South Africa's Peak, Plateau and Decline Greenhouse Gas Emission Trajectory*. Pretoria: Government printers.
- Department of Environmental Affairs. 2012. *Defining South Africa's Peak, Plateau and Decline Greenhouse Gas Emission Trajectory*. Pretoria: Government printers.
- Development Bank of Southern Africa. 2011. *Green Economy Resource Mobilisation Mimeo*. Johannesburg: Development Bank of Southern Africa.
- DiMento, F.C. & Doughman, P. 2014. *Climate Change: What it means for our children, our grandchildren and us*. Sabon: Massachusetts Institute of Technology.
- Hallegate, S., Heal, G., Fay, M. & Treguer, D. 2012. From Growth to Green Growth – A Framework Working Paper 17841. Available at: <http://www.nber.org/papers/w17841> Accessed on 13 July 2018.
- Hammer, S., Kamal-Chaoui, L., Robert, A. & Plouin, M. 2011. Cities and Green Growth: A Conceptual Framework. OECD Regional Development Working Papers 2011/08. OECD Publishing.
- Harris, J.M. & Birjandi, F.M. 2011. *Forests, Agriculture, and Climate: Economic and Policy Issues*. Tufts University Global Development and Environment. Institute. Available at: http://www.ase.tufts.edu/gdae/education_materials/modules/REDD.pdf. Accessed on 8 August 2018.
- Houghton, J. 2009. Global Warming, Climate Change and Sustainability – Challenge to Scientists, Policymakers and Christians. The John Ray Initiative: London: Gloucester.
- IPCC. 2001. *Climate Change 2001: Synthesis Report. In: A Contribution of Working Groups I, II, and III to the Third Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge: Cambridge University Press.
- IPCC. 2007. *Climate Change 2007: Impacts, adaptation and vulnerability. Contribution of Working Group II to the Fourth Assessment Report of the International Panel on Climate Change*. Cambridge: Cambridge University Press.
- IPCC. 2013. *Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*, Intergovernmental Panel on Climate Change. Cambridge: Cambridge University Press.
- IPPC. 2014. *Climate Change 2014: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge: Cambridge University Press, Cambridge.
- Jaroszweski, D. 2012. The impacts of climate change on the national freight sector. In Ryley, T. and Chapman, L. (eds.) *Transport and Sustainability*. Emerald Publishing.
- Kats, G., Alevantis, L., Berman, A., Mills, E. & Perlman, J. 2008. The Cost and Financial Benefits of Green Buildings, 3 November 2008. Available at: <http://www.dcaaia.com/images/firm/Kats-Green-Buildings-Cost.pdf>.
- Lalthapersad-Pillay, P. & Udjo, E. 2014. The implications of climate change for Africa's economic development. *Journal of Economic and Financial*, 7(3):871-888.
- Leary, N. 2008. *Climate Change and Vulnerability*. Earthscan: Routledge.
- Mastrandrea, M.D. & Schneider, S.H. 2010. *Preparing for Climate Change*. Sabon: Massachusetts Institute of Technology.
- Misuka Green Development Solutions. 2013. Increasing Investment in Climate Change Related Projects at the Sub National Level; Technical Assistance Unit & Western Cape. Government. Available at: <https://www.westerncape.gov.za/eadp/files/atoms/files/Phase%20Diagnostic%20Report%20Barriers%20and%20Challenges%20to%20Implementing%20Climate%20Change%20Projects.pdf>. Accessed on 17 September 2018.
- National Climate Change Response – White Paper. 2011. Department of Environmental Affairs and Tourism. Pretoria: Government printers.
- National Research Council. 2010. *Advancing the Science of Climate Change*. The National Academies Press: Washington, DC.
- Oswald, M. 2011. *Development of a Decision Support Tool for Transportation Adaptation Practices in Response to Climate Change*. Unpublished Doctoral thesis. Newark: University of Delaware.
- Pielke, R.A. 2001. Comments on "IPCC report cautiously warns of potentially dramatic climate change impacts." *Eos, Trans. Amer. Geophys.*
- Ragab, R. & Prudhomme, C. 2002. *Climate change and water resources management in arid and semi arid regions: prospective and challenges for the 21st century*. *Journal of Biosystems Engineering*, 81:3-34.
- SALGA. 2016. Response to Climate Change. Available at: <http://www.sacities.net/wpcontent/uploads/2016/PDF/SA%20Local%20Government%20Response%20to%20Climate%20Change%20-%20March%202016.pdf>. Accessed on 22 June 2016.
- Sango, I. 2013. *An investigation of communal farmers' livelihoods and climate change challenges and opportunities in Makonde rural district of Zimbabwe*. Pretoria: University of South Africa.

- South African Cities Network. 2013. *State of City Finances: Towards sustainable municipal finances*. Available at: http://sacitiesnetwork.co.za/wpcontent/uploads/2014/07/state_of_city_finances_report_2013.pdf. Accessed on 29 June 2018.
- South African Cities Network. 2016. *State of South African Cities Report*. Available at: <http://www.sacities.net/state-of-cities-reporting/socr-2016>. Accessed on 29 June 2018.
- Stern, N. 2006. *The Economics of Climate Change: The Stern Review*. Cambridge: Cambridge University Press.
- Trewartha, G.T. & Horn, L.H. 1980. *An Introduction to Climate*. New York: McGraw-Hill.
- Tadesse, D. 2010. The impact of climate change in Africa. Available at: <https://www.issafrica.org/uploads/Paper220.pdf>. Accessed on 3 February 2015.
- UNEP. 2015. *Green economy Scoping Study: South African green economy Modelling Report (SAGEM)*. Focus on Natural Resource Management, Agriculture, Transport and Energy Sector. Available at: https://www.environment.gov.za/sites/default/files/docs/publications/greeneconomy_modelling_report.pdf. Accessed on 24 July 2018.
- UNFCCC. 2008. *Climate change: Impacts, Vulnerabilities and Adaptation in developing Countries*. Bonn: UNFCCC.

Professionalising Supply Chain Management as an Alternative Mechanism to Curb Corruption in the South African Public Institutions

SK Mokoena

University of Limpopo, South Africa

Abstract: In South Africa, government is considered the largest purchaser of goods and services because of the many entities within the three government spheres. Government entities are required to ensure value for money when contracting for goods and services which is both a principle of good governance as is a constitutional obligation. The South African government introduced procurement in the public service as a means of ensuring effective public financial management in government activities. Procurement involves the acquisition of goods and services by an institution to enable it to execute its functions and to provide services to the people by means of commercial dealings (Pauw, Woods, Van der Linde, Fourie & Visser, 2009:228). Adding on this, procurement of services and goods in South Africa has at all times been a leading matter when it comes to the financial controls and accounting records of government entities. Based on the above, the argument of this paper is that if supply chain management and procurement are treated as separate practices and a lot of focus is placed on procurement and not supply chain management as a tool through which government can achieve effective procurement. Then government will not achieve its goal of reducing corruption and financial misconduct in the provision of goods and services to the people and in acquiring goods to run the different government entities. The research design used in this article was a qualitative method. Data were collected through extensive review of public documents, government publications and legislation, newspaper articles, accredited journal articles and books. The results showed that although there are many laws governing these practices, in the public sector, there are still challenges that negatively affect the effective and efficient execution of supply chain management and procurement in the public sector. The major challenge is fraud and corruption within public institutions. The paper recommends that public institutions should place more emphasis on strengthening the internal audit function.

Keywords: Procurement, Public sector, Public service, Supply chain management

1. Introduction

In order to ensure effective procurement practices so as to manage financial resources effectively within the country, the South African government uses Supply Chain Management (SCM) as one of the mechanisms to implement its procurement policies and reforms. Supply chain management entails the planning and administration of every activity included in procuring that is acquisition management that contains contracting and negotiating, conversion and logistics management activities (Pauw, Woods, Van der Linde, Fourie & Visser, 2009:250). Conventionally, Supply chain management has been underestimated and misinterpreted in the sense that its strategic significance has not been acknowledged hence making it under capacitated. What's more, the damaging consequences of inadequate SCM mainly in the procurement stage of the chain are well documented some of them being corruption and waste, poor quality

goods and unreliable suppliers. Thus, this paper attempts to answer the following research question: To what extent would professionalising supply chain management impact on public sector procurement. Thus, the paper initiates discussion by presenting the research methodology used in the paper; thereafter follows a discussion on the contextualisation of SCM and Procurement. Secondly, the relationship between SCM and Procurement is described. Thirdly, a discussion on the professionalization of SCM is presented. Fourthly, a discussion on the benefit of SCM is presented followed by the challenges thereafter. Fifthly, a discussion on how SCM and procurement should be conducted in the public institutions is presented. Finally, the paper provides concluding remarks.

2. Research Methodology

This study was conducted mainly using qualitative approach of research, purely desktop. This

approach was set to establish a clear and objective orientation, a vigorous, disciplined and systematic procedure, and a reality bound methodology, which allows arriving at a theory that will be free from vague and sloppy approaches, speculative thoughts about reality, and a theory that should be distinguished from a social philosophy, abstract speculation and everyday assumptions (Nantege, 2011:48). The research employed government publications as a tool of data collection and to counter the shortcomings that would accrue from the use of that tool, academic journals, books and other academic writings were used.

3. Contextualising SCM and Procurement

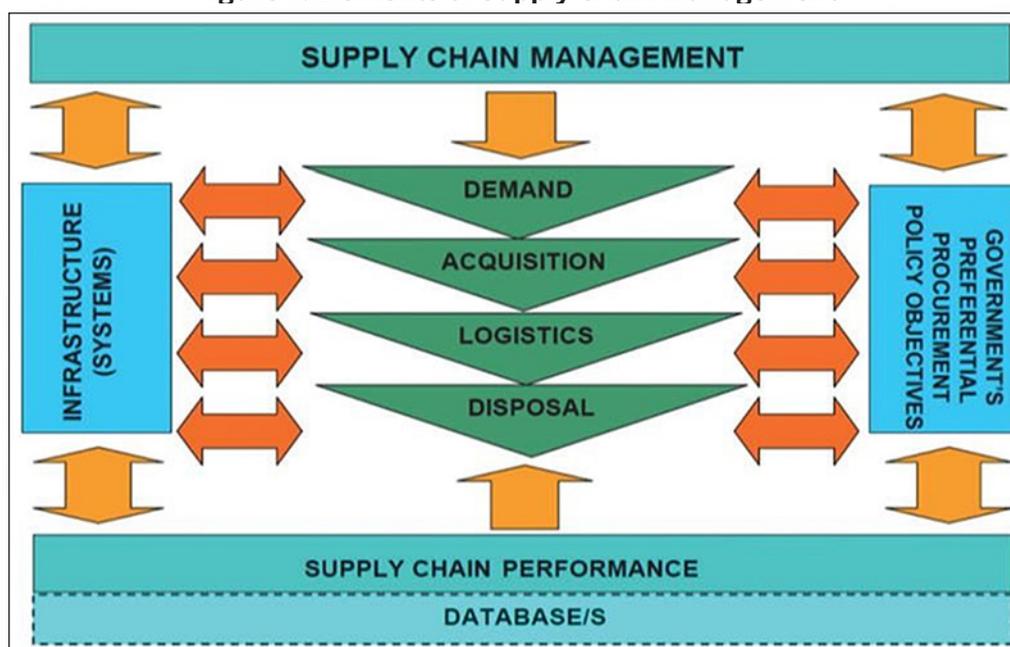
According to Larson (2009:222), supply chain management incorporates planning and managing of all those activities involved in procurement, conversion, logistics management and sourcing. This involves collaboration and coordination with intermediaries, suppliers, customers and third party service providers. Supply chain management in the public sector on the other hand is concerned with coordination of all those individuals involved in the delivery of a combination of inputs, outputs or outcomes that will in turn meet specific requirements within the public sector for example, partner organisations and external suppliers. Additionally, Supply chains within the public sector address diverse focus areas which can differ from sector

to sector in government (Ambe and Badenhorst-weiss, 2011:74). For instance, in the health sector, the focus might be on logistics and the effective movement of goods and services in and out of hospitals while SCM in the sector of education may focus on streamlining the chain through which teaching materials are delivered to students. Hence the nature or form of the SCM processes that are applied and employed by institutions differ depending on a variety of diverse considerations (Ambe & Badenhorst-weiss, 2011:74). The elements of SCM are presented in Figure 1 with brief narrative below.

3.1 Demand Management

According to the National Treasury (2004), demand management, is the first phase in the supply chain management process. The main objective of this stage is to make sure that the resources required to fulfil the needs identified in the strategic plan of the institution are delivered at the correct time, price and place and that the quantity and quality will satisfy those needs. Adding on this, as part of this element of SCM, a total needs assessment should be undertaken. This analysis should be included as part of the strategic planning process of the institution and hence will incorporate the future needs. It is vital for managers to understand and utilize sound techniques to assist them in their planning, implementation and control activities. As part of the strategic plan of the institution, resources required

Figure 1: Elements of Supply Chain Management



Source: Adapted from the National Treasury (2004)

for the fulfilment of its obligations should be clearly analysed. This includes a detailed analysis of the goods, works and services required, such as how much can be accomplished, how quickly and with what materials and equipment. Therefore, accounting officers and all the relevant authorities should ensure that the future as well as current needs are understood, requirements linked to the budget and any specifications determined. The need forms part of the strategic plan of the institution including the possibility of procuring goods, works or services from other institutions e.g. stationery, printing and related supplies from the Government Printer or furniture from the Department of Correctional Services. Managing demand is a cross-functional exercise that brings the supply chain practitioner closer to the end user and ensures that value for money is achieved. This is what makes this stage very important.

3.2 Acquisition Management

The second stage of SCM is acquisition management and traditionally, almost all the focus of procurement activity has been given to this stage. Within this stage, the management considerations are to decide on the manner in which the market will be approached, establish the total cost of ownership of a particular type of asset, ensure that bid documentation is complete, including evaluation criteria, to evaluate bids in accordance with published criteria and to ensure that proper contract documents are signed. This element of SCM further highlights the link between SCM and Procurement how these two processes cannot be separated as they have an impact on one another, through showing that SCM is an important tool for procurement management.

3.3 Logistics Management

The third stage in SCM is logistics management. According to Hugo, Badenhorst-Weiss and Van Biljon (2004:204), logistics is a framework for the management of all activities related to materials and information flows within an institution. Hugo *et al.* (2004:204) go on to say that the scope of logistics is therefore the entire organization. In other words, the focus of logistics is on optimizing the wealth of an institution through the management of the flow of information, products and services. This phase therefore applies to, among others, coding of items, setting of inventory levels, placing of orders, receiving and distribution, stores/warehouse

management, expediting orders, transport management and vendor performance. The national treasury (2004) adds that this process should also activate the financial system to generate payments.

3.4 Disposal Management

The final stage or element of SCM is disposal management. According to the National Treasury (2004), disposal is the final process when an institution needs to do away with unserviceable, redundant or obsolete movable assets. In other words, this stage involves the disposal of outdated assets that cannot be serviced or reused by an institution, for example, old departmental cars, furniture among others. It is recommended that the accounting officer/authority assigns a particular committee to deal with discarding of assets. The National Treasury (2004) goes on to say that, the accounting officer or the individual responsible for executing this function has the responsibility of considering the recommendation of the appointed committee with regard to the disposal of assets. Additionally, if disposal of any asset has been permitted, any of the methods specified below may, among others, be followed: Transfer to another institution in terms of Section 42 of the Public Finance Management Act (PFMA), 1999 (Act 29 of 1999); Transfer to another institution at market related value; Transfer to another institution free of charge bearing in mind that the assets cannot be transferred to a sub office, school.

Conversely, without approval of the Head Office of the institution then the person responsible for disposal of the assets should consider selling assets per price quotation, competitive bid or auction, whichever is most advantageous to the State. Unless determined otherwise by the relevant treasury requirements as prescribed in Regulations 5 and 6 of the Preferential Procurement Regulations, 2001 should be adhered to. However, should the sale of the movable assets not be at market related value, by price quotation, competitive bid or auction, the reasons for the disposal in such a manner should be motivated, certified and recorded for auditing purposes by the accounting officer/authority or his/her delegate. All assets transferred to another institution should be by means of an issue voucher. The National treasury adds that assets like Firearms may not be sold or donated to any person or institution within or outside the RSA without the approval of the National Conventional Arms Control Committee.

Regarding the procurement, Quinot and Arrowsmith (2013:1) define procurement as a process through which the state obtains goods, works and services that are required to fulfil its public roles while Pauw, Woods, Van der Linde, Fourie and Visser (2009:228) refer to "procurement as the acquisition of goods and services other than the services of officials for the people and their administration by means of commercial transactions". However, procurement in its broad sense captures the whole process from the identification of the goods and services required such as stationary like paper or cars for an institution, through the course of actually identifying the supplier, to maintenance of the contract that is concluded between the contracting authority and the supplier. Procurement differs within the public and the private sector when it comes to the goals and the practices within these two sectors. For instance, Larson (2009:223) points out that while procurement in the public sector is governed by legislations, laws and regulations that of the private sector is guided mostly by business plans and boards of directors. However, it is important to note that even though the private sector procurement practices are guided by the different boards of directors, it should still be conducted within the law. Furthermore, private institutions conduct their procurement practices using revenue that is acquired from taxes like income tax on salaries while private entities generate revenue used for procuring for goods and services from sales on services and goods in other wards profit.

According to Le Roux (2009:18), over the centuries, the significance of procurement in the contemporary state has rapidly grown. Public Procurement is basically the course through which the state obtains goods, works and services that are required to fulfil all its public functions. The functions that are referred to in this case involve a wide range of transactions for example, the acquisition of office furniture, intricate military hardware for the nation's defence, provision houses to the public, construction of roads just to point out a few. Procurement practices have been in existence for many centuries as they can be dated and traced back to right around 2400 and 2800 BC, where the earliest procurement order was found in Syria. However, the practice spread all over the world and in 1810 the United States in the State of Oklahoma became the first ever state to conduct procurement practices centrally by establishing a board to procure for all the state entities and organizations. Since

then, centralised procuring has become increasingly common worldwide and is practiced by most of the countries in the world, South Africa included.

Furthermore, public procurement concerns at least three interest groups: firstly, those persons that fund the activity, being government; secondly, those who benefit from the process directly or indirectly, by way of the paying taxes to finance the goods and services procured, that is to say the public; and lastly, those who supply the services and goods such as the private enterprise. The principal purpose of procurement is to serve the legitimate interests of all the parties involved within the process while taking into account the country's economy. Hence procurement also involves acquisition of services and goods to fulfil a specific function in the best possible way (Le Roux, 2009:19). Furthermore, procurement is used as a tool by government to realize socioeconomic policies and this is viewed as procurements' secondary function. Moreover, even though the goods and services procured by government could be similar to those procured by private parties, it is important to note that, there is a big variation between the principles regulating public and private procurement (Le Roux, 2009:19).

In South Africa, according to Ambe and Badenhorst-weiss (2012:243), instantly after taking office in 1994, the new South African Government introduced a series of budgetary and financial reforms on procurement with an intent to modernize the administration of the public sector, to make it more public friendly and subtle to meeting the necessities of the communities it serves. In 1995 reforms on procurement arose in two broad focus areas, namely; the promotion of principles of good governance and the introduction of a preference system to address certain socio-economic objectives (Ambe & Badenhorst-weiss, 2012:245). These embedded in Section 112 of the Municipal Financial Management Act, 2003 (Act 56 of 2003) (MFMA); Section 76(4) (C) of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) and the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) (PPFA). Another factor worth mentioning is the fact that "the year 2003 witnessed the adoption of a Supply Chain Management document entitled 'Policy to guide uniformity in procurement reform processes in government' in conjunction with provincial treasuries to replace the outdated procurement and provisional practices in municipalities" (Ambe & Badenhorst-weiss, 2012:246).

Nonetheless, irrespective of the above, public procurement has been mired with its own challenges such as non-compliance to procurement policy and regulations, lack of accountability (transparency in general and financial transparency), fraud and corruption are still persistent throughout the country's tendering process (Visser and Erasmus, 2002:150). Government departments and all organs of state make use of procurement practices when acquiring goods however, in most cases the persons responsible for conducting this processes do not often follow the necessary procedures and this leads to mismanagement of funds and maladministration. For instance, this mismanagement within procurement usually occurs during the tender processes where according to the Public Protectors' report (2015:362) on investigations into allegations of maladministration against the Passenger Rail Agency of South Africa (PRASA), it was found that the PRASA did not award tenders fairly and in a competitive manner and this was not in line with section 217 of the constitution.

4. Relationship Between Supply Chain Management and Procurement

Pauw *et al.* (2009:249) point out that within the public sector currently, the issue of procurement practice has come to be less of a detached and separate matter and more of an inclusive set of fiscal management arrangements which make up what is known as supply chain management. Nantege (2011:16) goes on to add that SCM is a procurement tool which was born out of inevitability. This is because SCM tactically integrates the entire procurement process, as well as the "identification, acquisition, access, positioning, and management of resources" within a chain of prudently considered stages so as to reach the stated objectives. In other words, supply chain management involves those activities and processes which lead up to the procurement of goods and services. Moreover, even within the legislations, a link can be made between supply chain management and procurement in the public sector. For example, all the legislations discussed above require that public institutions develop and establish supply chain management policies that provide for effective procurement practices and this show that supply chain management and procurement are linked together and also to ensure that public procurement is effectively achieved, there is need to ensure that SCM systems are efficient and effective.

5. Professionalisation of SCM and Procurement

Balthazard (2014:1) defines professionalization as the process by which an occupation undergoes transformation to become a profession. Hodson and Sullivan (2012) further state that professionalization can be understood as the effort by an occupational group to raise its collective standing by taking on the characteristics of a profession. Borrowing from these definitions, professionalization of Supply chain management can then be seen as the process by which Supply chain professionals collectively strive to achieve the recognition and status that is accorded to established professions by emulating or adopting the defining characteristics of the established professions. Evans (2008:22) goes on to add that the process of professionalization is complex and it also doesn't help that there is a lack of consensus as to the meaning of the term 'professionalization', or the term 'professionalism' for that matter. Adding to this, most of the literature on professionalization stems from the field of sociology (Balthazard, 2014:1). When sociologists think of 'professionalism' they usually focus on the institutional aspects such as the existence of a regulatory body, legal recognition as a profession, formal training programs, and the existence of codes of ethics. However, some non-socialists differ in thinking when it comes to the term and unlike socialist they often place their emphasis on individual aspects such as the behaviors, attitudes, and values characteristic of the members of a professional group. Nonetheless Evans (2008:35) points out that even the sociological literature has begun to give more attention to those individual aspects of professionalism. Indeed, the term professionalism has begun to be used to refer to the individual aspects such as the behaviors, attitudes, and values characteristic of members of a professional group. Although the distinction between 'professionalism' and 'professionality' has certainly not made its way into common usage, the distinction between the institutional aspects and the individual aspects of professionalism and professionalization is useful and particularly relevant to the profession of supply chain management at this point in time.

5.1 Advantages of Professionalisation

Professionalisation can be advantageous in the sense that it provides personnel with a commitment to behaving ethically and displaying the

highest standards of probity and integrity, instils confidence that, through the professional body's disciplinary code, inappropriate activity or behaviour by a member will be dealt with, facilitates that provision of impartial advice in the public interest from an independent professional body that government can trust; and promotes access to a wide range of information, advice, publications and other resources that otherwise would be difficult to obtain. With that said, the next section of the report attempts to show and provide an understanding into professionalization and effective supply chain management.

5.2 Understanding Professionalisation and Effective Supply Chain Management

According to Kalinzi (2014:1) numerous professions have always been linked with the notion of service and a profession as defined above refers to a group of people organized to serve a body of specialized knowledge in the interest of the relevant stakeholder. Kalinzi (2014:1) goes on to say that all professions like medicine, law, engineering, architecture, project management, marketing, among others have a duty to protect the professionalism demanded of those professions. SCM too, is one of the new and interesting professional disciplines with an ethical code to protect, however, the profession is still in its early stages. Unlike other professions, SCM borrows heavily from other professions to make it comprehensive. For instance SCM borrows from fields such as human resource management, business management, finance, Law, management, marketing and others (Basheka & Mugabira, 2008:950). Professionalism is an issue that has recently engaged thinkers in almost all disciplines. It has always been argued that professionalism is assumed to be desirable and valuable in its own right (Kalinzi, 2014:1). Additionally, according to Lyons (2000:233), the evolution of professionalism in SCM has been largely influenced by the establishment of institutions concerned with the concept of promoting professional purchasing and the creation of various associations of specified purchasing knowledge and techniques. Furthermore, within the fields of supply chain management, professionalism allows for functionality, transparency and significant savings in public expenditure and this partly explains why it should be given due attention. There are a number of indicators that clearly guide the path to professionalism and these include legislative framework, Institutional framework, professional staff transparency and modernization procedures like use of information and communications

technology among other adequacies. It is therefore important that all the stakeholders involved in the SCM system fully understand these adequacies to coordinate work easily. Internationally, there are recognised bodies that have championed professionalism in various related disciplines. These include the Chartered Institute of Purchasing and Supply (CIPS), Chartered Institute of Logistics and Transport (CILT), The Dutch Association for Purchasing Management (NEVI) among others (Kalinzi, 2014:2).

Finally, SCM strategically integrates the whole procurement process, including the "identification, acquisition, access, positioning, and management of resources" in a series of carefully considered steps, in order to attain stated objectives (Nantege, 2011:16). And employing skilled, qualified and knowledgeable personnel is the key to procurement management. Within South Africa, supply chain executives still need to be experts at managing supply chain functions such as transportation, warehousing, inventory management, and production planning hence there is need to professionalize the career group (Dittman, 2012:1). For the reason that the supply chain process extends end-to-end within institutions and even outside them, including the relationships with suppliers and customers on a global basis. Therefore, professionalising the SCM career group can be seen as a step towards effective public sector procurement.

6. Benefits of Effective Supply Chain Management and Procurement

The benefits of effective supply chain management and procurement in an institution as includes and not limited to increasing values for money through enabling organisations reduce costs that is achieved by means of competitive bidding and tenders (Pauw *et al.*, 2009:250), leading to better asset management within public sector institutions (Migiro & Ambe, 2008:232), enhancing inter operational communication and cooperation, leading to attainment of quality and superior goods and services through providing an opportunity of subcontracting from a diverse range of institutions or suppliers, accelerating delivery time and raises customer satisfaction (Pauw *et al.*, 2009:250), promoting fairness in the processes of contracting for goods through competitive bidding and preferential point system in the case of South Africa (Pauw *et al.*, 2009:250) and promoting better asset management within an organisation as the SCM process incorporates logistics management that involves management

of an institutions stock level, generate stock needs and provide an asset management facility (Pauw *et al.*, 2009:250).

7. Challenges Faced by Public Sector Procurement

There are a number of issues that can be identified affecting effective public sector procurement within South Africa and these include; First and foremost, the issue of lack of clearness with regard to the duties and roles of the political office bearers and the technical staff has an impact on effective procurement. Secondly, the SCM officials also usually do not have the necessary skills to manage the intricacies of the procurement processes (National Treasury, 2015:5). That is to say within South Africa, the people responsible for ensuring effective public procurement often fall short of skills and knowledge needed to ensure that goods and services are procured in a manner that is effective, efficient and cost effective and hence undermining the whole essence of public procurement (National Treasury, 2015:5). Thirdly, the National Treasury (2015:5) goes on to add that another issue affecting procurement within the public sector is the fact that the regulations and the policies guiding the process are in most cases perplexing and cumbersome especially for the small businesses that have very little or even no management support or capacity and this makes competitiveness within public procurement difficult to achieve. This is because small businesses are forced to drop out of the tender processes because of the high costs incurred in the procurement processes (National Treasury, 2015:5). Finally, the biggest issue affecting procurement within the public sector in South Africa is the issue of corruption and this can be attributed to the fact that there is little or even sometimes no consequences for financial misconduct to those persons who are found guilty of such conduct. According to Yadav (2005) corruption is a global problem, which is predominantly detrimental to the welfare of individuals in emerging nations. Soreide (2002:2) goes on to say that corruption in public procurement makes the officials or the politicians in charge purchase goods or services from the best briber, instead of choosing the best price-quality combination. Basheka and Mugabira (2008:949) further argue that for public procurement it may also be useful to distinguish between political and administrative or bureaucratic corruption. Political corruption is defined by Tanzi (1998: 119) as corrupt behaviour taking place

during the budget preparation phase, a time when political decisions are made. Basheka and Mugabira (2008:949) however lengthen the definition of political corruption to include all the corrupt transactions performed by political decision-makers. While corrupt behaviour during the budget execution phase reflects mostly bureaucratic corruption.

What's more, Nantege (2011:23) argues that public procurement has been perceived as an area of waste and corruption and this can be backed by the fact that within South Africa, most of the government procurement budgets are lost to corruption. For example according to the corruption watch the Special Investigation Unit in south Africa estimated that "in 2011, between R25 billion and R30 billion of the government's annual procurement budget alone was lost to corruption, incompetence and negligence". The corruption watch (2013:np) further points out that from the then 278 municipalities within South Africa, only 18% of them received clean audit reports from the Auditor General in 2012. These very findings highlight how financial management let alone procurement of goods and services are being crippled by financial misconduct which comes down to fraud and corruption in spite of the good anti-corruption laws like the Prevention and Combating of Corrupt Activities Act (2004). Additionally, because corruption is identified as the major issue and challenge hindering effective procurement in the public sector, this research suggest professionalization of SCM as an alternative mechanism to solve this issue.

Lastly, Basheka and Mugabira (2008:950) point out that although being a professional, does not eliminate the possibility of individual members being corrupt, instead, it helps control improper behaviour by allowing actions to be judged against standards accepted by the profession. This is because, unlike private procurement, public procurement is a business process within a political system and therefore significant considerations of integrity, accountability, and national interest and effectiveness is paramount.

8. How Supply Chain Management and Procurement Should be Conducted in Public Institutions

Procurement as defined above refers to the acquisition of goods and services and forms part of the supply chain management process while supply

chain management entails the planning and administration of every activity included in procuring, that is, acquisition management which contains contracting and negotiating, conversion and logistics management activities (Pauw *et al.* 2009:250). From the SCM definition above, it is evident that procurement and supply chain management are interlinked and cannot be treated so much as separate processes. Adding to this, procurement and SCM are guided by a number of regulations, principals and legislation and should thus be conducted in accordance to these laws. As alluded to above, the Constitution of the Republic of South Africa, 1996 is the main legislation that governs procurement and supply chain management in all public sector institutions. The Constitution gives effect to other acts and legislation such as; the Municipal Financial Management Act, 2003 (Act 56 of 2003) (MFMA) and Section 76(4) (C) of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) and the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) (PPPPFA). Furthermore, this different legislation requires that all procurement activities be carried out in a manner that is fair meaning no one should be discriminated against, cost effective meaning acquiring the best quality goods at the best price, competitive through competitive bidding and tendering and should also be transparent. Additionally, because procurement should be competitive, bidding and competitive tendering are used and there is a procedure that should be followed by public institutions. This procedure is explained in detail below.

8.1 Tender or Bidding Process

Woods (2008:235) describes tendering as process through which an institution invites offers and bid-dings for the supply of products and services and a contract awarded to the supplier with the best offer according to predetermined criteria without negotiation. While Moeti, Khalo, Mafunisa, Nsingo and Makondo (2007:124) define the process as a proposal to provide goods or services in competition with other potential suppliers. There are different types of tendering that can be identified for example selective, open, prequalified, single and restricted tendering. Ngobeni (2011:17) states that the national treasury provides that all government departments invite competitive bids for all procurement above R500 000. Competitive bids should be advertised in at least the Government Tender Bulletin and in other appropriate media such as newspapers should department deem it

necessary to ensure greater exposure to potential bidders. Ngobeni (2011:17) adds that should it be impractical to invite competitive bids for specific procurement, like in urgent cases or in case of a sole supplier, the accounting officer may procure the required goods or services by other means, such as price quotations or negotiations in accordance with Treasury Regulation 16A6.4. However, the motives for deviating from inviting competitive bids should be recorded and approved by the accounting officer. Accounting officers are required to report within ten working days to the relevant treasury and the Auditor-General all cases where goods and services above the value of R1 million (value added tax inclusive) were procured in terms of Treasury Regulation 16A6.4. The report must include the description of the goods or services, the name of the suppliers, the amount involved and the reasons for dispensing with the prescribed competitive bidding process. The process of competitive bidding is made up of different stages and these include:

8.2 Request for Invitation of Tenders

The first stage in the tender process is to request for invitation of tenders Vo Bock (2005:35). This stage involves the preparation of a bid specification and the compilation of the bid documents. According to Ngobeni (2011:19) the procurement unit of the department complies and issues bid specifications in a manner that will permit fair and equitable considerations from qualified vendors. Putting together bid documents that encompasses the use of appropriate Standard Bidding Documents (SBDs) and General Conditions of Contract (GCC), is issued by the National Treasury. Ngobeni (2011:19) goes on to say that once the specifications for goods or services are drafted, the department must submit requests to the Tender committee for the invitation of tenders. The specifications are very important as they help the suppliers prepare their offers. What is more, the tender requests should, in accordance with a prescribed format, contain in full details the information required by the office, enabling it to compile an appropriate tender advertisement.

For instance, according to Visser and Erasmus (2007:159), the tender document must indicate accurate quantities, the requirements for certificates, samples, or compulsory attendance at site inspections and explanatory meetings, and must form part of the tender conditions. Additionally, a prescribed standard tender forms must be

prepared in compliance with the directives issued by the Department of Trade and Industry in terms of the National Industrial Participation Program, and should be published in at least English.

8.3 Calling for Tenders

The second stage in the tender process is calling for tenders after a tender document has been compiled by the relevant persons. Visser and Erasmus (2007:160) point out that tenders are frequently invited within the borders of the country and are publicized in the Government Tender Bulletin except the board decides otherwise. Adding on this, the usage of any other medium of advertising is left to departmental discretion. However, if a department uses another means of advertisement for the tenders and the advertisements appear concurrently with those of the Government Tender Bulletin, the material should correspond. Visser and Erasmus (2007:160) further state that all specifications such as quantity and type of goods and services are an integral part of the tender invitation. The notice for calling for tenders usually mentions the closing dates as well as a closing hour for presenting tenders, meaning only tenders received on or before the closing date and hour are considered to avoid irregularities and corruption and also where the tenders should be submitted or posted. What is more, when calling for tenders, managers should make sure that the financial resources necessary to conclude a tender contract are available hence making budgeting central to public tendering. Moeti *et al.* (2007:123) go on to say that once budget funding for a given capital project or capital asset has been confirmed, then the actual tendering process by informing all the interested bidders of the opportunity to tender can commence. And the relevant institution may publish the sought after goods or services in the State Tender Bulletin so as to invite potential suppliers to submit offers (Pauw *et al.*, 2009:236).

8.4 Submission and Receiving of Tenders

There is a specific time and date that is specified in the tender documents and all those persons submitting the tenders must submit before the deadline in respect to time and date specified (Visser & Erasmus, 2007:160). Kovacs (2008:184) states that dependent on the department, tenders could be succumbed in single or multi-envelopes along with electronic replicas of the proposals. The submitted tender envelopes are habitually sealed

for the sake of confidentiality and also because in the case of competitive tendering bids should be opened in front of the attending persons. The bids Therefore bids should be submitted in envelopes that are sealed and marked with the name and reference number of the bid and particulars of the bidder (Steyn, Basson, Carruthers, Du Plessis, Prozesky-Kuschke, Kruger, Van Eck & Visser, 2010:374). Adding on this, submission of bids often takes place by depositing the envelopes into a locked box and no late bids should be accepted and upon submission, no changes to any bid are allowed. Furthermore, Moeti *et al.* (2007:124), points out that regardless of where or when the invitation to tender is published, additional standard requirements include:

- The nature and specifications of the desired good or service must be clearly communicated;
- Information about required attributes of potential suppliers must be communicated;
- The closing date and time of the tender must be made clear; and
- The fact that no late tenders will be accepted must be communicated.

8.5 Opening of Tenders

The fourth step in the tender process is the opening of tenders. According to Gildenhuis (2002:605) the official opening procedures of tenders ought to be prearranged in order to prevent any irregularities. Tenders should be opened in public and in the company of all competing suppliers that desire to be present. In addition, to avoid the unfair selection of a tender bid, all tenders received in good time must be opened in public and particulars of each tender must be made public and this information should be entered into an official tender register, to be kept for auditing purposes (Moeti *et al.*, 2007 124). This processes should also be done in the presence of a least two officers, immediately after the closure, and no late tenders may be accepted and should be returned to the tenderer unopened. Adding to this, tenders received by facsimile, telegram, telex, or similar media are unacceptable, and each tender must be given a mark of authenticity as proof of receipt prior to closure. A list of tenders received before the closing time must then be drawn up and recorded. According Visser and Erasmus (2007:159) on request, the prices of civil, mechanical, electrical, and building

work tenders are disclosed at the time of opening, while only the name of the tenderer is revealed in other types. In case of tenders for construction contracts, the officials opening tenders read out over a microphone the names of tenderers and their prices. Public opening is highly recommended because the bidders are present and they can also sign the attendance register (Steyn *et al.*, 2010:374).

8.6 Assessing of Tenders

This is the fifth stage of the tender process. In this stage, suitably competent officials evaluate the tenders and choose a winner. These officials take into account the quality, suitability, price and abilities of the bidder when they choose the winning supplier. Responsible officials score each proposal by comparing it to a predetermined set of benchmarks. These benchmarks might have quantitative and qualitative criteria and the institution selects the tender that offers the best value for money. The selectors also take into account the supply reputation and financial standing of the various suppliers (Pauw *et al.*, 2009:237). According to Van Bon (2005:20), bids should only be evaluated in terms of the criteria stipulated in the bidding documents. A well-qualified internal tender selection committee should compare tenders, against one another as well as against a set of predetermined criteria. The tender committee should then make its selection and prepare a contract for the successful bidder (Moeti *et al.*, 2007:124). It is important to note that government institutions are not and must never be obliged to accept the lowest tender (Gildenhuis, 2002:605). This is because very good reasons might exist for why the lowest tender should not be awarded. For instance, uncertainties on whether the person with the lowest tender will provide quality services.

Furthermore, in this stage, the entity initiating the tender request makes recommendations for the adjudication of the tender, and an evaluation panel is appointed to consider all tenders received (Visser and Erasmus, 2007:160). The tenders ought to be evaluated only against the written conditions, and only those tenders that meet all the specifications laid out by the entity procuring for services are taken into consideration. Instances where tenders are equal in all respects such as price and quality, successful tenders are determined by drawing of lots (Ngobeni, 2011:23). This stage is also regarded as the most important stage in the tender process and therefore all parties involved indirectly or

directly are required to take the process seriously and make sure all the necessary aspects are complied with by the tenderer. And to also make sure the right supplier is chosen. For instance, the tax affairs of the respective tenderer must be investigated before a contract is awarded. And also Suppliers should be assessed by SCM practitioners, for possible risks such as the availability of adequate facilities, financial standing, capacity and capability to deliver, previous performance in terms of quality and service delivery, as well as attainment of goals to make sure the right person is awarded the tender. Therefore a bid is acceptable only when:

- The bidder finished and signed all the necessary bid forms;
- The bidder handed in the essential original tax clearance and other clearance or registration forms as suggested by different acts and in the bid documentations; and
- The bidder possesses the required capacity and ability to execute the contract. It is thus clear that institutions ought to assess and choose contractors based on reliability, quality, price and availability.

Furthermore, when any bid is not chosen, the reasons for passing over such bid must be defensible in any court of law in other words the reasons should be justifiable. According to Woods (2008:235) in the South African public sector, a preference point system that is prescribed by the Preferential Procurement policy framework Act is used to determine the successful supplier. As explained in chapter two of the study, the Act stipulates that the lowest acceptable tender receives 80 or 90 points for price.

8.7 Awarding Tenders

The last stage in the tender process is awarding of the tender. Before a tender can be awarded, an audit must confirm that the process of evaluating tenders has in no way been flawed (Pauw *et al.*, 2009:237). This process of auditing is necessary especially when awarding of public tenders as it reduces the likelihood of the tenderers disputing the award. In other words the audit conducted should confirm that the process was fair, open and non-discriminatory. Adding to this, all the bidders should be invited to attend the tender awarding as it goes a long way towards mitigating claims by bidders and other interested parties of

tenders having been unfairly awarded (Moeti *et al.*, 2007:124). After the tenders have been awarded, the successful tenderers should be notified by means of letters of acceptance. These letters are the basis for placements of orders, administration of contracts, and settlement of disputes. The tender results from national and provincial departments are published in the government tender bulletin. Formal contracts are then signed by the official chosen, on behalf of a public institution. In other words, after awarding of tenders, written contracts should be entered into between the government and successful tenderer (Gildenhuis, 2002:605). The contract should have a penalty clause if any possible failure on the part of the successful bidder to meet the terms of the tender occur (Pauw *et al.*, 2009:238). With that said, the next section of the research provides insight into how procurement and supply chain are conducted in the Free State treasury.

9. Conclusion

Based on the above discussion, the researcher can conclude that SCM and procurement cannot be treated so much as separate processes as procurement forms part of supply chain management which makes SCM a tool for achieving effective procurement. Furthermore, due to public institutions have originally placed more emphasis on procurement, SCM has been neglected and as a result procurement in public institutions has been ineffective. Thus, the primary argument is that if SCM and procurement are treated as separate practices and a lot of focus is placed on procurement and not SCM as a tool through which government can achieve effective procurement, then government will not achieve its goal of reducing corruption and financial misconduct in the provision of goods and services to the people and in acquiring goods to run the different government entities. The study has attempted to contribute to effective financial management in procurement and SCM practices (professionalising) in the public sector. The researcher recommended that further studies should be conducted with a view to put emphasis on the professionalization of SCM and procurement. This is supported by the fact that the two concepts work together and they need each other.

References

- Ambe, M.I. & Badenhorst-weiss, J.A. 2011. *Managing and controlling public sector supply chains*. Available at: <http://cdn.intechweb.org/pdfs/15532.pdf>. Accessed on 17 May 2018.
- Ambe, M.I. & Badenhorst-weiss, J.A. 2012. *Procurement challenges in South African public sector*. Available at: <http://www.jtscm.co.za/index.php/jtscm/article/download/63/59>. Accessed on 17 May 2018.
- Balthazard, C. 2014. *The Professionalization of Human Resources*. Kingston: Queens University IRC.
- Basheka, B.C. & Mugabira, M.I. 2008. *Measuring professionalism variables and their implications procurement outcomes in Uganda*. Available at: https://www.researchgate.net/publication/237830914_measuring_professionalism_variables_and_their_implication_to_procurement_outcomes_in_uganda. Accessed on 13 June 2018.
- Dittmann, P.J. 2012. *Skills and Competencies That Supply Chain Professionals Will Need*. Available at: http://www.scmr.com/article/skills_and_competencies_that_supply_chain_professionals_will_need/. Accessed on 17 May 2018.
- Evans, L. 2008. Professionalism, professionalism, and the development of educational professionals. *British Journal of Educational Studies*, 56(1):20-38.
- Hodson, R. & Sullivan, T.A. 2012. *The Social Organization of Work*. Wadsworth, Cengage Learning.
- Hugo, W.M.J., Badenhorst-Weiss, J.A. & Van Biljon, E.H.B. 2004. *Supply chain management: Logistics in perspective*. Pretoria: Van Schaik Publishers.
- Kalinzi, C. 2014. Level of professionalism in public procurement: A survey of selected districts in Uganda. *Net Journal of Business Management*, 2(1):1-7.
- Larson, P.D. 2009. Public VS private sector perspectives on supply chain management. *Journal of Public Procurement*, 9(2):222-247.
- Le Roux, S.P. 2009. *Procurement Law: A comparative analysis*. Available at: http://uir.unisa.ac.za/bitstream/handle/10500/3848/thesis%20le%20roux_pdf.pdf?sequence=1. Accessed on 17 May 2018.
- Lysons, K. 2000. *Purchasing and Supply Chain Management*. London: Pearson Education Ltd.
- Migiro, S.O. & Ambe, I.M. 2008. Evaluation of the implementation of public sector supply chain management and challenges: A case study of the central district municipality, North West Province, South Africa. *African Journal of Business Management*, 2(12):230-242.
- Moeti, K., Khalo, T., Mafunisa, J., Nsingo, S. & Makondo, T. 2007. *Public finance fundamentals*. Cape Town: Juta.
- Nantege, G. 2011. *Procurement management and financial performance of Banks in Uganda case study: Fina Bank Uganda Limited*. Unpublished Masters thesis. Kampala: Uganda Martyrs University.
- National Treasury. 2000. *Guide for Accounting Officers Public Finance Management Act*. Available at: <http://www.treasury.gov.za/legislation/pfma/guidelines/Accounting%20Officers%20Guide%20to%20the%20PFMA.pdf>. Accessed on 17 May 2018.
- National Treasury. 2015. *A Public Sector Supply Chain Management Review*. Available at: <http://www.treasury.gov.za/publications/other/SCMR%20REPORT%202015.pdf>. Accessed on 15 June 2018.

- Ngobeni, S.A. 2011. *An analysis of the tender process in national government in South Africa*. Unpublished master's thesis. Mafikeng: North-West University.
- Pauw, J.C., Woods, G.J., Van der Linde, G.J.A., Fourie, D. & Visser, C.B. 2009. *Managing Public Money: A system from the South*. Sandton: Heinemann Publishers.
- Quinot, G. & Arrowsmith, S. 2013. *Public procurement regulations in Africa*. Cambridge: Cambridge University Press.
- South Africa. 1996. *Constitution of the Republic of South Africa*. Pretoria: Government Printers.
- South Africa. 1999. *Public Finance Management Act, 1999 (Act 29 of 1999)*. Pretoria: Government Printers.
- South Africa. 2000. *Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2005)*. Pretoria: Government Printers.
- South Africa. 2003. *Municipal Finance Management Act, 2003 (Act 56 of 2003)*. Pretoria: Government Printers.
- South Africa. 2004. *Public Audit Act, 2004 (Act 25 of 2004)*. Pretoria: Government Printers.
- South Africa. 2015. *Public Protector's Report*. Pretoria: Government Printers.
- Tanzi, V. 1998. Corruption Around the World: Causes, Consequences, Scope, and Cures. *International Monetary Fund*, 45(4):119-154.
- Visser, C.B. & Erasmus, P.W. 2002. *The management of Public Finance: A practical guide*. South Africa: Oxford University Press.
- Vo Bock, I. 2005. *Supply chain management*. New York: Thomson.
- Woods, G.G. 2008. *Financial Management and cost accounting*. Cape Town: Stellenbosch University.
- Yadav, G.J. 2005. *Corruption in Developing Countries: Causes and Solutions*, A Paper presented at Global Blues and Sustainable Development: The Emerging Challenges for Bureaucracy, Technology and Governance, a conference of the International Political Science Association (IPSA) Research Committee 4 (Public Bureaucracies in Developing Societies) and 35 (Technology & Development) held at the University of South Florida, 23-24 September 2005.

Long-Term Serving Political Leadership: An Impediment to a Dream of an African Renaissance

MK Maoto

University of Limpopo, South Africa

Abstract: There are many questions that arise about Africa as a continent. The continent is well-endowed with natural resources and yet it remains the world's poorest continent. Its resources have been misused by long serving political leaders which subsequently resulted in the promotion of conflicts and corruption and left the continent in a state of paralysis. Most African states have been ravaged by ongoing conflicts and civil wars characterised by political violence and unspeakable human rights violations, thus making peace and stability a mirage. The sad reality is that Africa is home to long term serving political leaders. The kernel of the paper rests on the fact that there is a nexus between long serving political leadership, conflict and corruption and it is against this background that this paper investigates among others, the problems associated with long term serving political leadership, their contribution towards the promotion of corruption and conflict among their states and citizens as well as some leadership theories. Africa as a continent is facing a financial and economic growth turmoil. Again, this is associated with rampant corruption where freedom of expression by media is restricted and in some instances, the independence of the judiciary is paralyzed or non-existent. Moreover, it still has presidents who are jailing opposition leaders, manipulating the army and police force to clamp down on dissent, and promising their citizens change which remains but a dream. It is for these instances that, leaders refuse to vacate their offices because they have engaged themselves in corruption accompanied by gross human right violations and as such they would rather prefer to die in presidential offices than to face the life-long humiliations and prosecutions once they leave their positions. This paper is conceptual in nature and the review is conducted based on books, peer reviewed articles, conference papers and chapters in books. This paper concludes by recommending that for African countries to achieve socio-economic growth and political stability which could serve as a moment of great reawakening, a moment of a new dawn, they require honest, selfless and legally responsible leaders who would transplant the moral and gallant supremacy. Again, the creation of a conducive environment which will be thriving and advantageous for the people to claim back their powers and use their resources as opulently as they deserve to equip both their social, economic and political wellbeing. Furthermore, the issue of term of office by presidents and the creation of communal doctrine guiding leaders have to be revisited.

Keywords: Conflict, Corruption, Leadership, New dawn, Politics

1. Introduction

One of South Africa's foremost social activists and musicians, Mzwakhe Mbuli (A South African poet and musician) once remarked that Africa is a continent shaped like a question mark, a continent full of paradoxes and contradictions. Indeed, there are so many questions one may be forced to ask about it as a continent and yet one may be forced to resign and accept that those questions stay on without answers. Statistics and reports suggest that Africa is a cradle of humankind. Human life started in Africa, human civilization equally started in Africa. The simple conclusion therefore, is that Africa is the parent continent and should in all fairness be the leading continent and be afforded the respect it deserves but, unfortunately, that is not the case. Africa remains the least civilized continent and the

poorest when it comes to infrastructure and economy. Africans live in abject poverty when in reality they should be the ones to feed the world. The issue of abject poverty is linked with poor leadership style practiced by the long term serving political leaders. Furthermore, the issue of leadership has remained the centre of attraction for several authors more specifically in writings relating to Africa's developmental challenges. The majority of researchers believe that the underdevelopment of this continent rest in the arms of its poor leadership. This is related to the studies conducted by the following: (Poncian & Mgaya, 2015; Mbah, 2013; Afegbua & Adejuwon, 2012; Mills, 2011; Mills, 2010; Heleta, 2007). Many of these researchers blame these African leaders with regard to the continent's wretchedness which happens both economically, politically and socially. According to Mills (2011), Africa's poverty does not

derive from its scarcity of capital, inability to access to markets worldwide, technical connoisseurs, or the imbalanced universal economic system, but due to African leaders opting for underprivileged choices and as such deciding to put this continent in abject poverty. This notion is supported by Mbha (2013:142) who emphasized that 'fundamental cause of African underdevelopment and conflicts lies in the vicious leadership in the continent ever since from 1960s to date'.

Surprisingly, Africa as a continent is well-endowed with abundant natural resources, rich mineral deposits, unparalleled flora and fauna, unmatched ocean creatures, pleasant weather to die for and some wonderful coastlines. But then the question remains, why is it that a continent so blessed with those life's fortunes and treasures still remain a begging continent? The answer lies in the fact that these natural resources are its own downfall and destruction. African politicians are the worst culprits. Mbula goes on to lament that Africa is a continent of beauty and beast, martyrs and monsters, of dancers and gangsters. Indeed, human civilization started in Africa, the pyramids of Egypt and the Timbaktu Manuscripts of Mali are cited as perfect examples that man's enlightenment started in the African continent. African politicians have used the natural resources to fan and sustain long conflicts that have left many dead, many homeless and many amputated. The late Jonas Savimbi of Angola, the late Alfonso Dhlakama of Mozambique and Charles Taylor of Liberia are the nearest examples. Many of these politicians claimed to be genuine leaders of their people but refused to accept the general will of their nationals after elections. They opted to go to the bush to wage war against what they termed regimes in their countries. Africa is home to butchers and dictators. Who can forget Idi Amin of Uganda, Samuel Doe of Liberia, Robert Mugabe of Zimbabwe to mention but a few. The phenomenon of warlords started in Africa. Those warlords with their worst and unspeakable human rights violations and the most atrocities in modern history have escaped sanctions and many like in the Lord's resistance army (Joseph Kony) continue to maim and amputate their fellow brothers and sisters. The sad reality is that Africa is the home of long term serving leaders whose popularity with their citizens is highly suspect. Robert Mugabe of Zimbabwe, Teodoro Obiang Nguema Mbasongo of Equatorial Guinea and Jose Eduardo dos Santos of Angola were in power for over 35 years, Paul

Biya of Cameroon, Paul Kagame of Rwanda, Yoweri Museveni of Uganda, Omar al Bashir of Sudan are some of the longest serving leaders on earth today.

Yahyah Jammeh of Gambia who was removed from power in 2017 once proclaimed that he would rule Gambia for a billion years. Most of these leaders ascended to power through the barrel of the gun. These leaders claim to be democrats and profess that real and genuine democracy exists in their own countries and yet the opposite seems to be the truth. The manner in which free political activities are conducted, leaves much to be desired on their part. There are reports of widespread, political repression where these political opponents are not given the freedom to campaign before elections, in most cases these opponents are either tortured through state apparatus or imprisoned for trumped up charges to prevent them from engaging in free political activities. These self-proclaimed "democrats" rig elections in their favour in order to cling to power by all means. The question is why do these leaders refuse to relinquish power when their time is up? Why didn't Robert Gabriel Mugabe relinquish power voluntarily in 2017? Why did it take the military to force him to step down? These long term serving political leaders have to bear in mind that power does not belong to them but to people who voted for them and as such they must understand their role as leaders because it is not in line with ruling but leading in order to lead these people to prosperity and liberty, and to treat them in the humane, and lastly improve their well-being.

Furthermore, the malfeasances and violence committed by some of the above mentioned leaders are hard to be tolerated; leaders have to learn to understand and respect their subjects and also have that ability to respond quickly to their subjects' needs and wellbeing rather than just being the custodians of the government interest. Again, they ought not to try to impose their unilateral decisions on them due to the fact that they claim to have better knowledge than their citizens (Smith, 2010; Poncian & Mgya, 2015:119). Only by listening to their subjects they lead, will turn their leadership styles into something more legitimate, and at the same time the issues of conflict and developmental challenges will be addressed and become the matters of the past. The majority of African leaders seriously resist to vacate their offices out of their own volition. Fombad and Inegbedion (2010) indicated that out of 204 African presidents who were in power amid 1960 and 2004,

a mere 25 leaders retired voluntarily and out of their own free will, whereas more than half were removed from power including Nkwame Nkrumah, Idi Amin and Mobutu Sese Seko. To support this notion, recently, former Zimbabwean president (Robert Mugabe) and former South African president (Jacob Zuma) were thrown out of their offices by their followers. Despite the resistance by these presidents, there are other countries which apply the issue of term of office well, this include the countries like Kenya, Tanzania, Zambia, Ethiopia and it also happens regularly in Botswana. The issue of terms of office raise the spirits of political culture as well as political competition among opponents and successors, this could also serve as a new dawn for Africa. Unfortunately, these protracted presidential incumbencies fail to accommodate public participation, transparency as well as accountability and as such have to be resolved by promoting cooperation among all stakeholders such as civil society, opposition parties and the military.

2. What is Leadership?

McCleskey (2014) and Alberto (2016) outline that there is no uniform definition of leadership across the world and they further indicate that definition of leadership rests on the researcher's interest as well as the context in which the concept is being used in the current area of research or the kind of problem that is being addressed. For example, Carlyle (2011) looked at the definition of leadership based on the "great man theory". According to Carlyle (2011), leaders were outstanding people or protagonists who could be able to utilise their personality traits to instill manipulation powers over others. Those personality features include "charisma, intelligence, wisdom, as well as political skill to have power". Despite the fact that Carlyle's ideas keep on leading, Spencer (2013) pinpoints that such great men were the output of their societies and that encouraged leaders to do things in advance. Not every researcher comes to an agreement with regard to this dissimilarity; for instance, Volckmann (2012) contended that the usage of power by leaders is called leadership. Alberto (2016) defines leadership as "an interaction between two or more members of a group that often involves a structuring or restructuring of the situation and the perceptions and expectations of members... Leadership occurs when one group member modifies the motivation or competencies of others in the group. Any member of the group can exhibit some

amount of leadership...". Volckmann concurs with Kellerman by indicating that they see leadership as an equilateral triangle wherein its three corners represent the following: the leader, the followers, and the context (Volckmann, 2012).

3. The Bottlenecks that Force the Political Leaders to Resist to Vacate their Offices

One of the reasons why the leaders refuse to vacate office when their mandate has elapsed lies in the saying that "he who rides a tiger can never dismount" during their tenure, these leaders get involved in massive and grand scale corruption accompanied by gross human rights violations. They are conscious that life is like a wheel of fortune and that it turns. They tend to subscribe to the adage which states that they should make hay while the sun shines. They know that they would be forced to pay for their sins when they vacate office and that is why many would rather die in office than to face humiliations and prosecutions that might land them in prison cells.

These leaders would execute the following in order to sustain their stay in office:

- Proclaim to all and sundry that they are democrats and there allow democracy to thrive in their countries.
- Harass and intimidate their political opponents through the use of state machinery and apparatus such as public broad caster, the police, the military and state sponsored media.
- Make sure that there is no freedom of expression by the media or ensure that state propaganda is alive and well.
- Rig elections in their favour.
- Midwife a bill whose sole intention would be to change the term of office from an agreed one to another one longer in order to stay in office. (Joseph Kabila of the Democratic Republic of Congo (DRC) and Pierre Nkurunziza of Burundi are the culprits here.
- Unleash a reign of terror during the election campaigns in order to shut down the movement of political opponents, harass and assault their supporters as well as their sympathisers.

- Disable and paralyse all institutions supporting democracy like the human rights commission, auditor-general and public protector which are called chapter nine institutions according to the constitution of South Africa, (or appoint loyal and self-serving officials to preside over these institutions).
- Become a member of a brother's league whose mandate is to defend each other and stifle dissent.
- Dispense patronage to some state officials including leaders of the military in order to win over their loyalty and sympathy.
- Anoint a successor who will be pliable to all the schemes and manipulations when all else had failed in order to escape prosecution when the term of office had expired.
- Many of the leaders mentioned that they have succeeded in channeling state resources and revenues into their own; lining up their pockets and those of friends, and relatives. They have built empires at the expense of their own subjects who remain trapped in abject and unspeakable poverty. They live in opulence and own more than one mansion. Their off-shore accounts are overflowing and their children and grandchildren attend colleges and universities abroad. The sad reality is that, when these leaders are bed-ridden, they decide to receive medical treatment abroad because their very own hospitals and medical centres are either in the state of decay or a state of paralysis because the institutions have been left very neglected. (Burimaso, 2013:19) elaborated that "Under the stewardship of these leaders, infrastructure in many African countries has fallen into disrepair, currencies have depreciated, and real prices have inflated dramatically, while job availability, health care, education standards, and life expectancy have declined.

One of the most devastating consequences of long term leadership is the emergence of arrogance on the leader. There is English saying which state "that power corrupts, but that absolute power corrupts absolutely" and this holds true in the context of the African politics. There seem to be a similar trait among these long term serving leaders, the desire to turn a blind eye and to ignore the wishes of their

followers, a self-inflicted pride and false assertiveness of popularity. These leaders cannot draw a line between loyalty and fear. They falsely believe that their followers love them when, in actual fact, these followers fear them, because they use the state resources to spread propaganda and to instill fear among these subjects. The proximity of these leaders to resources makes them untouchable, they are quick to dispense patronage. This dispensation creates an insidious network which develops tentacles which in turn make the leader to believe that he/she is invincible. This level of proximity to resources becomes the root cause of the problem and the reasons why they strongly resist to be removed from office. Most of them derive pleasure and a sense of self-importance when their followers hero-worship them. This near Deity status clouds their reasoning, because they get into their cocoons and tend to think that what-ever they do is right and correct. They then take a hardline stance to anyone who disagrees with them, and those who hold different viewpoints are perceived as enemies. Africa is replete with harrowing stories of atrocities meted against those who differed with their leaders, so many politicians on the left or the right (on the opposite side), have either been made to disappear without trace or been imprisoned, killed (execution style) for holding different viewpoints with some of these leaders. State coffers are channeled into the personal accounts of these leaders. It is therefore not surprising that many of these leaders have managed to secure mansions abroad.

4. African Renaissance

The African Renaissance as a concept is premised on the notion that Africans and those from the Diaspora must take the initiative to overcome some of the current challenges faced by the continent in order to achieve revitalization. The African Renaissance is more of a philosophical and political phenomenon which aims to end the violence, elitism, corruption and poverty and all the ills that continue to ravage Africa as a continent, and substitute them with a more just and equitable order. The concept of the African Renaissance was first conceptualized and articulated by a Senegalese academic Cheikh Anta Diop and recently made popular by former South African president Mr. Thabo Mbeki. Mbeki makes a proposal geared towards encouraging Africans to invest in education and help reverse the "brain drain" of African intellectuals from the West and Australasia.

5. Leadership Theories

The philosophy of leadership is indefinable. Several explanations and theories of leadership have been allotted by various researchers. On the other hand, all the theories, agree on the five basic conditions for leadership: "Leadership is relational, asymmetric, salient, domain specific and instrumental" (Ahlquist & Levi, 2011:5). It is relational, because there is no leader devoid of followers. The leader-follower association is becoming uneven due to the fact that the leader relishes attention together with loyalty and compliance, from their members, but this relationship does not work other way round (Ahlquist & Levi, 2011:5). These leaders are often regarded as the hub of information flow. There are various kinds of leadership theories and for this article the researcher focuses mainly on two which are contingency and situational leadership theories.

5.1 Contingency Theory

Contingency theory of leadership deals with certain variables that are linked to the environment and these variables could determine which particular style of leadership might best be suitable for the current status quo (Cherry, 2012). According to this theory, "no leadership style is best in all situations. Success depends upon a number of variables, including the leadership style, qualities of the followers and aspects of the situation" (Cherry, 2012). Contingency theory is more or less the same as situational theory because they all suggest that there is no simple one way to address the problems. The key variance is that "situational theory tends to focus more on the behaviours that the leader should adopt, given situational factors (often about follower behaviour), while contingency theory takes a broader view that includes contingent factors about leader capability and other variables within the situation" (Cherry, 2012).

5.2 Situational Theory

Situational theories allow the leaders to select the Grade A course of action in relation to a particular given situation. There might be diverse styles of leadership that could be more apposite for specific types of decision-making. Furthermore, Cherry (2012) highlighted that "the leadership style depends on the elements a particular situation presents". Even if a situation could provide exceptional opportunities, but it takes a great man to exercise

leadership, be able to pinpoint them and also take proper action that could suit the circumstances. Like in Africa, the continent is blessed with huge potential of becoming global influence with regard to the utilization of natural resources but, it still requires a great man to act on those opportunities the environment offers. Based on that note, the new leaders are expected to be able to seize the opportunity and build back on the confidence of the citizens, restore the capacity in states and economic institutions with the intention of creating an environment which is conducive for development. This will enable them to claim back their powers and utilize their resources as effectively as they deserve with the intention to equipping their wellbeing both socially, economically and politically. In this case, Africa can afford to see its reawakening.

6. The Long Term Serving Leader and Corruption in Africa

The problem of corruption was acknowledged as being a serious threat to systems of government. Notwithstanding the fact that corruption in most African countries prevents mechanism in which people can utilize their potential to meet their daily needs and wants. Even though corruption is regarded as a general problem world-wide, some of the previously disadvantaged countries in the continent have a tendency to display this phenomenon in all governments. Surprisingly, most governments of developing countries have a tendency to exhibit the problem in par, particularly in a remarkable manner. As such it starts to cloud the citizen to be unable to differentiate between good and bad acts. So, the citizen turns to live with it and accept it as if it is a good thing to do. Indeed, it is the duties of the legislative bodies to minimize corruption in their respective countries by promoting the issue of responsibilities and accountability among government officials. Failure to do that distorts representation in policy making it should be noted that corruption within the judiciary compromises the quality of the rule of law; whereas corruption within public administration which yields negative results in respect of service delivery. For example, in South Africa, majority of political parties' manifestos when embarking on general election campaign, emphasise and clearly outline the issue of corruption as playing a dominant role in the country's ills and as such they suggest some few mechanisms which they think can help root out this problem such as whistle blowing mechanism;

the Hawks as an investigating unit deals with corruption but all these mechanisms are not that effective and still running at sluggish pace (Bruce, 2014). Furthermore, other countries according to Atoubi (2007) like "Nigeria, Ghana, Sierra Leone, Zaire, and the Central African Republic", still practice corruption activities extensively as if is a source of life. Atuobi (2007), continues that and alludes that at some point, uncontrolled corruption could become a life-threatening experience to these leaders, because they know that it could lead to state of brittleness as well as a vicious conflict, and also plummet a country into "unremitting cycle of institutional anarchy and violence".

Due to the lack of operative structures with sovereignty and power to check and serve as a corruption watch dogs in most African countries, the long term serving political leaders turn to affianced in high and at times egregious points of corruption. This promotes the misuse of government resources for private gain. This is supported by the notion of the National Research Council (1992) wherein they have alluded that these long term serving political leaders have been given a mandate to contribute towards countries economic development but surprisingly, they turn out to be an alternative source of self-enrichment. The council further indicated that "While many African leaders have become rent-seeking and corrupt, there is a corruptor and a corruptee". This means this activity of corruption cannot happen if one party is working in isolation. Therefore, these corruptors and corruptees collude in order to find a way on how to exploit the government resources and also be in a mission to endorse the syndrome of capital flight. Then in this regard, the creation of communal doctrine guiding all leaders across Africa has to be developed and thorough attention has to be made to it. Even though most of the African countries are in democracy as we speak, the debates on corruption orbited largely around the issue of returning the stolen money by the political leaders and as such, it will be difficult for African countries to achieve socio-economic growth and political stability which could serve as a new dawn for Africa. This needs trustworthy and accountable leaders who should emerge to implant the issue of good and selfless supremacy and also who are also not resistant to democratic changes to lead Africa out of its morass to its so that it can reach its social, economic and political ceiling. This is in line with great man theory of leadership.

7. The Long Term Serving Leaders with Conflict in Africa

Conflicts in Africa are dissimilar and multifaceted, and so any attempt at managing and solving it vary. The following researchers (Themner & Wallenstein, 2014; Burbuck & Fettweis, 2014) outlined that conflict started to give the impression that it is at its descending trail since the 1990s and early 2000s. Many African conflicts have been resolved and peace has been returned whereas there are many people who were previously affected by this well thought-out type of violence. There are various legends who played a crucial part with regards to peace making worldwide. They include the following "late Nelson Mandela, former South African President Thabo Mbeki, former Mozambique president Joachim Chissano, former Nigerian president Olusegun Obasanjo and former UN Secretary-General Kofi Annan", and they have played prominent roles in respect of the mediation relating African continent's conflict. Based on that note, various societal institutions have been established with the sole purpose of bringing peace and security and also dedicated to public policy to find solutions to the existing conflicts by involving the researcher to deliver novice information in respect of policy development pertaining conflict (Burbuck & Fettweis, 2014). With the immense assortment of contexts in Africa, it is challenging to make a sweeping statement about the remedies relating to conflict. Conversely, the key appraisal of African conflict management initiatives signposts that they habitually fall into groups that are well-known in other appeasing efforts (Aall, 2015). These line of attack view conflict as an end result of power struggles between or among several armed groups (such as political leaders and citizens they are serving); weak states as well as weak state institutions which are not sufficiently expert when coming to the provision of security and services; or totally different visualizations of the future, as a result of personality differences (Aall, 2015).

8. Other Bottlenecks that Hinder Africa as a Continent to Progress

There are several bottlenecks which hinder Africa as a continent to achieve socio-economic growth and political stability which could serve as a new dawn for Africa. If these bottlenecks could be addressed and a conducive environment created, this could enable Africans to use their inventive ideas together with natural resources available in the continent in

order to fight against the triple challenges (unemployment, poverty and inequality) they are facing. The following are seen as other types of bottlenecks: "The absence of peace and security; Destructive style of political leadership; A frustrated democratization process; Corruption; The harmful and seemingly toxic international market which injures Africa; Illiteracy and ignorance; Sustained hunger and poor health; Overusage of foreign languages". The following recommendations are proposed in order to solve the above mentioned bottlenecks:

- To consolidate democracy with comprehensive economic administration on the continent. this is supported by New Partnership for Africa's Development (Nepad, 2001) document which serves as a strategic document for Africa as a continent, and it outlines that prior to the inauguration of the African leader, there must an obligation and a pledge made by the leaders to the African citizens and the world at large that they will work together towards transforming this continent. Again, they must take initiatives to promote concord and solidarity, democracy, comprehensive economic administration together with people-centred advancement and to promote the motion of accountability amongst each other according to the agreements as stipulated in the programme (Nepad, 2001).
- To come up with coordinated techniques which could help to fight against corruption meritoriously, and they must also compel themselves to pay back the money they have utilized without the permission and mandate of their African subjects which will be too hard and very rare to happen.
- To offer a technical backing their fellow citizens in order to speed up the enactment of the programme of action, such as strengthening "Africa's capacity in planning and development management, financial and infrastructure regulation, accounting and development, construction and management of infrastructure" as outlined by (Nepad,2001). In this case, Africa will be heading towards its new dawn which is called radical transformation.

9. Conclusion and Recommendations

In conclusion, the need for the presidential change in Africa is recommended. Given the history of the continent, most of the countries have been led and

are still being led by one and the same president over a long period of time who sometimes arrogantly even regard themselves as "presidents for life". The fact that the African political arena to date is still occupied by long term serving presidents who have consolidated unimaginable and frightening levels of power is both shocking and frightening. These leaders have already turned the political position into a career. For example, in countries where there is extremely slow growth in respect of political accountability, presidential terms should be limited. This limitation in terms of office will foster accountability among the leaders and it will also hold them liable to act according to constitution. There should be a general constitution which binds all the African political leaders in terms of period to be served during their presidency. This could help in the sense that the leaders will not be tempted to be over ambitious and also prevent the issue of arbitrary rule and avert civil strife ignited by these leaders. As seen in Ghana, Kenya, Tanzania and regularly in Botswana rotation in office creates meaningful opportunity for political competition and enhances chances of success for opposition parties. The presidential change often open doors for best variety of leaders with novice ideologies together with fresh perspective for new development in Africa.

Leaders such as of Teodoro Obiang Nguema of Equatorial Guinea, Jose Eduardo dos Santos of Angola, Abdelaziz Bouteflika of Algeria, Paul Biya of Cameroon, Yoweri Museveni Uganda as well as King Mswati III of Swaziland, have been in power for over 29 years. Omar al-Bashir of Sudan and Idriss Deby of Chad have served for more than 25 years, Mamadou Tandja of Niger. Pierre Nguruziza of Burundi and Joseph Kabila of the Democratic Republic of Congo are intent on extending their presidential terms of office and as of the 19th of May 2018, Nguruziza is likely to be in office until 2034. Equally, leaders such as Olusegun Obasango, Frederick Chiluba, Abdoulaye Wade have all unsuccessfully attempted to extend their term of office as it also happened to Robert Gabriel Mugabe who was recently forced by the military to vacate his office in 2017. The same story also nearly happened to Jacob Zuma of South Africa but for him, civil society with the support of opposition parties and the robust media strongly rallied behind the notion of passing a motion of no confidence against him, and later on he had no alternative but to step down after long struggle.

- The autonomy of judiciaries should be consolidated so that they can execute their discretion and strict professionalism as one of the arms of government so that they could enforce this term of office limitations. Currently as speak, in most African countries the long term serving leaders have disabled and paralysed all institutions supporting democracy like the human rights commission, auditor-general and public protector as such, the appointment of honest, independent and credible officials to preside over these institutions is necessary so that these African judiciaries should emulate or mirror from their counterparts such as Colombia Constitutional Court which has managed to reduce government impunity and reject calls to extend the tenure of its president Alvaro Uribe, despite his sterling performance.
- Strong opposition parties are encouraged so that they could resist the attempt by presidents who could overstay their powers. Here a great lesson should be learned from the case of Jacob Zuma and Robert Mugabe of South Africa and Zimbabwe respectively in 2017.
- The African Commission (AU) has to encourage those African countries to adopt term limits in respect of presidency to do likewise. This will bring new leaders with noble ideas together with fresh perspective for new development in Africa and this could become new dawn for Africa.
- The creation of communal doctrine of guiding all political leaders in Africa has to be looked at.
- Africa should jump onto the bandwagon and join the trend in promoting young leaders like it is happening in France where Emmanuel Macron has emerged as one of the youngest presidents the world has ever had. These young leaders are techno-savvy and rely on the advent of technology to solve their countries' problems. There is however little hope in Africa especially when one considers that George Weah of Liberia is only fifty-one years after three attempts to become president. With regard to the elimination of corruption, men such as John Magufuli of Tanzania who has emerged recently as the arch-enemy of corruption offers a lot of inspiration to many Africans.
- The AU has crafted a document known as Agenda 2063 which aims at transforming the economies of many African states. In the words of Dr Nkosazana Zuma, former AU chairperson 'Africa is very rich and yet Africans are very poor'. This paradox is intimidating and should in all fairness come to an end.

References

- Aall, P. 2015. Conflict in Africa: diagnosis and response. *Centre for international governance innovation*, 1(71):1-20.
- Afegbua, S.I. & Adejuwon, K.D. 2012. The Challenges of Leadership and Governance in Africa. *International Journal of Academic Research in Business and Social Sciences*, 2(9): 141-157.
- Ahlquist, J.S. & Levi, M. 2011. Leadership: What it means, what it does, and what we want to know about it. *Annual Review of Political Science*, (14):1-24.
- Alberto, S. 2016. What is leadership? *Journal of business studies quarterly*, 8(1):1-5.
- Atuobi, S.M. 2007. Corruption and state instability in West Africa: an examination of policy options. KAIPTC.
- Bolden, R. & Kirk, P. 2014. *Leadership in Africa: meaning, impacts and identities*.
- Botha, M. 2012. African leadership and the role of the presidency in Africa conflicts: a case study of Uganda's president Yoweri Museveni. Unpublished Masters thesis. Cape Town: Stellenbosch University.
- Bruce, D. 2014. Control, discipline and punish? Addressing corruption in South Africa. Available at: <http://www.issafrica.org/sacq.php>. Accessed on 12 May 2018.
- Burback, D.T. & Fettweis, C.J. 2014. The Coming Stability? The Decline of Warfare in Africa and Implications for International Security. *Contemporary Security Policy*, (35):421-445.
- Burimaso, A. 2013. Political leadership crisis in the post-colonial Africa state: The case of the democratic republic of Congo (DRC). Unpublished Masters thesis. Cape Town: University of Witwatersrand.
- Carlyle, T. 2011. *On heroes, hero-worship and the heroics in history*. Create Space Independent Publishing Platform.
- Charry, K. 2012. Leadership Theories: 8 Major Leadership Theories. Available at: <http://psychology.about.com/od/leadership/p/leadtheories.htm>. Accessed on 12 May 2018.
- Fombad, C.M. & Inegbedion, N.A. 2010. *Presidential term limits and their impact on constitutionalism in Africa: fostering constitutionalism in Africa*. Pretoria: Pretoria University Law Press.
- Griffith, S.T. 2012. Prospects and challenges of enforcing presidential term limits in Africa through regional instruments. Unpublished Masters thesis. Pretoria: University of Pretoria.
- Heleta, S. 2007. *African Stagnation and Underdevelopment*. Available at: <https://www.yumpu.com/en/document/view/51501009/african-stagnation-and-underdevelopment-dr-savo-heleta>. Accessed on 12 May 2018.

- Ibrahim, A.A & Cheri, L. 2013. Democracy, political instability and the African crisis of underdevelopment. *Journal of Power, Politics and Government*, 1(1):59-67.
- Kellerman, B. 2014. *Hard times: Leadership in America*. Stanford, CA: Stanford Business Books.
- McCandless, E. & Karbo, T. 2011. *Peace, conflict and development in Africa: A reader*. Switzerland: University of Peace.
- McCleskey, J.A. 2014. Situational, transformational, and transactional leadership and leadership development. *Journal of Business Studies*, 5(4):117-130.
- Mbah, C.E. 2013. Leadership Question and Development Crises: The 21st Century Challenges in Africa and Quest for Change. *Journal of Sustainable Development in Africa*, 15(2):142-153.
- Mills, G. 2010. *Why Is Africa Poor? Development Policy Briefing Paper No. 6*. Available at: <http://www.cato.org/pubs/dbp/dbp6.pdf>. Accessed on 12 May 2018.
- Mills, G. 2011. *Why Africa is Poor and What Africans can do About it*. Johannesburg: Penguin Books.
- National Research Council. 1992. *Democratization in Africa: African views, African voices*. Commission on behavioral and social sciences and education. Washington DC: National Academy Press.
- New Partnership for Africa's Development. 2001. Available at: <http://www.dirco.gov.za/au.nepad/nepadpdf>. Accessed on 12 May 2018.
- Ogbeidi, M.M. 2012. Political leadership and corruption in Nigeria since 1960: a socio-economic analysis. *Journal of Nigeria Studies*, 1(2):1-25.
- Okumu, W.A.J. 2002. *The African Renaissance: History, significance and strategy*. Asmara: Africa World Press, Inc.
- Poncian, J. & Mgaya, E.S. 2015. Africa's leadership challenges in the 21st century. What can leader learn from Africa's pre-colonial leadership and governance? *International Journal of Social Science Studies*, 3(3):106-115.
- Smit, E. 2010. *Perceptions on Leadership in Africa*. Available at: www.usb.ac.za/Media/News/eon_smit.pdf. Accessed on 12 May 2018.
- Spencer, H. 2013. *Study of sociology*. Nabu Press.
- Themner, L. & Wallensteen, P. 2014. Armed Conflicts, 1946-2013. *Journal of Peace Research*, (51):541-554.
- Tull, D. & Simons, C. 2017. The institutionalization of power revisited: presidential term limits in Africa. *Africa Spectrum*, 52(2):79-102.
- Volckmann, R. 2012. Fresh perspective: Barbara Kellerman and the leadership industry. *Integral Leadership Review*, (2012):6-8.

Students' Perception of Factors Influencing Graduate Employability at a Higher Education Institution in South Africa

TF Rukuni

University of Western Cape, South Africa

D Woudberg, C du Preez, K Fourie and S Jute
CTI Education Group

Abstract: In recent years, South Africa has experienced an increase in the number of unemployed graduates while enrolment at institutions of higher learning is growing at a tremendous rate. Such a situation should be considered a worrying factor for both management and students at Higher Learning Institutions. Labour market specialists recommend that one of the most effective ways leading to employable graduates is through an assessment of employability factors within the academic curriculum and streamline the curriculum according to employer's expectation. As previously noted, assessment of factors influencing employability of graduates within academic curriculum is rarely considered an issue of importance by management of Institutions of Higher Learning. The purpose of this study was to assess students' perceptions of employability factors at an Institution of higher education and investigate how employability factors influence employment of graduates. A descriptive case study approach was conducted. A quantitative methodology, through which a structured questionnaire was used to collect data from a sample of at least 120 students at a private Institution of higher learning in Johannesburg, South Africa. SPSS was utilised to conduct descriptive and multivariate analyses including factor analysis, correlations, and regression analyses. Results indicated that, students had a negative perception towards graduate employability factors within the curriculum such as work attitudes, communication skills and exposure to the world of work. A positive correlation was also found to exist between factors affecting graduate employability and employment of graduates. Direction for future research was provided together with recommendations to management of the Institutions of higher learning.

Keywords: Academic curriculum, Employability, Graduate employability, Institutions of Higher Learning

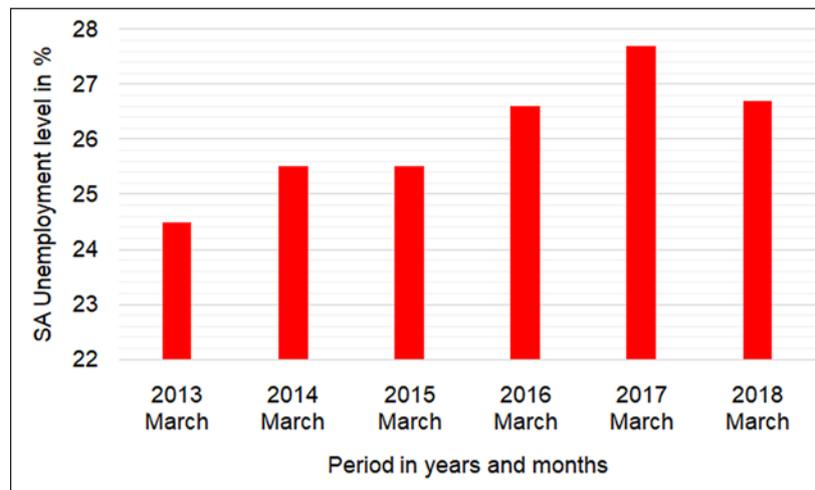
1. Introduction

In recent years, South Africa has experienced an increase in the number of students enrolled at institutions of higher learning while the number of graduate who get employed is going tremendously down (Oluwajodu, Blaauw, Greyling, & Kleynhans 2015). Such a situation should be worrying for management and students at Higher Learning Institutions as it creates future job market uncertainties among graduates. Labour market specialists such as Nel, Werner, Du Plessis, Ngalo, Poisat, Sono, Van Hoek and Botha (2011), Perera and Perera (2009) and Adeyemo, Ogunleye, Oke and Adenle (2010) recommend that one of the most effective way among others to improve employability of graduates is an assessment of employability factors within the academic curriculum and streamline it according to employer's expectation. However, authors such as Perera and Perera (2009) bemoan the fact that most institutions of higher learning are yet to realise the importance of incorporating the voice of their students in developing a curriculum

that leads to graduate employability. The literature in South Africa, as it relates to institutions of Higher Learning management also tends to ignore this subject, which should be considered a gap in the body of knowledge. It is therefore, opportune to conduct this study to assess students' perception on factors that influence employability of graduates.

Unfavourable economic conditions (i.e. lack of capital, high inflation levels and interest rates, lower incomes and production levels) has persistently led to high statistics of unemployment in most developing countries (Adeyemo *et al.*, 2010; Okebukola, 2007). On the other hand, institutions of higher education have increased their enrolment levels. Thus, the situation has created an unbearable situation where by there is an increase in number of graduates while opportunities are constantly diminishing. Mukherjee (2016) argues that graduate employability in developing countries is affected by both supply and demand factors. Supply side explains such factors outside the control of graduates but the industry. As already mentioned, lack of capital, high

Figure 1: Unemployment Level in South Africa 2013 - 2018



Source: Statistics South Africa (2018) and Trading Economics (2018)

inflation levels and interest rates are some of the factors that lead to a decrease in production level and an increase in cyclical unemployment levels (Guru, 2016; Mukherjee, 2016). The demand side factors also contribute significantly to high rates of unemployment. According to Mukherjee (2016), demand side factors reflect the nature of job seekers. In this study, graduates represent job seekers. With reference to the demand side, employability of graduates relies on their ability to meet the skill set needed by the industry. When graduates fail to get employed due to lack of skills, it is called structural unemployment (Adeyemo *et al.*, 2010). This study puts attention to factors influencing employability from the demand side with special attention to contributions of institutions of higher learning. Therefore, it is upon this background that the study aimed at assessing students' perceptions of employability factors at an institution of higher education and investigated how employability factors influence graduate employment. The next section zooms into the South African labour market and explores the unemployment rate. South Africa is not immune to unemployment problems that are widely faced by developing economies. Unemployment in South Africa is not mainly due to frictional reasons (labour force voluntarily abandoning work) but cyclical and structural factors as already explained in the previous section.

The statistics as released by Statistics South Africa (2018) and Trading economics (2018) shows that there have been an increase in the level of unemployment in South Africa from 2013 to 2016. The trend is disturbing as sources (Stats SA, 2016;

Trading Economics, 2016) further shows that, of the unemployed, 50% are those at the age of 25 and below. Despite the rate of unemployment at this high, statistics also shows that the industry is in dare search of skills and curriculum in most educational institutions of higher learning is unable to provide (Horwitz, 2014). Analysis made on the currently existing education institutions versus graduate employability has also shown that going to an institution of higher learning has seized to be a determining factor for securing employment. It is upon this background that this current study seeks to assess students' perception of factors influencing graduate employability and at an Institution of higher education. See Figure 1.

The concept of graduate employability is defined as the ability of graduates to penetrate into the labour market while obtaining jobs that are related to the skills they have graduated for at Educational Institutions. This definition is further supported by Rothwell and Arnold (2007); Perera and Perera (2009); Shumilova (2011); and Crossman and Clarke (2010), who stated that employability refers to the ability to acquire a job and partake to duties corresponding to what was learned in formal education. On the opposite end of the concept is unemployment. The concept of graduate employability has raised so many concerns; especially in developing States (Mukherjee, 2016; Guru, 2016) where unemployment rates are climaxing. As already discussed, causes of unemployment in South Africa are both structural and cyclical. This present study dwells on structural unemployment, a factor explained on incompatibility of graduates to requirements

of employability. In this study, factors leading to students' incompatibility will be based on conditions at higher education institutions. The next section will explore theories and factors of employability.

2. Theories of Employability

Well known theories of employability include the human capital theory and the signalling theory (Shumilova & Cai, 2011; Pavlin, 2010; Wiers-Jenssen, 2008; Allen *et al.*, 2009). The human capital theory and the signalling theory are important explaining factors for employment. These theories are briefly explained as follows.

2.1 Human Capital Theory

The human capital theory as advocated by Shumilova and Cai (2011) states that employability is a measure that is used to measure the quality of education received. Thus, higher education quality results in easy employability. The human capital theories are crucial in this study that seeks to understand students' perception towards employability factors at an Institution of higher education.

2.2 Signalling Theory

The signalling theory as suggest that the level of education possessed by a job candidate is simply a sign of the level of efficacy to be expected from the bearer (Pavlin, 2010; Wiers-Jenssen, 2008). This particular theory is related to the human capital theory in the sense that both value education as an input into employment. Similarly, to the human capital theory, the signalling is also of great significance to this present study due to the emphasis that it gives on the significance of education towards employability. It is also upon this background that factors affecting employability of graduates are explored from the qualification awarding institution. Therefore, the next section looks at factors that affect employability at a higher education institution.

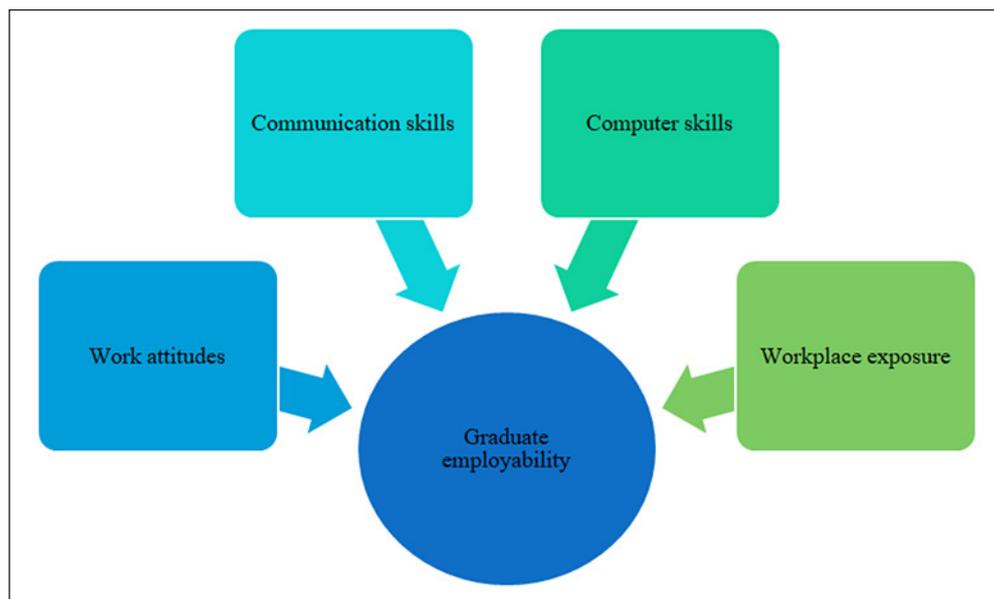
3. Empirical Studies on Factors Affecting Employability and Development of a Research Gap

Different authors such as Perera and Perera (2009), Adeyemo *et al.* (2010) have contributed towards various factors that influence employability of graduates such as work attitudes, computer skills,

communication skills and work environment exposure. These factors are further explained in the next subsections. A number of authors including Adeyemo *et al.* (2010), Perera and Perera (2009), Okebukola (2007), Shimilova and Cai (2011), Crossman and Clarke (2010), Lindberg (2008), Rothwell and Arnold (2007), Dilrukshi *et al.* (2005), Teichler (2009), Badillo-Amador, García-Sánchez and Vila (2005), and Shmarov and Fedyukin (2004) have done extensive work in the area of graduate employability. These studies reflected various findings and these became of major interest to this current study. In a study carried out by Dilrukshi *et al.* (2005) in Sri Lanka, it was found that inadequate communication skills that include written and oral communication is a major barrier in obtaining employment. The finding was also echoed by Perera and Perera (2009) who also carried a study in Sri Lanka that found inability to communicate to be a major problem in securing employment by graduate. Since these similar findings emanated from findings of studies that were carried out within the same country it became important to carry out this current study that was aimed at understanding whether communication has an influence in securing employment or not.

Adeyemo *et al.* (2010) found that computer skills are essential in helping graduates to secure employment. It was also important for this study to test whether computer skills such as micro-soft word, excel, powerpoint and access have an impact towards graduate employability or not. Hence, this study tested computer skills as one of the factors affecting employability within this study. In another finding, Adeyemo *et al.* (2010) found attitude related to work such as being cooperative, helpful, honest, reliable, effectiveness and efficient to be critical skills that are considered as suitable for one to get employment. This study also seeks to test the same dimension and find out whether attitudes related to work has an influence towards graduate employability in South Africa particularly at an institution of higher learning in Johannesburg. Another interesting finding that led to this present study is that of Perera and Perera (2009) who also found exposure to the world of work to be a critical element in securing graduate employability. Through this finding, this research sought to find out what could be the perception of students regarding the variable of exposure to work place at an institution of higher learning in Johannesburg. This section clearly shows extant literature related to this current study and

Figure 2: Conceptual Theoretical Model



Source: Perera & Perera (2009)

the development of research gap that led to the research problem and research question as given below.

3.1 The Conceptual Model

The conceptual theoretical model given in Figure 2 is grounded on the human capital and signalling theory. It conceptualise the relationship between factors influencing graduate employability. Graduate employability is the dependent variable while employability factors (work attitudes, communication skills, computer skills and exposure to work environment) are independent variables. The model that was tested is illustrated in Figure 2.

4. Research Methods

Since the study focused on understanding students' perception on factors that influence employability of graduates at private higher institution in Johannesburg, a graduate employability conceptual framework developed from literature (Perera & Perera, 2009) was utilised. This study adopted a descriptive case study design utilising the quantitative methodology.

4.1 Data Collection

An adapted instrument, as developed by Perera and Perera (2009) was used to collect data. The self-completion questionnaire was administered

to a sample of students at the higher education institution in Johannesburg. Before carrying out the research, a pilot study was carried out from about 10 students at the campus to assess if questions were clear and understandable. Since permission to conduct the study was already granted, research assistants assisted by distributing questionnaires at the campus. Collection boxes were placed on the entrance of the institution so that students could deposit the completed questionnaires.

4.2 Sampling

Data was collected from the education institution campus in Johannesburg. The campus had a total enrolment of 520 students in August 2016. As such, a sample of at least 120 students participated in the study. Raosoft was utilised to determine the minimum sample size so as to maintain at least 5 per cent margin of error and 95 per cent confidence interval (Raosoft, 2014). Similarly, to previous similar studies (e.g. Rukuni, 2015; Rukuni & Shambare, 2015), the convenience sampling method envisaged was deemed not to compromise the quality of research because the sample was comprised of homogenous elements of students at one Institution of Higher learning (Calder, Phillips & Tybout, 1981).

4.3 Data Analysis

SPSS v.24 was utilised to conduct descriptive and multivariate analyses including factor analysis,

Table 1: Perceived Graduate Employability Factors on all Respondents – Descriptive (N = 120)

	Dimensions and Items	Mean	Standard Deviation
	Work Related Attitudes	2.62	1.08
WA1	Education at my institution help me to be cooperative / helpful skills towards others	2.64	1.02
WA2	Am taught to be dedicated, honest and reliable at my institution	2.54	1.08
WA3	Am taught to be effective and efficient when doing work at my institution	2.50	1.04
WA4	Am taught to follow directives and regulations at my institution	2.58	1.05
WA5	Am taught to be enthusiastic and polite towards mates at my institution	2.88	1.23
	Work Computer Related Skills	2.43	1.33
WCS1	Am taught how to use computer programmes at my institution	2.33	1.34
WCS2	Am taught how to utilise basic computer typing programmes (i.e. Microsoft word) at my institution	2.36	1.29
WCS3	Am taught how to utilise basic spread sheet programmes (i.e. Microsoft excel) at my institution	2.50	1.33
WCS4	Am taught how to utilize basic power point programme (i.e. Microsoft power point) at my institution	2.55	1.36
	Work Communication Skills	2.80	1.14
CS1	My institution taught me how to be effective in oral communication skills	2.86	1.06
CS2	My institution taught me how to be effective in basic writing and reading skills	2.77	1.12
CS3	My institution taught me how to be competent in English language	2.81	1.23
CS4	My institution taught me to develop good interpersonal communication skills	2.77	1.15
	Exposure to Work Environment	3.29	1.15
EW1	My institution sent me for industrial attachment (experiential learning)	3.83	1.11
EW2	My institution taught me about expectations of prospective employers	3.24	1.20
EW3	Am taught about the nature and competitiveness of the labour market	3.02	1.21
EW4	There is career guidance provided at my institution	3.03	1.18
EW5	Special links with industry experts are provided at my institution	3.33	1.09
	Graduate Employability	2.78	1.07
GE1	Am confident that communication skills provided to me by my school will help me to secure employment	2.77	0.99
GE2	Am confident that computer skills provided to me by my institution will assist me to get employed	2.67	1.09
GE3	Am confident that exposure to work environment provided will assist me to get employed	2.91	1.15

Source: Authors

correlations, and regression analyses to assess students' perception on employability factors and their relation to graduate employability as well as testing the hypotheses.

4.4 Validity and Reliability

Although a previously validated and reliable data collection instrument was used (Evanschitzky, Baumgarth, Hubbard, & Armstrong, 2007), further tests of validity and reliability were conducted using Cronbach's alpha and factor analysis, respectively. The supervisor as well as the pilot study were consulted for inputs and recommendations in order to verify and ensure that the questionnaire comply with the guidelines and ethical requirements of scientific research.

5. Findings and Discussion

5.1 Descriptive Statistics of Students' Perception on Factors Affecting Employability

Table 1 presents findings relating to students' perception on factors affecting graduate employability at the Higher education Institution on each of the 21 items, each of the four dimensions, and overall graduate employability. A five-point Likert scale with 1 = 'Strongly agree' and 5 = 'Strongly disagree' was used to measure each item relating to students' perception of factors affecting graduate employability. Perceptions on each of the four dimensions were calculated as a summated average of the items used under each dimension. Student's perception of graduate employability was calculated as a summated average of all the items used

Table 2: Results of Validity and Reliability Analysis on 21 Graduate Employability Items

	Factors				
	1	2	3	4	5
WA1	.62				
WA2	.60				
WA3	.57				
WA4	.64				
WA5	.59				
WCS1		.47			
WCS2		.51			
WCS3		.50			
WCS4		.60			
CS1			.67		
CS2			.67		
CS3			.65		
CS4			.69		
EW1				.54	
EW2				.66	
EW3				.65	
EW4				.53	
EW5				.53	
GE1					.68
GE2					.62
GE3					.67
α	.82	.93	.88	.87	.77

Source: Authors

under the dimension. It is important to note that in this study a scale of 1.0 to 2.49 indicate represents good performance on a factor affecting employability, while 2.51 to 5.0 indicates poor performance. Therefore, the higher the score the poorer the performance.

At the sub dimensional level, Table 1 on the previous page shows that five of the variables representing factors affecting graduate employability (work attitudes (WA), communication skills (CS) and exposure to work environment (EW)) were perceived as bad. This was deduced from mean values WA (2.62), CS (2.8) and EW (3.29) that were above mean 2.5. On the other side, computer skills (WCS) had a mean value at 2.43 that was below 2.5. Hence, it was found to be having a positive influence towards graduate employability. The results show that graduate employability tested at the institution such as work attitudes, computer skills and communication skills are perceived to be bad while computer skills were found to be in the right state.

5.2 Validity and Reliability Analysis

In order to ensure the validity and reliability of the used research instrument, confirmatory factor

analysis and reliability test was conducted using SPSS version 24. All items in the instrument were measured and had a value more than 0.4 demonstrating evidence that the tool utilised was valid. The results of the analysis are shown in Table 2.

After testing for validity, reliability test followed through the use of Cronbach's Alpha coefficient. All items were above 0.7 a minimum threshold recommended by Field (2009). After having established both the construct validity and reliability of the questionnaire, it was concluded that the items used to measure factors affecting graduate employability and graduate employability constructs were reliable. Thus, researchers proceeded with further analysis.

5.3 The Correlation and Regression Analysis

Correlation and regression are most suitable for a study which seeks to test a relationship between variables for example this current study that tested the relationship between factors affecting graduate employability factors and graduate employability. Correlation and regression are also usually used for larger sample size, for example 120 used in this

Table 3: Correlation Analysis

Dimensions		Overall graduate employability
Work related attitudes	r	0.52
	p	0.000*
	N	120
Computer skills	r	0.49
	p	0.000*
	N	120
Communication skills	r	0.45
	p	0.000*
	N	120
Exposure to work environment	r	0.52
	p	0.000*
	N	120
P < 0.001*		

Source: Authors

study. A likert scale was also used for responses which is another necessary condition for correlation and regression analysis utilised to test the relationship in this study. To test the hypothesised relationships given in Figure 2, thus between employability factors (work attitudes, communication skills, computer skills and exposure to work environment) and graduate employability, correlation and regression analyses were performed. Note that overall graduate employability as a dependent variable was measured as a summated average of three items, namely 'Am confident that communication skills provided to me by my school will help me to secure employment', 'Am confident that computer skills provided to me by my institution will assist me to get employed', and 'Am confident that exposure to work environment provided will assist me to get employed'. A five-point Likert scale with 1 = 'Strongly agree' and 5 = 'Strongly disagree' was also used to measure items graduate employability.

5.3.1 Correlation Analysis Among Factors of Affecting Graduate Employability and Graduate Employability

Results on correlation analysis that was used to test the strength of the relationship between factors affecting graduate employability (independent variables) and graduate employability (dependent variable) are shown in Table 4 on the following page. Also note that values represented as (r) pearson correlation indicates the strength of the relationship between variables, 0 standing for no relationship, 0.1 to 0.4 for weak positive relationship, 0.5 standing

for moderate relationship and 0.6 to 1 standing for a strong positive relationship. The p value indicates the probability that r value is only seen by chance; hence a lower p value means that the r value is not seen by change.

Correlation results shown on Table 3 show that all factors affecting graduate employability (work attitudes, communication skills, computer skills and exposure to work environment) are positively related to overall graduate employability. This evidenced by positive p values of all the factors ranging from 0.45 to 0.52 as well as p value that is below 0.001. The next section presents result of regression analysis that was conducted to test hypothesized relationships in this study.

5.3.2 Regression Analysis and testing of Hypotheses

Given that this study had four hypotheses and a Likert scale research instrument with responses in continuous form, conducting regression analyses was necessary. Table 4 on the next page presents result of regression analysis and the four hypotheses are tested as follows:

Following the results from regression analyses ($p < 0.001$, $R = 0.55$) Hypotheses H1 that states that there is positive relationship between work related attitude and graduate employability is accepted at 0.000 significance level. This implies that an increase in work related attitudes for example being dedicated, honest and reliable are important factors considered to increase the possibility of a graduate

Table 4: Regression Analysis
 Dependent variable: Overall graduate employability

	SEB	R ²	β	t	Sig	Hypothesis
(Constant)	0.68			5.40		
Perceived work attitudes	0.05	0.31	0.55	7.21	0.000*	Accept H1
(Constant)	0.48			11.85		
Perceived computer skills	0.04	0.24	0.49	6.18	0.000*	Accept H2
(Constant)	0.67			7.36		
Perceived communication	0.06	0.20	0.45	5.44	0.000*	Accept H3
(Constant)	0.76			4.49		
Perceived work exposure	0.04	0.28	0.52	6.69	0.000*	Accept H4
P < 0.001*						

Source: Authors

getting employed. The finding was similar to that of Adeyemo *et al.* (2010) who also found the same attitudes to be playing a significant role towards graduate employability.

Following the results from regression analyses ($p < 0.001$, $R = 0.49$) Hypotheses H2 that states that there is positive relationship between computer skills and graduate employability is accepted at 0.000 significance level. This also means that an increase in the knowledge of computer skills such as Microsoft word, excel, powerpoint and access is crucial for a graduate to be employed. This finding echoed that of Perera and Perera (2009) and Adeyemo *et al.* (2010) that found computer related skills to be essential in securing graduate employability.

Following the results from regression analyses ($p < 0.001$, $R = 0.45$) Hypotheses H3 that states that there is positive relationship between communication skills and graduate employability is accepted at 0.000 significance level. This tells that an increase in communication skills such as effective oral and written skills are crucial for a graduate to be employed. Dilrukshi *et al.* (2005) also found effective oral and written communication to be vital towards employability of graduates.

Following the results from regression analyses ($p < 0.001$, $R = 0.52$) Hypotheses H4 that states that there is positive relationship between exposure to work and graduate employability is accepted at 0.000 significance level. This implies that an increase in work exposure, for career guidance, experiential learning is crucial for a graduate to be employed. Perera and Perera (2009) found prior exposure to work environment to be important in determining graduate employability.

The regression coefficients are illustrated in Table 4 above. SEB is the standard error coefficient, R is the pearson coefficient (r) equivalent to Beta (β) shows the direction and strength of a relation either positive or negative. Sig (p value) is the probability that R is seen only by chance. The lower the significant value the higher the chances that r value will always be seen, hence reliability of results.

6. Conclusion and Recommendations

With regard to objective 1 that aimed at assessing students' perception of factors affecting graduate employability at an institution of higher learning, it can be concluded that students had a negative perception on factors (work exposure, communication skills and work attitudes) influencing graduate employability except for computer related skills. On objective 2 which sought to assess the influence of factors affecting graduate employability on employment of graduates, it can be concluded that there is a positive relationship between graduate employability factors and graduate employability. The results show that all dimensions representing factors affecting graduate employability are positively related to graduate employability. It can also be concluded that factors affecting graduate employability influence employment of graduates at varying levels. This is obtained from the explanatory power of each dimension. In this research, work related attitudes with $R^2 = 0.31$ was found to be having a higher influence on graduate employability than the rest. It was followed by work exposure with $R^2 = 0.28$, computer skills $R^2 = 0.24$; and communication with $R^2 = 0.20$, respectively. On the research question: "To what extent do factors within the curriculum at the Institution of higher learning influence graduate employability?", it can be concluded that factors within the academic curriculum at an institution of

higher education influence graduate employability to a large extent. Findings led to the conclusion that students had a negative perception towards factors influencing employability of graduates at the institution of higher learning. It is therefore important for management of these institution to take note of the recommendations given in this section. These are:

6.1 Student Need to be Exposed to the World of Work Before Graduating

Findings showed that students are not exposed to the world of work before leaving the institution. This has a negative influence towards their chances of securing employment. It is therefore recommended that students should be assisted to get experiential learning. Linking students with influential industry experts is also an important component that needs to be considered. The institution should also carry out career seminars and invite captains of industry to teach students about various expectations of employers.

6.2 Develop Students' Work Related Attitudes

It is recommended that management of the institution should ensure that curriculum assist in developing attitudes expected by employers. These include cooperation, dedication, following of directives and politeness. Hence, the curriculum should be blended with such aspects as it will help to produce all rounded job market candidates.

6.3 Develop Students' Communication Skills

It is also recommended that students should be taught how to conduct effective oral and written communication. This is an important aspect that determines employability of graduates. Graduates who leave the institution with such ability will have a competitive advantage in the job market.

6.4 Improve on Computer Skills Given to Students

The institution also needs to develop students' computer skills in areas such as Microsoft Power point and Microsoft access. These will give graduates from the institution a competitive advantage in the industry.

These recommendations are given above are meant to assist management of the higher education

institution to prepare their students so that they do not become part of unemployment statistics. The next section looks at the limitations of this study. The purpose of this research was to assess students' perception towards factors affecting graduate employability and how these factors influence employment of graduates. A review of the literature indicated a gap within the body of knowledge with respect to factors affecting graduate employability and employment of graduates at an institution of higher education learning in Johannesburg. In line with this gap within the body of knowledge, the research question and several hypotheses were formulated. Section 3 discussed the methodology used to answer the research questions. Section 4 outlined the data analysis procedures and findings thereof. Conclusions of the findings, recommendations and suggestions for further research were highlighted in section 5. The objective of the study was to investigate and attempt to answer the question: "To what extent do factors within the curriculum at the Institution of higher learning influence graduate employability?"

Data analysis presented interesting findings. It was found that students had a negative perception towards work related attitudes, communication skills and work exposure aspects in the curriculum. On the other hand, it was also found that students had a positive perception towards computer skills. The four factors that are work related attitudes, communication skills and work exposure; and computer skills (Perera & Perera, 2009) were also tested as to whether they had any direct influence on success on graduate employability. The results provided evidence that all factors influenced employability of graduates at varying levels. Thus a positive correlation was observed to directly influence graduate employability.

References

- Adeyemo, S.A., Ogunleye, A.O., Oke, C.O. & Adenle, S.O. 2010. A survey of factors determining the employability of science and technology graduates of polytechnics and universities in the Nigerian labour market. *Journal of Science and Technology Education Research*, 1(5):99-106.
- Allen, J., Velden, R.K.W., Svetlik, I. & Pavlin, S. 2009. Competencies and early labour market careers of higher education graduates. *Report on the large-scale graduate survey*.
- Badillo-Amador, L., García-Sánchez, A. & Vila, L.E. 2005. Mismatches in the Spanish Labor Market: Education vs. Competence Match. *International Advances in Economic Research*, 11:93-109.

- Calder, B.J., Phillips, L.W. & Tybout, A.M. 1981. Designing research for application. *The Journal of Consumer Research*, 8(2):197-207.
- Crossman, J.E. & Clarke, M. 2010. International experience and graduate employability: stakeholder perceptions on the connection. *Higher Education*, (59):599-613.
- Dilrukshi, P.R.M.P., Wickramasinghe, Seetha I., Hettiarachchi, A.P. & Pathirage, R.P. 2005. Tracer Study of Science and Technology graduates passed out from the national Universities in Sri Lanka. Publication of the Science and Technology Policy Research Division, National Science Foundation, Maitland Place, Colombo 7.
- Evanschitzky, H., Baumgarth, C., Hubbard, R. & Armstrong, J.S. 2007. Replication research's disturbing agenda. *Journal of Business Research*, 60(2007):411-415.
- Field, A. 2009. *Discovering statistics using SPSS*. Thousand Oaks, CA: Sage.
- Guru, S. 2016. The nature and causes of unemployment in developing countries. Available at: <http://www.articlelibrary.com>. Accessed on 19 September 2016.
- Horwitz, D. 2014. Graduate unemployment – what is the real issues? Available at: <http://www.varsitynewspaper.co.za>. Accessed on 19 September 2016.
- Lindberg, M.E. 2008. At the Frontier of Graduate Surveys. Assessing participation and employability of graduates with master's degree in nine European countries.
- Mukherjee, S. 2016. Unemployment in developing countries. Available at: <http://www.economicdiscussion.net>. Accessed on 19 September 2016.
- Nel, P., Werner, A., Du Plessis, A., Ngalo, O., Poisat, P., Sono, T., Van Hoek, L. & Botha, C. 2011. *Human Resources Management*. 8th Ed. Cape Town: Oxford.
- Okebukola, P.A.O. 2007. *The Growth and Development of University Education in Nigeria*. Lagos: Sunshine International Publishers.
- Oluwajodu, F., Blaauw, D., Greyling, L. & Kleyhans, E.P.J. 2015. Graduate unemployment in South Africa: Perspectives from the banking sector. *South African Journal of Human Resource Management*, 13(1):1-9.
- Pavlin, S. 2010. Higher Education and Employability Issues. *DECOWE Working Papers Series*.
- Perera, E.R.K. & Perera, A.N.F. 2009. Factors Affecting Employability of Graduates holding Non-Professional Degrees in Sri Lanka. Issues for Non-Professional Faculties, 171-183.
- Rothwell, A. & Arnold, J. 2007. Self-perceived employability development and validation of a scale. *Personnel Review*, 36(1):23-41.
- Rukuni, T.F. 2015. Service quality and student satisfaction at a private college in the City of Tshwane. Unpublished Masters thesis. Pretoria: Tshwane University of Technology.
- Rukuni, T.F. & Shambare, R. 2015. Assessing service quality and students' satisfaction at a private college in Pretoria. International Conference on IT and Education Innovation, Chengdu, China. 3-8 November 2015.
- Shmarov, A. & Fedyukin, I. 2004. A Graduate for an employer. *A Sociological study by Analytical Center – Expert*.
- Shumilova, Y. & Cai, Y. 2011. Towards understanding the factors affecting the employability of international graduates: the case of Finland. *International Conference on Employability of Graduates & Higher Education Management Systems Vienna*, 22-23 September 2011.
- Statistics South Africa. 2018. South African unemployment rate. Available at: <http://www.statssa.gov.za/publications>. Accessed on 20 January 2018.
- Teichler, U. 2009. *Higher education and the world of work. Conceptual frameworks, comparative perspectives, empirical findings*. Rotterdam/Taipei: Sense Publishers.
- Trading Economics. 2018. South Africa unemployment rate. Available at: <http://www.tradingeconomics.com/south-africa/unemployment-rate>. Accessed on 20 January 2018.
- Wiers-Jenssen, J. 2008. Does higher education attained abroad lead to international jobs? *Journal of Studies in International Education*, 12(2):101-130.

Corporate Governance in the Tertiary Education Sector

S Ndzinge

University of Botswana, Botswana

MD Mathebula

University of Limpopo, South Africa

Abstract: Corporate governance practices are increasingly being accepted as representing best practice in the governance of virtually all the different types of organisations. While considerable research has been undertaken in the broad area of governance of universities across the globe, there is hardly evidence of in-depth studies on the applicability of corporate governance principles in the tertiary education sector, particularly regarding public universities. This study sought to attempt a preliminary desk study intended as a precursor to detailed analysis of whether and how corporate governance practices (best practice) can be applied to the tertiary education sector.

Keywords: Autonomy, Corporate governance, Public universities, Self-regulation, Tertiary education

1. Introduction

This paper discusses the extent to which tertiary institutions are embracing corporate governance principles, and to indicate whether it is a good idea for tertiary institutions to do so. The focus in this paper is on public universities. Historically, universities have largely embraced the collegiate approach to management and provision of governance oversight. Public universities have several stakeholders that often include national and provincial government, donors, students and staff. The public universities are usually large organisations that play a key role in the community. Good governance and accountability thus become key issues that they cannot afford to ignore. While public universities are not corporate entities, they stand to benefit from employing good corporate governance practices as espoused by the various governance codes in existence. In southern Africa, it is mainly the King Code, now in Version IV, that is the prominent guide in matters concerning good corporate governance.

Corporate governance as espoused by the King Code is all about good governance and accountability, things that are important in any public entity. While organisations such as tertiary institutions, and specifically public universities as that is the subject matter of this paper, may be structured differently from business entities such as companies, the same corporate governance principles detailed in the main King IV Code apply to these entities. The various sector supplements covering the different

types of entities confirm that corporate governance principles are applicable to virtually all types of organisations (King IV, 2016). The supplements themselves were merely intended to facilitate synchronisation of terminology used in the King IV Report to that used in the various other types of organisations and to give overall guidance of how to apply corporate governance principles in these other organisations.

Traditionally, universities have tended to have a unique governance structure, much as it is not uniform throughout the world. That structure is in contrast to that relating to businesses or the truly corporate structure. Decision making has tended to be based largely on committee structures of the academic body and the governing body, with very little management decision making by the various leadership positions found in a university. There is considerable and comprehensive literature on university governance practices across the globe (Aghion, Dewatripont, Hoxby, Mas-Colell & Sapir, 2009; Baldrige, 1971; Fielden, 2008; Saint, 2009; Salmi, 2009). However, there is no evidence of any significant studies on university governance in relation to corporate governance as now practised in many countries around the world, save for mention of this by scholars such as Fielden (2008:41), but without really any discussion of what this would mean. There are various corporate governance codes that include King IV, a code based on South Africa but is observed in many countries in the southern African subcontinent and beyond. This

paper aims to present a preliminary analysis of the state of affairs regarding the application of corporate governance principles in the tertiary education sector, basing it primarily on public universities. This is intended as a precursor to in-depth studies that may explore the desirability and feasibility of applying corporate governance practices to the tertiary education sector worldwide.

2. Literature Review

Corporate governance is all about good, ethical, effective and legitimate governance (King IV, 2016). While corporate governance codes, such as King IV (2016), were primarily focussed on inculcating good governance practices in the corporate sector of any economy, overall the principles of good governance are applicable to all the different types of organisations, universities included. However, universities are a unique category of entities when it comes to their governance. As alluded to above, historically, universities are managed and governed on a collegiate approach, and approach that is non-existent in the corporate sector. But good governance and accountability are just as important to universities as they are to all other types of organisations. Thus, it is simply the collegiate model that poses some challenges, albeit few, to the full application of corporate governance codes in universities.

Various scholars have written on university governance, a part of which can be explained by the origins of universities, where it was the scholars themselves that played a dominant role in the establishment and running of universities. Harold Perkin (2007) outlines the history of universities well in this regard. One of the most comprehensive reports on governance in universities is that by William Saint (2009), where he surveyed worldwide trends in university governance. The study covered 132 universities in 74 countries around the world (Saint, 2009: 1). This paper relies heavily on this study that was commissioned by the Human Development Network of the World Bank, together with that by Fielden (2008), also sponsored by the World Bank. Saint (2009) argues that the history of university governance has largely remained the same for much of the 200 years of modern history starting in the early 19th century (the Humboldtian model of higher education era). The governance structure of universities is best explained by looking at the origins of this institution – The University. Universities have evolved from what initially was an

informal relationship between tutors and students (Saint, 2009), without any significant involvement of the state or regulatory authority, if at all. The formalisation of that relationship in modern times, with the university emerging as an institution of higher learning, and with the involvement of the state primarily to avail resources, has not completely eroded the foundation of universities as autonomous institutions that are largely self-governing to this day. This is particularly true of public universities (Saint, 2009:3). The governing bodies of public universities have significant numbers of internal members and in some cases, these are in the majority. In the study by Saint (2009:9) the sample had 58% of the boards with internal members in the majority, and only 25% had an external majority. The remaining 17% were boards where neither the internal nor the external members were in the majority. The foregoing largely conflicts with corporate governance principles that advocate a majority of non-executive, of whom the majority should be independent. In terms of corporate governance principles, internal members of governing boards would largely be conflicted in the consideration of much of the typical agenda of a governing body. This means that the majority of university governing boards do not pass the desired membership test as espoused by good corporate governance practices.

Public universities have largely continued to be governed and managed based on the collegiality model, with the institutional leader, whether by the title vice chancellor or any other, fulfils primarily a ceremonial and administrative role as a *primus inter pares* (Saint, 2009:2). Decisions are made at various levels of the institution all the way up to the governing body via committees and executive authority is either absent or insignificant. However, it should be borne in mind that not all public universities necessarily fit completely in this model. There are variations between countries with similar practices and at times even between universities in the same country.

Justification for the composition of governing boards of universities that are dominated by internal membership or have a significant proportion of internal members, has hinged primarily on the issue of autonomy. It has always been felt that for universities function optimally and be able to execute their mandate effectively, they need to be autonomous and not be encumbered by inefficient bureaucratic tendencies of state governments (Saint, 2009:3;

Salmi, 2009:28). However, governments as financiers of public universities want to have a say on how universities are run, particularly from the point of view of accounting for resources extended to the institutions. As Saint (2009:2,3) and Fielden (2008:37-38) noted, during the 1990s governments were heavily invested in a state control model of higher education management, but by the end of the decade governments have largely backed down from attempting to exercise control of public universities to seeking autonomy with accountability. In the 1990s, the move by some of the governments to ensure that the external members of governing board were in the majority happened in such countries as Tanzania, Denmark, Norway and England, amongst others (Fielden, 2008:38). This brought the institutions concerned to a governance model (*the corporate model*) that was more aligned to corporate governance principles in terms of composition of the governing board. In countries where government has stepped in to change the composition of university governing boards, the state also ensured that a certain proportion of the members of the governing body are appointees of government (Fielden, 2008). Public universities that have a majority of external members in their governing boards are still fewer than those that have the majority of internal members (Saint, 2009:9).

3. Corporate Governance Principles and University Governance

In defining corporate governance, King IV Report (2016) emphasises the exercise of ethical and effective leadership by the governing body in relation to the achievement of the governance outcomes that include ethical culture, good performance, effective control and legitimacy. King IV Report has a total of seventeen (17) principles that guide the exercise of corporate governance. It is these 17 principles that this paper interrogates in terms of whether universities would find it easy to apply. The governance structure of universities is unique as compared to that of companies and similar organisations. While a university has a governing body just like any other formal organisation, it also has a Senate. The senate may be subordinate to the governing body in terms of overall oversight responsibilities, but it is a major governing structure which is also the ultimate authority on the core business of a university: The Academic Agenda. Thus the governing body has little say, if any on core business of the university outside of having the authority to determine

whether resources are available for the university to mount additional academic programmes.

Another unique element of a university is that the governing body often has a sizeable number of employees as full members of the governing body. Some of them end up as members of committees of the governing body. It is with this background that this paper seeks to establish whether King IV Report principles are necessarily suitable for use by universities.

In the main, the majority of the King IV Report provisions are harmless as far as these do not conflict with any governance arrangements that typically apply in a university setting. The principles where there are issues worthy of serious consideration in as far as these do not easily lend themselves to easy application by universities, other than those that have gravitated towards corporate (business) structures of governance, include Principle 1 (The governing body should lead ethically and effectively); Principle 2 (The governance body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture); Principle 7 (The governance body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively); and Principle 8 (The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties).

Each of the foregoing principles is discussed in brief on the following page to demonstrate the areas of concern or potential conflict. For the ease of presentation, a table format is preferred over a simply narrative presentation of the issues.

There are universities where the governing body may not take decisions without the advice of Senate even on matters that are not academic, such as remuneration policy. Further, it is not alien to universities for decisions of this nature to be made with the full participation of members who are conflicted as they obviously stand to benefit directly from the outcomes of the deliberations of the governing body. The solution that is in line with principles of corporate governance would be that the university governing bodies be constituted differently to exclude employees other than for the CEO and one

Table 1: Principle 1

Principle	Issues Arising
<p>Principle 1: The governing body should lead ethically and effectively:</p> <ul style="list-style-type: none"> • Members of the governing body should avoid conflict of interest 	<p>A significant number of members of the governing body in universities are university employees representing various sectors of the university such as senate, the executive management and even categories of staff. These members can at times constitute nearly 50% of the membership of the governing body. From time to time the governing body discusses policy and other important matters such a remuneration of employees, where these members would be conflicted. Exclusion of these members from discussion of the same may compromise the governing body in terms of quorum and the legitimacy of decisions made by a meeting that may not have been properly constituted.</p>

Source: Authors

Table 2: Principle 2

Principle	Issues Arising
<p>Principle 2: The governance body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture</p> <ul style="list-style-type: none"> • Application of the organisation's ethical standards to the processes for recruitment, evaluation of performance and reward of employees. 	<p>The challenges here stem from the same difficulties resulting from conflict of interest as discussed under Principle 1 above.</p>

Source: Authors

Table 3: Principle 7

Principle	Issues Arising
<p>Principle 7: The governance body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively</p> <ul style="list-style-type: none"> • The governing body should assume responsibility for its composition by setting the direction and approving the processes for it to attain the appropriate balance of knowledge, skills, experience, diversity and independence to objectively and effectively discharge its governance role and responsibilities • The governing body should aim to achieve: <ul style="list-style-type: none"> » the appropriate mix of executive, non-executive and independent non-executive members » sufficient numbers of members to serve on the committees of the governing body • The nomination of candidates for election as members of the governing body should be approved by the governing body as a whole • The nomination of candidates for election as members of the governing body should be formal and transparent 	<p>A typical university governing body comprises a substantially higher number of members that are not independent, much as several of these may be non-executive, than is commensurate with this corporate governance principle. This brings into question the independence and therefore the objectivity of the governing body.</p> <p>It also constrains the governing body from ensuring that its committees are properly constitute with sufficient numbers of independent members, unless the governing body is made very larger (30+ members) in order to bring in sufficient numbers of independent members to make committees viable in terms of comformity to best practice as indicated by corporate governance codes.</p> <p>Usually the majority or a substantial number of the members of a university governing body are representatives of various constituencies and these members are identified by those constituencies independently of the governing body. At times as many as four or five members may be ex-officio members by virtue of the positions they occupy in that particular university (vice chancellor and deputy vice chancellors). The governing body has little or no chance to influence the appointment of new members of the governing body.</p>

Source: Authors

Table 4: Principle 8

Principle	Issues Arising
Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties	Membership of committees of the governing body is constrained by factors discussed in Principle 7 above. Typical universities would not find it easy to meet the prescribed composition of some of the committees of the governing body, such as the audit committee, unless it has a very large membership complement that is in the region of 30 members.

Source: Authors

other senior member of the executive leadership. However, to do this would be to radically change the tradition of how universities have been governed for centuries.

This is the one principle that poses the most significant challenge to universities wishing to apply corporate governance principles as it is the source of the challenges experienced with regard to other principles such as Principle 1 and 2 on the previous page. While a significant proportion of the members of the governing body who are employees of the university are non-executive, they are certainly not independent and thus would not be eligible for membership of committees such the audit committee and would also not be eligible to chair board committees of which they may be members, if the university were to apply corporate governance principles. While the governing body may liaise with various appointing authorities of members of the governing body to try and secure appointees who would assist the body to meet the desired mix of knowledge, skills and experience, this is often very difficult to achieve in practice for a variety of reasons that include the fact that often the appointing authorities may employ criteria that don't let themselves to selecting candidates that meet the requirements of the governing body. For instance, some of the appointees take up membership of a university governing body on the basis of the position they hold in the appointing authority's organisation. A nominations committee for a university is essentially of no use and universities tend not to have such a structure.

The difficulties experienced by university governing bodies in managing the membership of the governing bodies and their committees is as a result of numerous appointing authorities that act independently of the governing bodies. At times, vacancies may remain for extended periods of time because of lack of action by an appointing authority

to fill the vacancy. At other times, the membership of a university governing body may change frequently based on the frequent movements of members out of the positions they hold in the appointing authority's organisation.

4. Conclusion and Recommendations

The governance of public universities has largely continued to be based on the collegial model. While there have been numerous changes mostly instituted by governments desirous of more accountability and even control of universities, the collegial model remains dominant. Scholars and other researchers have suggested that the autonomy of universities is paramount in ensuring that these institutions deliver on their mandate without interference from the state. However, the need for universities to be accountable to the various stakeholders that include state governments cannot be wished away. The question is whether best practice in university governance should be based on corporate governance principles as espoused by such codes as King IV. As of now, many public universities do not meet all the essential elements of corporate governance. The major shortfall in this regard emanates from the way the governing bodies of universities are structured in terms of the composition of these boards, where often the majority of members are internal to the university. Another factor that makes it difficult for public universities to comply with corporate governance principles is that a large proportion of the members are representatives elected or appointed by various stakeholders, doing so independently of the governing body. This makes it difficult for boards to ensure that they have all the critical skills needed for the governing body to function optimally.

This was a preliminary desk study that sought to assess possible bottlenecks to the application of corporate governance (best practice), as espoused

by corporate governance codes such as King IV Report (2016), in public universities. It is necessary for an in-depth empirical study to be conducted based on a representative sample of public universities located in southern Africa, Africa or the world, to show if universities need to follow the stipulations of corporate governance codes or whether other mechanisms can be employed to ensure that the accountability that is expected by the various stakeholders of the universities can be met without subjecting universities to corporate governance principles. Alternatively, research be conducted to deduce as to whether universities have really anything significant to lose by fully aligning with corporate governance principles.

References

- Aghion, P., Dewatripont, M., Hoxby, C.M., Mas-Colell, A. & Sapir, A. 2009. The Governance and Performance of Research Universities: Evidence from Europe and the U.S. NBER Working Paper 14851. Available at: <http://www.nber.org/papers/w14851>. Accessed on 27 March 2018.
- Baldrige, J.V. 1971. Models of University Governance: Bureaucratic, Collegial, and Political. Washington, D.C: Office of Education.
- Barzelis, A., Majere, O. & Saparniene, D. 2012. University Governance Models: The Case of University of Lapland. *Journal of Young Scientists*, 2(35):90-102.
- Fielden, J. 2008. Global Trends in University Governance, World Bank. Washington DC.
- King IV Report on Corporate Governance for South Africa. 2016. Institute of Directors in Southern Africa. Johannesburg: Institute of Directors in Southern Africa
- Perkin, H. 2007. In James J.F. Forest and Philip G. In Altbach (eds.). *International Handbook of Higher Education*. Dordrecht: Springer. pp.159-205.
- Saint, W. 2009. Guiding Universities: Governance and Management Arrangements Around the Globe. Human Development Network. World Bank: Washington DC.
- Salmi, J. 2009. The Challenge of Establishing World-Class Universities. Washington DC: World Bank.

Influencing Change in Municipalities Through Leadership: A Case Study of the City of Tshwane Municipality

KM Sebidi

University of Limpopo

SM Madue

Pro-Active Public Services College (Pty) Ltd

Abstract: This paper seeks to highlight leadership challenges in South African municipalities from an organisational culture and leadership perspective, using the City of Tshwane Metropolitan Municipality as a case study. The research questions guiding this paper are: Why is service delivery remaining a challenge amidst the existence of regulatory and institutional frameworks in South African municipalities? How can leadership be used to influence change in the municipalities? In South Africa, local government has undergone numerous reforms, yet elements of bureaucracy are still highly prevalent. Bureaucratic structures like municipalities require employees with behaviours that enable them to take decisions that are suitable to address specific issues in different situations while at the same time being compliant with the legislation that governs them. Municipalities are then faced with a challenge of not having flexible and innovative leadership that is willing to boldly take calculated risks to address the challenges of service delivery within the legal framework. This paper posits that there is a need for a culture change to allow flexibility, innovation in leadership to ease the tension between these bureaucracies on the one hand and change of outdated organisational culture methods of providing services on the other hand. This paper argues that leadership can influence organisational culture as it tries to address service delivery challenges in South African municipalities.

Keywords: Culture, Leadership, Municipalities, Service delivery and Challenges

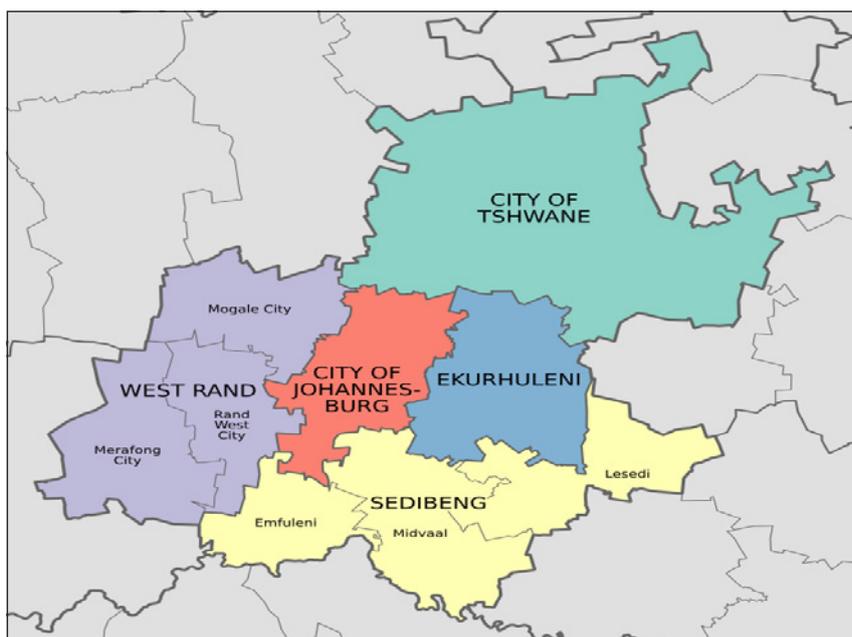
1. Introduction

The Constitution of the Republic of South African 1996 is one of a few constitutions in the world that has a Chapter dedicated to the principles and values governing public administration. Principles and values governing public administration are enshrined in Chapter 10 of the Constitution, Section 195(1), thus Davidson (2003:30) argues that the old methods of acquiring and developing business have changed and new models for leadership and management have been called for. Such changes require local government leadership and management to be far more knowledgeable on their business area, and more competitive on how they approach and cope with the changing environment which is characterised as complex, uncertain, multi-faceted, and heterogeneous. Pavlov and Kutsamunskaja (2004:3) state that it will take more than technical skills to be a successful leader in government; this is in contrast with the traditional notion that most leaders in government were appointed through their experience and technical skills. Nowadays, technical expertise is the least important of the required set of leadership attributes for the local government executive staff members. The benefits of reforms

in local government can be realised when public servants can be given an opportunity to "manage by results" in a flexible way. Schein (1992:379) is of the view that an organisation that needs to change requires a person who can change the old culture.

The new approach requires government executives and public servants at large to have core managerial qualification and leadership attributes (Pavlov & Kutsamunskaja, 2004:3). These authors further mentioned that managers stress consistency and reliability, while leaders develop strategies to inspire a shared vision for the future and align stakeholders with the larger vision. Part of this transformation process at a local government level in South Africa has been to ensure that municipalities become more responsive to the needs of the community (Thobejane, 2010:1). Municipalities require leadership that will create, support, implement, manage, and demonstrate through their behaviour the organisational culture and values consistently in providing effective service delivery (Schein, 1990:109). In South Africa, according to the White Paper on the Transformation of the Public Service (also referred to as the Batho Pele White Paper, 1997), paragraph 2 on Principles serves as guidelines for leadership

Figure 1: City of Tshwane Municipality



Source: Authors

and good governance in the public service. According to these principles, public service leadership should specify the level of quality and quantity of service to be rendered and must include processes and outcomes. Chapter 6 of the Municipal Systems Act: Act 32 of 2000 prescribes that municipalities will have a "performance management system" to promote a culture of performance management amongst the political structures, political office bearers, councillors and administration. Given the above background, this paper seeks to respond to the questions: why is service delivery remaining a challenge amidst the existence of regulatory and institutional frameworks in South African municipalities? How is the change in leadership affecting organisational culture in the City of Tshwane? This paper is anchored on the Organisational Culture theory to explore the influence that leadership change has on organisational culture in the City of Tshwane. Adom (2018:439) posits that the function of the theoretical frameworks is to inform the research design and guide the research approach and methodology.

2. Background on the City of Tshwane Municipality

The City of Tshwane (hereinafter referred to as Tshwane) is the capital of South Africa and is the largest municipality, as measured by land mass. Tshwane, has 105 wards, 210 councillors and about 2.5 million residents, and is divided into seven

regions. Tshwane covers 6 368km² of Gauteng's 19 055km², as illustrated in Figure 1 above and stretches almost 121 km from east to west and 108 km from north to south.

Tshwane is the third-largest city in the world in terms of land area, after New York and Tokyo/Yokohama. As the administrative seat of Government and hosting numerous Embassies, Tshwane has proven to be a leader on the African continent in providing affordable industrial sites, various industries, office space, education and research facilities (<http://www.tshwane.gov.za>). It is among the six largest metropolitan municipalities in South Africa and the second largest in Gauteng, as measured by Gross Domestic Product (GDP). Tshwane covers 6 368km² of Gauteng's 19 055km² and is ranked fifth by population size of 2.9 million residents. Tshwane consists of seven regions made up of 105 wards and 210 councillors. The City has a vibrant and diverse economy, which enables it to contribute at least 26.8% of the Gauteng Province's GDP and 9.4% of the GDP of the national economy (<http://interactive2.statssa.gov.za>). The city is taking active measures to firmly position itself as Africa's leading capital city of excellence.

3. Theoretical Perspectives

A theoretical framework is important as it explains why the study exists, and it responds not only

to the aims and objectives of the study but also aimed at answering the research question of the study. The theory adopted in this study is the contingency theory as it is deeply rooted in various concepts of organisational literature which borders the study (Sauser, Reilly, Shenhar & Donaldson, 2003:25) where organisational culture finds space as organisations have cultural properties that breed meaning, values, and beliefs (Allaire, Mihaella & Fisirotu, 1984:194). The adoption of Contingency theory is based on the premise that the research is based on organisational culture which contributes to Organisational Behaviour in a Municipality which is expected to provide services to the community in a manner consistent with legislation, especially the constitution of the country. Woodward (1965:15) developed the contingency theory as a behavioural theory and stressed that there is no best way to manage. Scholars (Reids & Smith, 2000; Haldma & Laats, 2002; Badara, 2017) agree with this statement and further point out that there is no perfect way to provide a good management accounting system, but rather it depends upon some contingencies which the institution has to respond. Different situations require different types of leadership. Therefore, the strength of contingency theory is that it provides management flexibility (Northouse, 2007:91). Barnard (1968:94) defines an organisation as a system of consciously coordinated activities. The City of Tshwane as an organisation is structured in a manner that is bureaucratic and having red tape type of processes in getting things done.

4. Considering an Organisational Culture Model

The study of theories of organisational culture is often difficult due to the lack of concrete evidence on various cultures. That being said, organisational culture is being regarded as an atmosphere that pervades the interior of a company or association (Allaire, Mihaila & Fisirotu, 1984:195). These theories attempt to explain the phenomenon that occurs in and around individuals and its intangible characteristics include values, assumptions, and norms, and are defined differently depending on the mission of the organisation. The contingency theory seeks to suggest that culture is important in the public service including municipalities, especially Tshwane as it is undergoing an administrative and leadership change process (from the African National Congress (ANC) to the Democratic Alliance (DA) post 2016 Local Government Elections) and or a

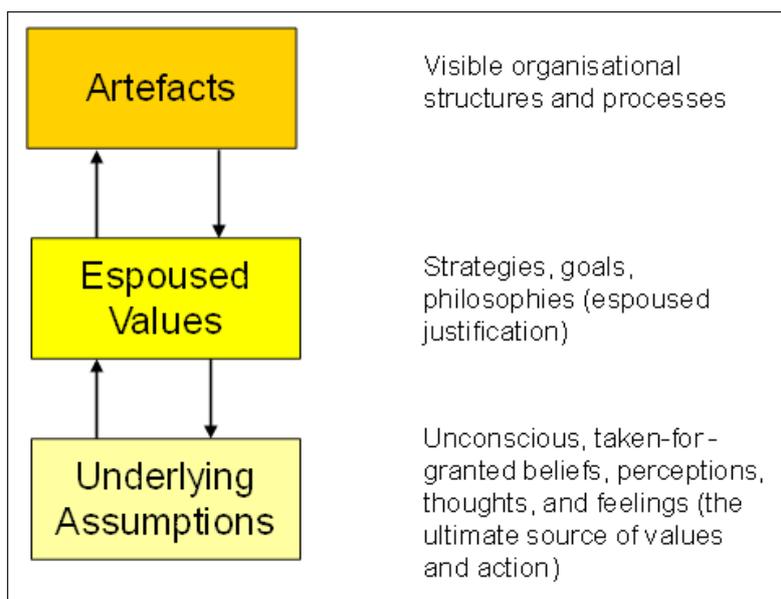
major introduction of major reforms or new culture or value traits exhibited in the past. An organisation with a predominantly internal process like municipality might find it difficult to accept reforms, and change aimed at promoting innovation, to improve service delivery. Municipalities are faced with a challenge of changes brought by the new democratic process and Public Administration reforms which affect how things were done before the changes. Managers and employees of these public institutions are faced with changes in technology and innovation in their daily work. These institutions have strategies, problem solving, decision making and plans to implement, and that's where culture shift and adaptation becomes essential for organisational effectiveness. Managerially and critically minded organisational researchers assume that resistance to change is rooted in cultural stability or, in critical terminology, that resistance to managerial oppression can be rooted in the solidarity of working class culture (Bate, 1997:1155). Hatch (2004:1155) voices the managerial side of this conundrum when he claims that debilitating cultural hangovers from the past play havoc with day-to-day management processes.

A better approach to changing culture would be to acknowledge and participate in the culture's own dynamic processes, fitting one's ambition into the flow of stability and change from which the culture itself is constituted. This involves, perhaps above all else, a simultaneous focus on what will be preserved (and how) and what will be changed. This study adopted Schein's Culture model which considers culture to be a three-layer phenomenon as illustrated in Figure 2 on the following page.

According to Parker (2000:125), organisational culture management as a tool of consultants and as a management method is often a direct continuation of Taylorism, work rationalisation and efficiency thinking; an attempt is made to develop control mechanisms that are not based on compulsion or on direct orders. In functional theories, culture is considered to exist as an ideal towards which one must strive towards and which one can and must manipulate in the company's interests. Glendon and Stanton (2005:193) classify Schein's organisational culture model as belonging to the interpretational theories.

Organisational culture has some effects on democracy and such effects need to be known and

Figure 2: Schein's (1992) Model of Organisational Culture



Source: Authors

handled accordingly. Schein (1992:40) argues that the leadership in the organisation needs to communicate the organisational objectives and strategy to employees, so that leadership must not be seen as the only people who understand and have the responsibility of implementing the organisational strategy. Employees need to be involved in the formulation of the organisational strategy and policy through representatives of their choice. Such leadership promotes participatory democracy in the work place, encourages recognition and promotion of inclusive organisational values, and the use of a code of conduct. When organisational leadership communicates strategy and objectives to employees in a participatory manner that allows feedback and support, it creates a culture of teamwork and service that impacts on effective, efficient and economic performance. Employees need to be clear about their purpose and objective of being in the organisation, what is expected of them and how to perform those activities. Having considered an organisational culture model, it is thus important to use it to determine the organisational culture challenges that the City of Tshwane might be having.

5. Organisational Culture Challenges in the City of Tshwane

Nzewi *et al.* (2016:42) posit that organisational culture as a variable has generalisable attributes in both public and private organisations. This is because in so far as organisations are social institutions

(Bedeian, 1980:4), the principal basis of organisational culture (humans and human interaction) is integral to all organisations including municipalities (Zamanou & Glaser, 1994:476). Kanyane (2014:89) states that municipalities including the City of Tshwane are under pressure to meet the basic needs of the society, due to limited budgets and lack of technical capacity. The need to improve performance was underpinned by the State's acceptance of the municipal service delivery challenges that to access descent municipal services was no longer a privilege to be enjoyed by a few. The State's incapacity to provide basic services is a challenge in developing countries including South Africa (Wallis & Dollery, 2001:247). Therefore, leadership skills and inadequate technical expertise in the running and provision of services remain major challenges in the South African municipalities. These challenges are the results of the inability of the leadership in municipalities to adapt in a rapidly changing and competing environment coupled with high expectations from communities to get a better life for all through service delivery. Powell (2012:16) confirms that the government was expected to do more with less resources and reminds us that the intervention by the former State President Thabo Mbeki through Project Consolidate, attempted to address crumbling skills base by deploying expertise in all affected municipalities. The organisational culture prevailing in municipalities has some effects on service delivery. The effects may either be positive or negative. In this instance, effects of organisational

culture in the City of Tshwane appear to adversely affect service delivery.

6. Service Delivery Challenges

Before identifying and discussing service delivery challenges, it is important to revisit the definition of the concept 'delivery'. On the one hand, Wyld (1961:1394) defines the act of delivery as "... producing or performing, handing over, taking goods to the intended recipient, or producing results as promised or expected". On the other hand, Riekert (2001:90) explains that "... service delivery is concerned with the provision of a product or service by government or government body to a community it was promised to, or which is expected by that community". In Tshwane, the provision of housing is a major challenge as the city is affected by urban migration and occupation of unserviced land and illegal electricity connections that affects Spatial Planning. The challenge is fuelled by a shortage of skilled public officials in key positions who can address these challenges. Furthermore, key senior posts remain vacant and in some cases are occupied by unqualified incumbents. Budgetary constraints exasperated by poor payment of basic services and high rate of unemployment affects the municipality's effort to generate revenue. Hanekom *et al.* (1987:11) are of the opinion that the real core of public administration is the basic services performed for the public, such as policing and the protection of property. Scholars such as Schein (1985:25), Deshpande and Webster (1989:3) suggest that organisational functioning cannot be adequately understood by myopically examining traditional models or organisational behaviour that generally incorporates organisational, task, structure and people but not culture. They argue that organisational culture can impact and even determine organisational behaviour and its effectiveness among competitors. This view is supported by Ouchi and Wilkins (1985:457), Peters and Waterman (1982:20) and Webster (1993:30). Service delivery stays in the strong site with intangible aspects of an organisation, that is, what makes the organisation excel. The objectives of the study are explained.

7. Research Methods

The study employed a mixed method approach to benefit from the strengths of both the qualitative and quantitative research methods. The approach of mixed methods in social sciences research is applied

in this research as it necessitates the researcher to use both approaches as supported by De Vos *et al.* (2005:271). Hurmerinta-Peltomaki and Nummela (2006) in McKim (2017:203) elaborate that the mixed methods approach adds value by increasing validity in the findings that are informed by the collection of the second data sources and assists with knowledge creation. Mouton and Marais (1996:20), refer to epistemological dimension as a "search for the truth". The methodology of this study was planned to ensure that the research results are true and presents a practical reality of the situation at the City of Tshwane Municipality. Riccucci (2008:6) explains that "Public Administration is a field of study that has historically generated a rich body of qualitative research, often empirically based (e.g. descriptive, case studies)", hence this study uses the City of Tshwane as a case study. Mouton and Marais (1996:21) refer to the ontological dimension as the domain, therefore the research domain of this study is restricted to culture among employees, their feelings, perceptions and attitudes and how it affects the way they provide services to the public.

Gibson *et al.* (2012:6) state that the study of Organisational Development (OD) from which organisational culture emerged relies heavily on recognised disciplines. The scientific method is important in studying variables (in this study culture and service) and relationships. As the scientific method has been applied in similar studies to research on organisational development, a set of principles and guidelines on what constitutes good research has emerged. The analyses of numeric data collected is customary in quantitative research, and the narration or interpretation of that numeric data is a norm in qualitative research in answering the research question (Creswell, 2003; Johnson & Onwuegbuzie, 2004:16). The instruments used for collecting data were questionnaires and structured interviews.

7.1 Population and Sampling

The overall population of the study comprised of the employees of the City of Tshwane. The total population was 37321 and the study focused on the Corporate Shared Services Department which has a population of 466 employees. In this study, the sampling was limited to 300 general employees for control and management of the data collection, to enable less interruption of business operations. In this study, both purposive and random sampling

methods were used for data collection purposes. To ensure the validity of the quantitative data to be collected, a random sampling was done through a questionnaire distribution to the entire Shared Services and Group Human Capital Management Departments in the City of Tshwane Municipality. According to Williamson, Karp, Dalphin and Gray (1982) and Babbie (1998), the advantage of random sampling method is that each element of the population has an equal chance of being included, further that a complete listing of all population elements will be available, and that means the sample frame will be developed. Through purposive sampling the study selected 1 Group Head, 2 Divisional Heads, and 5 Directors in Shared Services; Group Human Capital Management (GHCM): 1 Group Head, 3 Divisional Heads and 5 Directors chosen as representatives of the general sample.

7.2 Data Collection Methods

The primary instrument for data collection for the research was a questionnaire which focused on both culture and service delivery as the two variables of the study. A culture questionnaire was used for the measurement of the independent variable (organisational culture). A survey was used as an organisational culture measurement instrument where feedback was obtained from all employees of the City of Tshwane Municipality, including managers to determine if changes brought about after the 1994 Democratic elections and 2016 Local Government Elections, improved their operations and internal processes in rendering services to public. According to Denison (1990), researchers state that surveys as organisational culture instruments assess organisational focus (internal and external focus) and organisational flexibility (flexible and stable). Denison argues that this approach allows for assessment of the ways in which organisations (or sub-groups within organisations) deal with seemingly contradictory or paradoxical goals and demands. In this study, a questionnaire for the independent variable (service delivery) was designed and validated prior to its usage. Since a questionnaire is a lengthy instrument and may take time to administer, a decision was taken to obtain a perception rating of service delivery in the identified sample.

7.3 Validity and Reliability of the Study

To ensure that validity and reliability is being maintained, the quantitative questionnaire was piloted

before it was administered to the whole population. The data collection was administered by the researcher to ensure that participants understood how to complete the questionnaire. This view is supported by Kimberlin, Winterstein & Almut (2008:2281) who posits that reliability and validity evidence from established instrument is applicable only if you use the instrument in the same form and follow the same administration procedures as used in the validation process of the study. Similarly in this study the verification of data was achieved through prolonged data collection and member-checking to attain credibility; identification of resemblances in the findings for purposes of transferability and assessing dependability (Lincoln & Cuba, 1985). While rigour amplifies the need for reliability and validity, it is argued that reliability and validity relate better to quantitative than qualitative research (Morse *et al.* 2002; Twycross & Shields, 2005). The factor structure of the questionnaire in this research is firmly supported by exploratory factor analysis.

To measure the dependent variable (service delivery), the questionnaire was designed and validated prior to the actual implementation of the research to assess organisational culture and service delivery. The survey questions contained closed-ended questions involving a set of responses from the respondents, such survey response includes categories of agree, strongly agree, neither agree, and disagree Mouton and Marais (1996:69). There was an open-ended questionnaire specifically for Group Heads; Heads of Departments and Directors their understanding of organisational culture and service delivery in the Department of Shared Services in the City of Tshwane Municipality.

8. Findings and Analysis

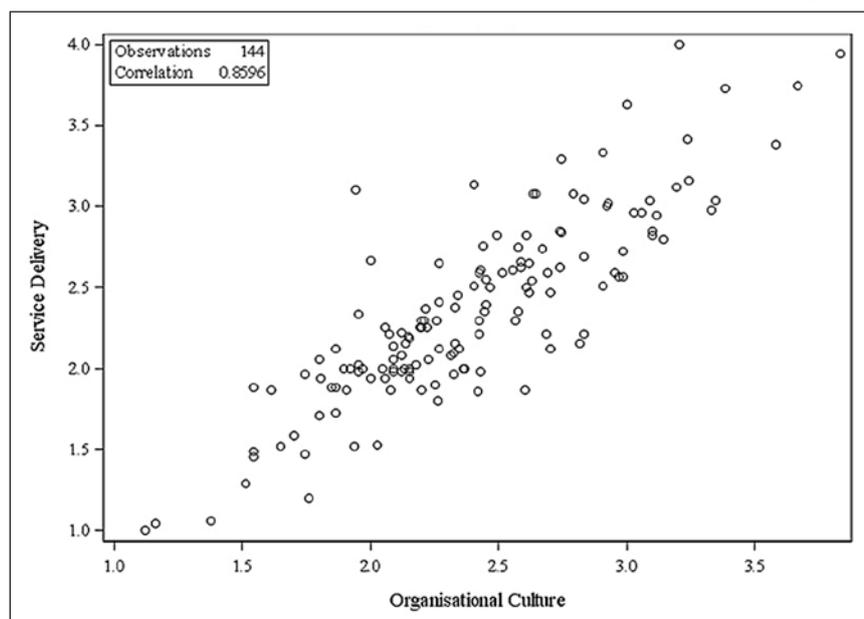
The correlation procedure for the analysis of the findings is presented in Table 1 on the following page.

The Pearson correlation method was performed to test if there is correlation between Service delivery and Organisational culture. The Pearson "r" coefficient ranges between (-1,1), with values close to 1 indicating a high correlation. -r implies that there is negative correlation between the variables measured and a positive +r implies that there is positive relationship, i.e. if results increase the out-performance also increases.

Table 1: Service Delivery Results

Simple Statistics						
Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Service delivery	144	2.35758	0.56768	339.49193	1.00000	4.00000
Organisational Culture	144	2.39462	0.50102	344.82475	1.11940	3.83582

Source: Statistician report

Figure 3: Scatter Plot - Observation and Correlation Service Delivery and Organisational Culture

Source: Statistician report

In Table 1, we can see the correlation = 0.85956 and is significant at 0.05 implying that there is a statistical correlation between Service delivery and Organisational culture, i.e. if the Organisational culture score increases also the Service delivery increases or vice versa. The same principle can be used to interpret the correlation between sub dimensions as depicted in Figure 3 above.

An interpretation of Table 2 on the following page reveals that the regression analysis is significant; the p (value) is > 0.00. This indicates that organisational culture predicts Service delivery. In other words, organisation culture predicts 74% of the variance of the service culture.

The relationship between service delivery and organisational culture in the City of Tshwane is shown in Figure 4 on the following page.

In Figure 4, the results indicate that organisational culture has an influence on service delivery in the City of Tshwane. A deduction can thus be made that the leadership at the City of Tshwane Municipality needs to

focus attention on addressing the operational issues of its employees. Organisational culture is seen as a contributing factor to the overall performance of the organisation. Therefore, while there are political and resource dimensions to challenges faced by the municipality, the leadership at the City of Tshwane Municipality need to focus on institutional dimensions will mean that current organisational level practices have to change in order to uncover these culture traits (Ndzewi *et al.*, 2016:41). The findings indicate that there is a considerable understanding of strategic intent in terms of the purpose of the municipality through the IDP. Additionally, departments that deal directly with the public (e.g. services) recognise the service delivery to the public as their core mandate. Although there is some value placed by individual units on working together towards a common goal, employees within these units feel mutually accountable to each other. It can therefore be deduced that organisational culture influences the level of client service delivery of employees in the City of Tshwane.

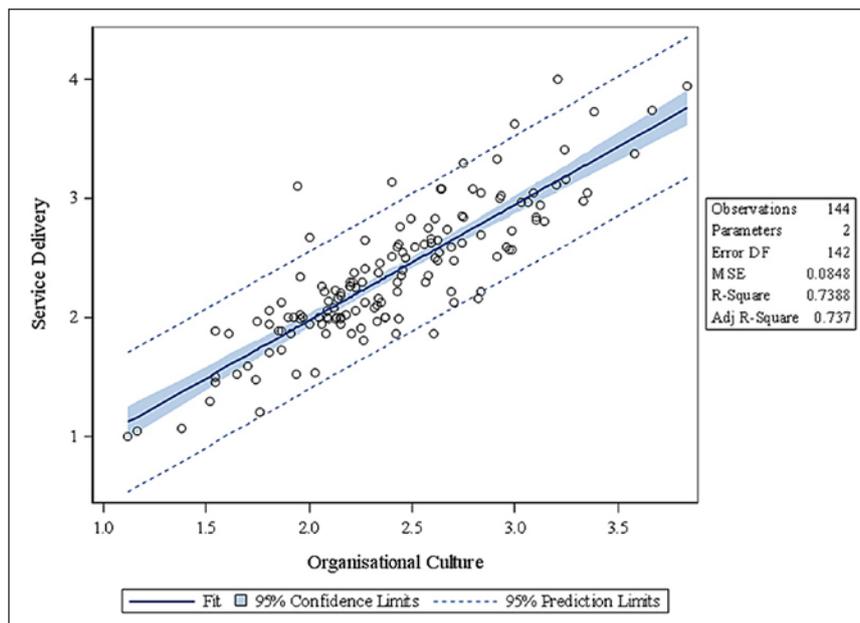
The findings on leadership suggest that the accounting officer did not exercise adequate oversight

Table 2: Correlation, Service Delivery and Organisational Culture

Number of Observations Read		145				
Number of Observations Used		144				
Number of Observations with Missing Values		1				
Analysis of Variance						
Source	DF	Sum of Squares	Mean Square	F Value	Pr > F	
Model	1	34.04904	34.04904	401.74	<.0001	
Error	142	12.03493	0.08475			
Corrected Total	143	46.08397				
Root MSE						
0.29112		R-Square			0.7388	
Dependent Mean		2.35758			Adj R-Sq	
12.34840					0.7370	
Parameter Estimates						
Variable	DF	Parameter Estimate	Standard Error	t Value	Pr > t 	Standardized Estimate
Intercept	1	0.02538	0.11886	0.21	0.8312	0
Organisational Culture	1	0.97394	0.04859	20.04	<.0001	0.85956

Source: Statistician report

Figure 4: Fit Plot for Service Delivery and Organisational Culture



Source: Statistician report

responsibility regarding compliance with laws and regulations and related controls, which resulted in instances of non-compliance with the MFMA and SCM regulations. As far as Financial and performance management is concerned, senior management was found not to be implementing sufficient monitoring controls in compliance with legislation and that the financial statements were

supported by credible information, which resulted in material adjustment to the annual financial statements and material non-compliance with key legislation. There were no controls in place to ensure that the annual performance report was supported by valid, accurate and complete information. There were no engagements conducted by various parties that have or could potentially

have an impact on the municipal entity's financial statements, reported performance information and compliance with applicable legislation and other related matters. The concerns mentioned in the Group Audit and Risk Department, Audit and Performance Committee (Quarter Two 2017/18) page 8 noted that Line Departments often fail on effective consequence management and that there are a number of outstanding investigations. Schein (2012:25) states that if managers fail to manage subcultures in an organisation, the managers end up being managed by these subcultures. Sebidi (2012:67) argues that managers should walk the talk and manage if they are to lead.

9. Conclusion and Recommendations

The results of both organisational culture and service delivery questionnaires administered within the City of Tshwane Municipality as part of the Public Administration have assisted with the rationale behind confirming the research objectives. The study argues that there is a correlation between organisational culture and service delivery in the City of Tshwane Municipality. The primary recommendation for this study is that the City of Tshwane Municipality as a service organisation needs strong leadership that will not only stress excellent service to customers by employees but management that will walk the talk. Schneider, Briefs and Guzzo (1996:15) explain that there is a need within any service orientated organisation for management that will communicate new service values and beliefs needed in changing daily service practices and procedures, imparting knowledge, skill and guiding employee activity "how things are done around here". Negative Subcultures end up frustrating the overall organisational culture that will impact on service delivery. Therefore, this study recommends that there should be consequence management for transgressions of the laws and procedures in the City of Tshwane. The leadership in the City of Tshwane should be vigilant and have a zero-tolerance approach to none compliance to governance issues. Sebidi (2012:67) further states that Managers should live the values and culture of the organisation if they are to lead. In conclusion, the major finding of this study is that there is a strong correlation between organisational culture and service delivery in the City of Tshwane Municipality. Arrival at this finding has been achieved through the use of both the quantitative and qualitative research techniques. The research was not only aimed at addressing the management of the

organisation, but also to add value to the scholarship of Public Administration and organisational culture.

References

- Adom, D. 2018. Theoretical and Conceptual Framework: Mandatory Ingredients of Quality Research: *International Journal of Scientific Research*, 7(1):438-441.
- Allaire, Y. & Firsirotu, M.E. 1984. Theories of Organizational Culture. *Organizational Studies*, (5)3:193-226.
- Auditor-General, Republic of South Africa. 2017:1-8. Report of the auditor-general to the Gauteng Provincial Legislature and the council of the City of Tshwane Metropolitan Municipality on Sandspruit Works Association NPC trading as ODI Water Services.
- Babbie, E. 1998. Survey Research Methods. California: Wadsworth Publishing Company.
- Badara, M.S. 2017. The Relevant of Contingency Theory and Stewardship Theory on the Internal Audit Research. *Journal of World Economic Research*, 6(2):17-22.
- Barnard, C.I. 1968. The Functions of the Executive. Cambridge: Harvard University Press.
- Bates, S.P. 1997. What Happened to Organizational Anthropology? A Review of the Field of Organizational Anthropology and Anthropological Studies. *Human Relations*, 50(9):1147-1175.
- Batho Pele White Paper on the Transformation of the Public Service of 1997. Available at: www.dpsa.gov.za.
- Bedeian, A.G. 1980. Organization: Theory and analysis. United States of America: Dryden Press.
- Creswell, J. 2003. Research design: Qualitative, quantitative and mixed methods approaches. Thousand Oaks, CA: SAGE Publications.
- Davidson, G.M. 2003. The Relationship between Organisational Culture and Financial Performance in a South African Investment Bank. Unpublished Masters thesis. Pretoria: University of South Africa.
- Denison, D.R. 1990. Corporate Culture and Organisational Effectiveness. New York: John Wiley & Sons Inc.
- Deshpande, R. & Webster, F.E. Jr. 1989. Organisational Culture and Marketing: Defining the Research Agenda. *Journal of Marketing*, 53(1):3-15.
- De Vos, A.S. 2005. Scientific theory and professional research. In De Vos, A.S., Strydom, H., Fouche, C.B. & Delpont, C.S.L. Research at the grass roots for the social science and human service professions. Pretoria: JL Van Schaik.
- Gibson, J.L., Ivancevich, J.M. & Konopaske, R. 2012. Organizations, Behavior, Structure, Processes (14th Ed.). New York: The McGraw-Hill Companies, Inc.
- Glendon, A.I. & Stanton, N.A. 2000. Perspectives on safety culture. *Safety Science*, 34:193-214.
- Government Printers. Municipal Systems Act 32 of 2000. Pretoria: Government Printers.
- Haldma, T. & Laaats, K. 2002. Contingencies Influencing the Management accounting Practices of Estonian Manufacturing Companies. *Management Research*, (13):379-400.

- Hanekom, S.X. & Thornhill, C. 1983. Public Administration in contemporary society: A South African perspective. Johannesburg: Macmillan.
- Hurmerinta-Peltomäki, L. & Nummela, N. Mixed Methods in International Business Research: A Value-added Perspective. *MIR: Management International Review* Vol. 46, No. 4, Qualitative Research Methods in International Business (2006), pp. 439-459.
- Johnson, R.B. & Onwuegbuzie, A.J. 2004. Mixed methods research: a research paradigm whose time has come. *Educational Researcher*, 33(7):14-26.
- Kanyane, M. 2014. Exploring Challenges of Municipal Service Delivery in South Africa (1994-2013). *Africa's Public Service Delivery Performance and Review*, 2(1):88-108.
- Kimberlin, C.L., Winterstein, D. & Almut, G. 2008. Validity and reliability of measurement instruments used in research. *American Journal of Health-System Pharmacy*, 65(23):2276-2284.
- Lincoln, Y.S. & Guba, E.G. 1985. Naturalistic inquiry. Beverly Hills, CA: Sage.
- McKim, C.A. 2017. The Value of Mixed Methods Research: A Mixed Methods Study. *Journal of Mixed Methods Research*, 11(22):202-222.
- Morse, J., Barret, M. & Mayan, M. 2002. Verification Strategies for Establishing Reliability and Validity in Qualitative Research. *International Journal of Qualitative Research*, (1):13-22.
- Mouton, J. & Marais, H.C. 1996. Basic Concepts in the Methodology of the Social Sciences. Pretoria: Human Science Research Council.
- Ndzewi, O., Ijeoma, E., Sindana, M. & Sambumbu, A. Culture of Work in Municipal Government in South Africa: A Study of Selected Municipalities in the Eastern Cape. *Journal of Public Administration*, 51(1):38-57.
- Northouse, P.G. 2011. Leadership Theory and Practice. California: Sage Publications.
- Ouchi, W.G. & Wilkins, A.L. 1995. Organisational culture. *Annual Review of Sociology*, (11):457-483.
- Parker, R. & Bradley, L. 2000. Organisational Culture in the public sector: evidence from six organisations. *The International Journal of Public Sector Management*, 13(2):125-141.
- Pavlov, P. & Katsamunskaja, P. 2004. The Relationship of Leadership and New Public Management, in Central Government: Bulgarian Specifics. Developing Public Service Leaders for the Future. OECD publication.
- Peters, T.J. & Waterman, R.H. 1982. In search of excellence. New York: Harper and Row.
- Powell, D. 2012. Imperfect transition-local government reform in South Africa (1994-2012). SUN MeDIA MeTRO and authors, pp. 11-30.
- Reid, G. & Smith, J. 2000. The impact of contingencies on management accounting system development. *Management Accounting Research*, 11(4):427-450.
- Riccucci, N.M. 2008. The logic of inquiry in the field of Public Administration. In Yang, K. & Miller, G.J. (Eds.). Handbook of research methods in Public Administration (2nd Ed). London: CRC Press: Taylor & Francis.
- Sauser, B.J., Reilly, R.R. & Shenhar, A.J. 2009. Why projects fail? How contingency theory can provide new insights – A comparative analysis of NASA's M.
- Schein, E.H. 1985. Organizational Culture and Leadership. San Francisco, Ca.: Jossey-Bassars.
- Schein, E.H. 1990. Organizational Culture. *American Psychologist*, 45(2):109-119.
- Schein, E.H. 1992. Organizational Culture and Leadership. San Francisco: Jossey-Bass.
- Schein, E.H. 2012. Corporate Culture. Cambridge: MIT Sloan School of Management.
- Schneider, B., Brief, A.P. & Guzzo, R.A. 1996. Creating a climate and culture for sustainable organizational change. *Organizational Dynamics*, 24(4):7-19.
- Schneider, B., Salvaggio, A. & Subirats, M. 2002. Climate strength: a new direction for climate research. *Journal of Applied Psychology*, (87):220-229.
- Sebedi, K. 2012. The Influence of Organisational Culture on Mainstreaming Monitoring and Evaluation in Public Entities Revenue Services. *Africa's Public Service Delivery and Performance Review*, 1(3):66-83.
- The Constitution of the Republic of South Africa, 1996. Pretoria: Government printers.
- Thobejane, M. 2010. Municipality performance management system, TIS Holdings, Johannesburg, 27 October 2017. Available at: <http://www.itweb.co.za>. Accessed on 9 March 2017.
- Twycross, A. & Shields, L. 2005. Validity and reliability – what's it all about? Part 3: Issues relating to qualitative studies. *Paediatric nursing*, 17(1):36.
- Van der Post, W.Z., De Koning, T.J. & Smit, E.M. 1998. The relationship between organizational culture and financial performance: some South African evidence. *South African Journal of Business Management*, 29(1):30-40.
- Wallis, J. & Dollery, B. 2001. Government failure, social Capital and the appropriateness of the New Zealand model for public sector reform in developing countries. *World Development*, 29(2):245-263.
- Webster, F.E. Corporate Culture, Customer Orientation, an Innovation in Japanese Firm, A Quadrad Analysis. *Journal of Marketing*, 57(1):23-37.
- Williamson, J.B., Karp, D.A., Dalphin, J.R. & Gray, P.S. 1982. The Research Craft: An Introduction to Social Research Methods. Canada: Brown and Company.
- Woodward, J. 1965. Industrial Organization: Theory and Practice. London: Oxford University Press.
- Wyld, H.C. 1961. The Universal Dictionary of English Language. Routledge & Kegan Paul.
- Zamanou, S. & Glaser, S.R. 1994. Moving toward participation and involvement: Managing and measuring organizational culture. *Group & Organisation Management*, 19:457.

The Integrated Development Plan as a Strategy to Empower Informal Traders: The Case of Thohoyandou

M Selepe

University of Limpopo, South Africa

Abstract: This analyses the Integrated Development Plan (IDP) as a strategy to empower informal traders using Thohoyandou as a case study. The aim is to integrate and explore the importance of, and the role that could be played by the IDP to empower informal traders. The main objectives of this paper are; first, find out IDP initiatives that support informal trading in Thohoyandou. Secondly, to find out socio-economic challenges faced or facing informal traders in Thohoyandou. In this paper, the use of qualitative research method was employed. The paper concludes that IDP strategy in the local municipality of Thulamela in Thohoyandou has not done much for informal traders.

Keywords: Empowerment, Governance, Informal Trading, Integrated Development Plan, Local Economic Development

1. Introduction

The advent of the democratic period in South Africa has brought tremendous changes and challenges within the sphere of local government. The traditional role of the local government in South Africa formerly that entailed conspicuously inequitable rendering of basic services to the community at large has been completely redefined into a developmental role. This is in line with the *White Paper on Local Government* of 1998, which advocates for a developmental local government. Some of the challenges and bottlenecks within the municipalities stem from, shortage of skills required to propel growth and development, lack of administrative capacity and ineffective implementation of development policy frameworks. At the midst of these, informal markets and traders are faced or facing with or the most unbearable challenges in transforming their business into a more progressive businesses. However, Municipalities in South Africa are guided by, *amongst other policies and legislative frameworks*, the Integrated Development Plan (IDP) to execute and direct its administration and rendering of services. Thulamela Municipality is a Category B municipality established in terms of Local Government Structures Act number 117 of 1998 and is one of the four local municipalities comprising Vhembe District Municipality.

Vermaak (2014) states that informal markets are important indicators of the political and economic health of a society. In addition to that, Nenzhelele

(2014) states that the informal sector is one of the popular business ventures in the Thohoyandou Central Business Areas. Most products are sold in streets and sidewalks (pathways). The informal traders are mostly based at the Mvusuludzo taxi rank and they occupy 1-2 square metres of space to exhibit their products. Motala (2002) defines informal trader(s) as any person who operates any commercial activity in non-permanent structures. These may range from semi-permanent business on street sides to mobile services in parks, stations and other public and private areas. Examples include shoe repairers, small roadside food sellers and those selling sweets on carts. In addition, informal/street traders are those who belong to the informal economy and who trade in the streets. Moyo & Madlopha (2016) state that IDP is based on the theory of decentralized governance. This paper intends to identify two objectives which are; firstly, to find out relevant IDP initiatives supporting informal trading in Thohoyandou. Secondly, to determine the socio-economic challenges of informal trading in Thohoyandou

Universally, it is accepted and acknowledged that the informal sector is an essential factor in promoting and achieving economic growth and development, and a major contributor to job creation, innovation and social stability (Majadibodu, 2016). However, in South Africa Local government (local municipalities) are bound by the constitution to provide for socio-economic environment that enables citizens to maximise their standard of living at the local

level (van Heerden, 2011). The Thulamela municipality IDP (2013-2014) clearly indicates that IDP is within the context of legislations that governs the Local Government (i.e. Constitution, 1996 sec 152; Municipal System Act, section 25(1) and sections 26, 34, 41. The Municipal Systems Act (2000) obliges the municipalities to determine development strategies with which they can use to empower informal traders.

Informal traders occur on a large scale in the town of Thohoyandou of whereby most of them trade under difficult conditions. Yet, amongst other Key Performance Areas (KPAs) of Thulamela Municipality is that the municipality must perform profoundly in service delivery and local economic development whereby the informal traders are supposed to be recognised under these areas through the empowerment on various factors, such as the transfer of skills and training and the advancement of entrepreneurial skills. This paper argues further that while the government is pledging its support to this sector in the national policies like National Development Plan (NDP). Different studies and researches disapprove that the sector is given the expected attention and opportunity of development like other sector such as sports and recreation within the municipality. This paper, therefore, questions whether Thulamela municipality indeed fulfils its mandate, given the IDP strategy on local economic development on the empowerment of informal traders in Thohoyandou. However, much more emphasis will have to be placed on the nature of IDP and its importance within South African landscape.

2. The Integrated Development Plan and its Significance in South Africa

Vhonani (2010) states that the IDP was first introduced in 1996 in an amendment to the Local Transition Act, 209 of 1993. All transitional local councils were required to prepare IDPs. The ANC led government shifted firmly from the reconstruction of national and provincial government to the creation of a new system of local government. The introduction of the IDP created confusion as it competed with other planning instruments. However, the White Paper on Local Government 1998 clarified the role of the IDP as the lead instrument of local planning. The need for the strategy that would assist newly constituted municipalities in performing their functions in a coordinated, strategic, developmental and fiscal responsible way was recognized and

the IDP was constructed for this purpose (Vhonani, 2010). The constitution of the Republic of South Africa, 1996 mandates the local government sphere to be developmental in nature. The developmental objectives of the local government make provision for services to be delivered in a sustainable and consultative manner (Davis, 2003). The developmental mandate of the South African local government has necessitated the introduction of the Integrated Developmental Plans (IDPs) by all municipalities in South Africa (Cloete, Merrifield & Masiteng, 2003; Mashamba, 2008).

The *Municipal Systems Act 32 of 2000* defines the IDP as a "single inclusive and strategic plan" that links, integrates and co-ordinates a municipality's sector specific plans; aligns the resources and capacity of the municipality to the overall development objectives of the municipality; forms the policy framework on which annual budgets rest; and informs and is informed by similar development plans at national and provincial developments plans. Thulamela Municipality IDP Review (2009/10-2011/12) defines an IDP as a "development plan for the municipality that will guide the municipality in taking planning decisions". Sikrweqe (2016) states that the IDP is an approach to planning that involves the entire municipality, and its citizens, in finding the best solutions to achieve long-term development.

The significance of IDP can be seen on various issues such as whereby the plan is used as a key tool by the South African local government to cope with its new developmental role (Sikrweqe, 2016). IDP is seen as a function of the municipal management and part of an integrated system of planning and service delivery (Gunter, 2006). IDP also plays a role as a strategic planning instrument in guiding and informing planning, budgeting, management and decision making in the municipality. Parnell & Pieterse (1999) see the importance of the IDP in representing a major change from the traditional apartheid design to a powerful policy instrument that brings about local government transformation. Maphunye & Mafunisa (2008), are of the idea the embedment of the IDP in South Africa is to address the past apartheid legacies of spatial and development planning process that has left the country with cities and towns that have racially divided businesses and residential areas and that were poorly planned to accommodate even the disadvantaged. Sikrweqe (2016) states that the IDP fosters a culture of cooperative governance. The IDP serves a basis

for communication and interaction between the three spheres of government and sectors of development. Amongst other roles, IDP can be used as a strategy for service delivery, infrastructure development, and community participation.

3. Legislative Imperatives for IDP in South Africa

The drafting and implementation of IDPs by municipalities in South Africa is a lawful requirement. It is a mandate bestowed upon them by various pieces of legislation. Amongst other notable legislations, there is: *The Constitution of the Republic of South Africa, 1996*; *The Development Facilitation Act, 1995*; *The Municipal Structures Act, 1998*; *the Municipal Systems Act, 2000*; *the White Paper on Local Government, 1998* and *The Local Government Transition Act, 1993 as amended*. The *Constitution of the Republic of South Africa, 1996*, makes provision that municipalities can draft and implement the IDPs to promote the ration, manage their administration, budgeting and planning process to priorities the basic needs of local communities. In terms of the Constitution, local government as a distinct sphere of government is required to provide democratic and accountable government, ensure the provision of services to all communities in a sustainable way, promote social and economic development and encourage the involvement of local communities in local governance.

The *Development Facilitation Act of 1995* provides superiority to the local sphere of government as the means for transformation and development. The IDP, in terms of this Act, is seen as a key point and the main pillar for development and the provision of basic services to local communities. The Act encourages the efficient integration of social, economic, institutional and physical aspects of development. The IDP process, in terms of the Development Facilitation Act, is regarded as the main organising device for encouraging municipalities to identify key delivery targets.

The *Municipal Structures Act of 1998* makes provision for the formation of wards and wards committees in the South African local sphere of government. The objective of ward committees, in terms of the Municipal Structures Act, is to enhance participatory democracy in local government. This Act also gives municipalities the responsibility to apply the IDP framework whilst delivering basic services to

communities and outlines a framework on how IDPs can be developed. The *White Paper on Local Government, 1998* is regarded as a stepping-stone between the Constitution of the Republic of South Africa and the Municipal Structures and Municipal Systems Acts. The central idea of the White Paper is developmental local government. As in the case of the Municipal Structures Act, the Local Government White Paper requires that local government works hand in hand with the members of local communities and groups in the planning and implementation of developmental plans.

The *Local Government Transition Act of 1993* and its second amendment, 1996, also laid the basis for municipalities to implement IDPs. The Act asserts that local government should put into practice the IDPs and must focus on key development challenges facing their municipalities. The *Local Government Municipal Systems Act, 2000* mandates municipalities to draft and implement the IDPs in their areas of jurisdiction. The Act requires that the local communities be consulted about decisions on matters that concern them, e.g. their needs and priorities. In terms of the Act, municipal councils must develop a culture of participatory governance as well as conditions conducive for the community and local stakeholders to participate freely in local government matters. Section 25 (1) of the Municipal Systems Act requires municipalities to develop a single and inclusive plan that links, integrates and coordinates plans of municipal departments, and one that aligns resources and capacity with implementation. This plan must be seen as a foundation on which annual budgets must be based, and aligned with plans of national and provincial spheres of government. The IDP legislative framework is only related to those legislations that encourage service delivery and those that confer the powers to the local municipalities as to how they can exercise and execute those powers and to development needy sectors like informal sector.

4. Informal Trading and its Significance in South Africa

Bromley (2000) states that informal trading is an ancient and important occupation found in virtually every country and major cities around the world. In addition, Majadibodu (2016) states that new changes, in a new democratic South Africa, have brought many challenges to unemployed people in the various municipalities. These challenges have

led many unemployed people to start informal trading in various areas of local government. At a local level, informal trading has therefore become an argumentative issue whereby there are perceptions about women leading informal markets, foreign traders conquering the space as well as few or less profit being made from the informal economy. There is, however, a general consensus that informal trading has both positive and negative aspects. On the positive view, Vermaak (2014) & Nenzhelele (2013) contends that informal trading contributes to the economic viability and dynamism of the city, creates employment, alleviates the hardships of unemployment and poverty and develops entrepreneurial skills. On the other hand, the Informal Trading Development Programme (2002) reports the negativity of informal sector on the bases that street trading often results in the obstruction of pavements, large volumes of litter and often unsanitary waste products, traffic congestion, unfair competition for formal sector businesses, crime and hygienic environment and general deterioration and dilapidation of the urban landscape.

5. Policy and Legislative Framework for Informal Markets in South Africa

Much has been done on the policy front in South Africa to facilitate informal economic practices, with the hope that these practices will translate into sustainable semi-formal enterprises. Different pieces of legislation and policies were adopted to support the informal trading. Amongst other policies, there is: *The Business Act of 1991; Constitution of the Republic of South Africa, 1996; White Paper on a National Strategy for the Development and Promotion of Small Business, 1996; The White paper on Local Government, 1998; The 1995 White Paper of DTI (Department of Trade and Industry) on Small, Medium and Micro Enterprises (SMMEs)*. This policy and legislative framework are also established to address a myriad of socio-economic challenges faced by the informal traders.

6. Socio-Economic Challenges Faced by Informal Traders in South Africa

In the South African context, the informal economy presents a number of challenges for those engaged in it. Environmental toxicants, harsh environmental conditions, which can result in health problems and adversely affect the quality of the street trader's wares (Shrestha, 2013; Basinksi, 2014). In addition,

a lack of access to finance further complicates the already difficult environment and conditions that street trader's face. There further exists a lack of sponsorship and funding for individuals in the informal economy. This has resulted not only in an increased opportunity cost of lost business, but also precludes individuals from purchasing products in bulk, thereby driving up product costs due to purchases having to be made in small quantities (Tshuma & Jari, 2013).

Lack of training, entrepreneurial business skills and industry information is prevalent in the informal economy, due to individuals training themselves or obtaining information from informal and unreliable sources (Nkrumah-Abebrese & Schachtebeck, 2017). This has further contributed to a lack of knowledge around legislation affecting informal trading, such as municipal policies and by-laws, compounded by inaccessibility of information and lack of effective communication between municipalities and informal traders (SEDA, 2008).

7. Informal Sector Empowerment Approaches: Department of Trade and Industry

According to the DTI (2013) there are various empowerment measures established by the department to address the market failures mostly where they affecting the nations' development goals. These measures focused on targeted beneficiaries, including microenterprises, informal businesses as well as black-owned enterprises. These empowerment measures, amongst others, include:

7.1 Small Business Support Since 1995

The 1995 white paper identified a number of constraints facing small enterprises. These include legal and regulatory environment, access to finance and business premises, access to markets, acquisition of skills and managerial expertise, the tax burden, appropriate technology and proper business infrastructure (DTI, 2013).

7.2 Access to Finance

The DTI (2012) argues that it offers various financial opportunities comprising of loans and incentive grants that play an important role in enabling access to finance to small enterprises through the following instruments, agencies and institutions:

- *South African Micro-Finance Apex Fund (SAMAF)*
- *Khula Enterprise Finance Limited*
- *The Thuso Mentorship scheme*
- *National Empowerment Fund (NEF)*
- *Black Economic Empowerment (BEE)*
- *Industrial Development Corporation (IDC)*

7.3 Business Development Services

Small Enterprise Development Agency (SEDA) is spreading its existence countrywide through branch offices and a link with independent partners, with an idea of serving small business development (DTI 2013). Provincial government agencies also play a vital in small business development in South Africa, amongst others, these include: *Gauteng Enterprise Propeller (GEP)*; *Limpopo Business Support Agency (LIBSA) found in Limpopo*. In addition, Legodi & Kanjere (2016:62) states that, many municipalities continue to support and boost small businesses through and under a programme called Local Economic Development (LED).

8. The Status of Informal Markets in Thohoyandou

Nenzhelele (2013) notes that street traders in Thohoyandou have taken a great volume of pedestrians attracted by the shopping malls and transport hubs within town. Informal traders are based at the Mvusuludzo taxi rank, most of them occupying 1-2 square metres of space to exhibit their products. There are no clear demarcations for trading space although traders themselves have a clear notion of where their businesses operate from. Various products and services are sold and traded at the Thohoyandou informal market. Vermaak (2014) further states that, the observation came to light that Thohoyandou informal sector is composed of candle makers, tailors, bakers, photographers, food sellers, brick makers, hairdressers, artists, mobile phone operators, money lenders, debt collectors, mobile phone technicians, domestic workers, carpenters, gardeners, car washers, painters, and fruit and vegetable dealers. Most goods are basic, locally produced commodities and raw materials and value-added products such as processed foods and sun-dried worms. If business is good, traders will trade after sunset and reside temporarily near the market.

Nenzhelele (2013) further attest that most of the informal traders, however, seem not to comply

with the annual levies payment to Thulamela Municipality – attributed by traders to maladministration by municipality officials.

9. Research Methods

The research was explorative in nature. The researcher used qualitative research method, Qualitative approach in this paper included personal interviews and observations. The study was conducted in Thohoyandou town. The population groups were Thulamela municipal officials and Informal Traders. The researcher sampled about 20 municipal officials and about 50 informal traders. Purposive or judgemental sampling method was used because the respondents have been judged to be the ones who can be in a position to give additional information than may be expected. Since it was impossible to study all members of the defined population, generalization was a necessary scientific procedure. The researcher took a portion of the population, made observations on this smaller group and then generalized the findings to the populations.

For the purpose of pilot testing, the researcher interviewed 3 respondents of each group who possess the same characteristics as the respondents but were not part of the actual study. This enabled the researcher to restructure the interview schedule, collect relevant and accurate data, and to remove improper and unacceptable terms. Pilot survey herein increased validity of the research instrument, it was also used to determine the time that should be taken to complete the interview session with each respondent. Data collection instrument such as interview schedules were used. Interview schedules were administered in a face to face interview with respondents. Analysis techniques were employed to different research approaches. Data collected through interviews is analysed using thematic, narrative and/or content analysis approach. Considerable research ethics were considered, amongst others, the ethics included: Informed consent; whereby the researcher ensured that full informed consent is given and consent forms are signed by the participants before the study could commence. Protection from harm; the researcher ascertained that no participant will experience any psychological, physical and/or emotional harm in the study. Confidence, anonymity and the right to privacy; in this study participants or respondents' names, or personal details in particular cannot be

revealed to the public. The centre of these ethical norms is mutual agreement between the researcher and the participants that their details should not be known by anyone, except the researcher.

10. Findings and Discussions

Most of the municipal officials indicated that although the strategy is not doing enough, but there are initiatives that the municipality through IDP has provided for informal traders in Thohoyandou; those are the provision of: funding reserved for small businesses; training for small businesses; local economic development; motivation programmes; useful equipments and loans. Municipal officials mentioned few challenges faced by informal traders in Thohoyandou, such as; Insufficient basic infrastructure; insecurity and crime; migrants become continuously attracted; creation of new markets, destruction of space. Most foreign nationals are operating shops which results in local traders going out of business and most business licences are in South African names.

According to the personal interview made with the informal traders, the respondent made it clear that informal traders face challenges in their businesses which are slightly different and similar to those of the municipal officials, amongst others, respondents mentioned that; the stock gets rotten if not sold on time, and subject to disposal, No sufficient income, their stock is expensive, Lack of security and safety for goods, Theft, Lack communication with municipality, lack of full support from the community to the traders as well as competition amongst traders. Municipal officials added that: the space is very limited; Thohoyandou town is not a well-planned; the town is too small; limited budget or budget constraints; not enough money allocated in the IDP projects; there are people who damage the market, theft and robbery.

The findings on the biographical information of respondents appear to be consistent with the national norm, in which there are more females than males in the informal markets. As a result of the majority of females and males who served as respondents in this study being Africans, the findings may well be used as confirmation that though the engagement in the informal sector tends to be higher amongst blacks (Africans) when compared to whites, Africans tend to be the worst affected. In the same light, the data obtained during fieldwork

indicated that different ranges of age participate in the Thohoyandou informal markets with more of the informal traders being illiterate. That becomes a different case with the municipal personnel/officials, in a sense that most of them are semi-literate and literate. However, from the analysis and observation, it was found that Thulamela Municipality is not really doing a great deal of work to include the informal trading in their city management framework through regulation.

11. Conclusion and Recommendations

In view of the increasing number of informal traders (both nationals and non-nationals) engaging in street vending in Thohoyandou town, Thulamela Municipality and other stakeholders involved in the urban management should make provision for more trading space to accommodate this increasing population of informal traders in the town. In order to make street trade more viable, Thulamela Municipality together with other stakeholders involved in its regulation should facilitate financing of activities through the creation of microfinance institutions that can provide loans on favourable conditions for the street vendors (both nationals and non-nationals).

Nationals should also be encouraged to learn from immigrants by becoming self-employed in the informal sector to reduce dependence on the government and the formal sector for employment. This could be done through open days, competition and awards to outstanding street vendors. This would go a long way to reduce dependence on the government and reduce xenophobic attacks that have often been directed towards foreign vendors. Informal trading is one of the biggest sectors of the informal economy in South Africa in terms of the provision of the basic needs for the workers and contributing towards the Gross Domestic Product (GDP) of the country. The IDPs of municipalities are originally observed as the strategic plans specified for the municipalities concerned. The IDP is today regarded as a potential cornerstone for raising and addressing issues that have to be attended to by the all the three spheres of government. It can still be argued that the IDP involves different actors and sectors which are bound to work together under a commonly designed goal and re-aligning the needs of the citizens to the superior goal of municipalities – which is development oriented, that includes the provision of strategic needs for empowering the

informal traders. Basic recommendations can be made in order to improve the sector in terms of management as well as increase in information on the sector. This would greatly boost the sector as a strategic tool to fight unemployment and poverty in South Africa. The following recommendations are therefore put forward:

- **Preferences on Trading Fee/Levies:** The issue of the payment of rental or levies must be carefully addressed. Once again the type of market/trader will determine the amount of the levy/rental. Preferences on trading fees could be made in the same way as value is placed on built property depending on where it is located, a value is placed on a trading site, such as a pavement trading site. A system of differentiated rentals is applied, to cover street vendors, itinerant vendors and people trading in built markets.
- **Limiting Overtrading:** A problem that is endemic of informal trading is often the numbers of informal traders. Very few can be accommodated in markets and the informal sector cannot accommodate all the subsistence traders. In that case, in revamping the sector in the long-term, the subsistence traders will disappear from the sector and be absorbed into the burgeoning economy as employees in the formal sector. It is probably futile to hope that the informal sector (even in its current format) would be fully absorbed in future. Therefore, there must be a limit to the number of traders the streets can accommodate.
- **Integrated Management Planning:** Informal trading is not merely the responsibility of one department of the municipality. Many departments are involved, for example Local Economic Development, Metro Police, Safety and Security, Environmental Health, Health, Legal Services, Land-use Planning and Sanitation. An Interdepartmental technical task teams should be involved in issues relating to informal trading. The establishment of an integrated service delivery consisting of three portfolios, namely utilities, services and cleansing; economic development and planning; and community services could be useful in this case. In addition to managing informal trade, a large number of external institutions may also be involved as service providers. These include the Department of Trade and Industry (DTI), welfare departments and NGOs. These institutions should also be involved in the Informal Sector Coordinating Committee (ISCC) to ensure a comprehensive support programme.
- **Enhancing Informal Trader Participation: The Local Government: Municipal Systems Act 32 of 2000** is devoted to the issue of community participation in municipal government. One of the major proposals is that municipal councils must establish appropriate mechanisms, processes and procedures for residents, communities and community organisations to participate in municipal affairs. Every municipality is entrusted with developing a culture of municipal governance (section 16) and municipalities must create appropriate structures, mechanisms, processes and procedures for public participation (section 17). Against that background the municipality must provide the necessary atmosphere for communities to participate in establishing and developing an informal trading policy and also the suitable environment for informal traders to participate in local level affairs.
- **Spatial Planning:** Spatial planning is part of the integrated development of a municipality. An IDP contains a Spatial Development Framework (SDF). Both the IDP and the SDF must accommodate informal trading. The land-use management scheme within the SDF must indicate those areas demarcated for informal trading.
- **Provision of Services and Infrastructure for Informal Traders:** The provision of infrastructure for informal traders is related to the establishment of markets. The view is that it is necessary to improve the infrastructure available to the sellers, especially those selling food. Preparing foods can pose serious health hazards. As far as infrastructure is concerned, the issue is what extent of infrastructure should be provided.

References

- Basinski, S. 2014. Hot Dogs, Hipsters, and Xenophobia: Immigrant Street Food Vendors in New York. *Social Research: An International Quarterly of the Social Sciences*, 81(2):397- 408.
- Bromley, R. 2000. Street vending and Public Policy: A Global review. *International Journal of Sociology and Social Policy*, 20(1/2):1-29.

- Department of Trade and Industry (DTI). (2013). *Overview of the DTI*. Available at: <http://www.dti.gov.za>. Accessed on 30 August 2013.
- Government of South Africa. 1991. *Business Act 72 of 1991*. Pretoria: Government Printers.
- Government of South Africa. 1993. *Local Government Transition Act 209 of 1993*. Pretoria: Government Printers.
- Government of South Africa. 1995. *Development Facilitation Act 67 of 1995*. Pretoria: Government Printers
- Government of South Africa. 1996. *Constitution of the Republic of South Africa Act 108 of 1996*. Pretoria. Government Printers.
- Government of South Africa. 1998. *Municipal Structures Act 117 of 1998*. Pretoria: government Printers.
- Government of South Africa. 1998. *White Paper on Local Government*. 1998. Pretoria: Government Printers.
- Government of South Africa. 2000. *Municipal Systems Act 32 of 2000*. Pretoria. Government Printers.
- Gunter, A. 2006. *Integrated Development Plans and Local Economic Development: The Case Study of Mpumalanga Province*. Johannesburg.
- Informal Trading Development Programme. 2002. *City of Johannesburg Economic Development Unit*. Policy document.
- Legodi, K. & Kanjere, K. 2016. The Challenges Faced by Informal Traders in Greater Letaba Municipality in Limpopo Province, South Africa. *Africa's Public Service Delivery & Performance Review*, 3(4):57-75.
- Majadibodu, M.I. 2016. *The Impact of Street Trading on the Economic Development in the City of Polokwane, Limpopo Province*. Unpublished Masters thesis. Polokwane: University of Limpopo.
- Maphunye, K.J. & Mafunisa, M.J. 2008. Public Participation and the Integrated Development Planning Process in South Africa. *Journal of Public Administration*, 43(32):473-482.
- Matosse, E.P. 2013. *Community Participation in the Integrated Development Plan Preparation Process: The Case of Ndwedwe Local Municipality*. Unpublished Masters thesis. Durban: University of KwaZulu-Natal.
- Motala, S. 2002. *Organising in the Informal Economy: A Case Study of Street Trading in South Africa*. Geneva: International Labour Office.
- Moyo, T. & Madlopha, S.S. 2016. *An Evaluation of the Role of Community Based Planning in Integrated Development Planning Process in Umjindi Local Municipality, Mpumalanga Province*: University of Limpopo. Available at: <http://ul.netd.ac.za/bitstream/handle/10386/1600/13%20Madlopha.pdf?sequence=1&isAllowed=y>. Accessed on 3 August 2017.
- Nenzhelele, M.A. 2013. The Role of Thulamela Municipality in Creating an Enabling Environment for Informal Traders in Thohoyandou. *Journal of Management & Administration*, 11(1):116 -135.
- Nkrumah-Abebrese, B. & Schachtebeck, C. 2017. Street Trading in South Africa: A Case of the Tshwane Central Business District. *Acta Universitatis Danubius*, 13(3):128-138.
- Parnell, S. & Pieterse, E. 1999. Developmental Local Government: The Second Wave of Post-apartheid Urban Reconstruction. *Africanus*, 29(2):61-85.
- SEDA. 2008. *Informal/Street Trading Policy Framework for Metropolitan and Local Municipalities*. Pretoria: Department of Trade and Industry.
- Shrestha, S. 2013. A Study on the Street Traders of Kathmandu Municipality. *Pertanika Journal of Social Sciences & Humanities*, 21(2):725-734.
- Sikwreqe, N.P. 2013. *Integrated Development Planning as a Poverty Reduction Strategy in the King Sabata Dalindyebo Municipality, Eastern Cape Province*. Master's Dissertation: University of South Africa.
- Tengeh, R.K. & Lapah, C.Y. 2013. The Socio-Economic Trajectories of Migrant Street Vendors in Urban South Africa. *Journal of Social Sciences*, 4(2):109-127.
- Thulamela Municipality Integrated Development Plan. 2013-2014. Thohoyandou: Thulamela Municipality.
- Tsatsire, I. 2008. *A Critical Analysis of Challenges Facing Developmental Local Government: A Case Study of the Nelson Mandela Metropolitan Municipality*. Unpublished Doctoral thesis. Port Elizabeth: Nelson Mandela Metropolitan University.
- Tshuma, M.C. & Jari, B. 2013. The Informal Sector as a Source of Household Income: The Case of Alice Town in the Eastern Cape Province of South Africa. *Journal of African Studies and Development*, 5(8):250-260.
- Van Heerden, S.K. 2011. *Street Trading In Cape Town CBD: A Study of the Relationship between Local Government and Street Traders*. Unpublished Masters thesis. Cape Town: Stellenbosch University.
- Vermaak, N.J. 2014. *The Thohoyandou Informal Markets and Integrated Development*. *Journal of Public Administration*, 49(4):1185-1195.
- Vhonani, D.S. 2010. *Evaluating the Delivery of Water and Sanitation Services in the Thulamela Municipality of Limpopo Province*. Unpublished Masters thesis. Polokwane: University of Limpopo.

South Africa Beyond the Millennium Development Goals (MDGs): Examining the Essentials for Development

MN Njotini

University of Johannesburg, South Africa

Abstract: Development, expansion or innovation remains a critical challenge to society. Particularly, it is a phenomenon that discriminates between sexes, ages, races or ethnic groups. Because of this, it is required that there shall be a change in development approach. The 2016 Sustainable Development Goals (SDGs) represents the development agenda beyond 2015. These goals are some of the indispensable initiatives to mark such a change in the world's developmental programme. They cover an extensive range of issues related to development. These are, for purposes of this paper, those that deal with ensuring environmental sustainability. However, it is argued that the agenda contained in the SDGs is not likely to be realised in situations where a top-down approach, as opposed to a bottom-up approach, to development is followed. Specifically, a top-down approach will promote developmental goals that are averse to the society to which development is intended. As a result, it is possible that it can frustrate one of the essentials to development, that is, that society should champion, own and partake in its own development.

Keywords: Development, Innovation, MDGs, SDGs, Science, Technology and culture

1. Introduction

The question regarding what the term "development" really means is normally left open for every respondent to devise their own interpretation. This has led some to inquire whether development, as a notion, is a "Misnomer" (Henry, 1997:1-6). However, a closer attempt to defining development is one which equates the notion with the improvement of social and economic conditions of society (Birou, Henry & Schlegel, 1997:9). In other words, development aims to uplift society through the introduction of programmes to grow its social and economic standing and potential. In this manner, development implies a movement from one particular method of reasoning or practice to another (Birou, Henry & Schlegel, 1997:9). This shift requires fortitude, expertise, time and resources. In society, there are those who may be hesitant to support and/or participate in this change. Cultural differences, pre-occupation with the past and historical benefits are some of the things that may contribute to this reluctance. Development of this kind centres on society (Rio Declaration). It requires the active participation of society (bottom-up developmental framework) in its own development. The bottom-up framework to development recognises that society is the "initiator and beneficiary of development, the means and the end, (and) the agent through whom and for whom, all development must be undertaken" (UN Economic Commission for Africa, 2008). It also requires society

and the most vulnerable in society, for example the poor, women, children and people with disability to take charge of, own and participate in their specific development (National Housing Code, 2009).

The case of Thailand on social development demonstrates why a bottom-up method of development succeeds. As a result of being plagued by underdevelopment and slow economic growth in 1960, only 0.17 per cent of the rural population in Thailand had access to basic sanitation. Thailand embarked on massive innovation plans (National Economic and Social Development Plans or NESDP) that date back to the 1960s. Following this, the NESDP made sanitation a priority. Accordingly, it covered a wide range of projects and programs. These projects included the: village health and sanitation project, health for all by the year 2000, international drinking water supply and sanitation decade, quality of life development campaign, 100 per cent latrine coverage campaign project, Ministry of Interior policy and technology cooperation among developing villages (Government of Thailand, 1997-2001:55-56). Furthermore, the NESDP placed development at the centre of the people of Thailand. By this it was recognised that development (of any kind) should be unique to the situation and cultural background of the people they are earmarked for. Consequent to these social interventions, a total of 99.9 per cent of the rural population in Thailand reportedly had access to basic sanitation by the year 1999 (Government of Thailand, 1997-2001:60-65).

Underdevelopment is generally a challenge to society. Most importantly, it discriminates between "sexes, ages, races or ethnic groups" (Jones, Holmes & Espey, 2010:113). Given this challenge, practices which promote a shift from "all for some" to "development for all" social structure are ideal for development (High-Level Panel of Eminent Persons, 2013:7). Because development is such a wide concept, some of the factors that are important for development are examined. These are, inter alia, the provision of sustainable access to safe drinking water and basic or improved sanitation. This discussion is made in order to locate the position of the law and science to development. That is to establish the role of the law and science in providing a technological framework which promotes sustainable or continuous access to safe drinking water and basic or improved sanitation. Accordingly, this paper studies the essentials or requirements for development within the context of South Africa. By this, it is not implied however that these essentials are a *numerous clauses*. The requirements merely assist or are vital to development. They particularly lead the plan and execution of a developmental agenda. Secondly, the framework for development including the background and structure of sustainable development is examined. Sustainable or continuous access to water and basic or improved sanitation are used as the lead. Thirdly, a summary of the progress and challenges to attaining the developmental agenda is illustrated. The latter relies on reported data and statistics as elaboration. The last section is the conclusion. It argues that a novel framework regarding the necessities for development has to be established. This structure facilitates or should facilitate the creation of innovative ways to counter existing and future (post 2015) developmental challenges.

2. Essentials for Development

In this paper a number of requirements are discussed which are fundamental for development. These essentials cover both the economic and human development. As such, they are not stand-alone fundamentals. They are to be studied together if an agenda for sustainable development is to be achieved. According to the Constitutive Act of the African Union of 2000, the fundamental include science, technology and culture. Their meaning and importance is consequently examined in the sections below.

2.1 Science

The meaning of the term "science" is vastly debated. The ideas of, amongst others, Kant (1977) and Popper (2002; Popper, 2014) on science can be used in order to illustrate the aforesaid differences. Kant's philosophy of science, on the one hand, is founded on his rejection of metaphysics as the basis of science. Consequent to this, Kant differentiates between things. These, he says, are the *phenomena* and *noumena*. *Phenomena* refers to objects that can be sensed and/or observed (Priest, 2002:74-75). *Noumena* include objects that are represented in "abstraction from sensibility" (Grier, 2001:87). Their recognition as things is abstracted from the fact that they can be "brought to the mind, they can (thus) be conceived". Some refer to these things as things-in-themselves or the "essence of things" (Priest, 2002:87). On the other hand, Popper asks the question: when is a theory scientific and when is it not? He then argues that a theory has to be scientific if it leads or is able to lead to scientific knowledge (Popper, 2002:9-10). In other words, the following has to be taken into account: "so long as a theory withstands detailed and severe tests and is not superseded by another theory in the course of scientific progress, we may say that it has proved its mantle or that it is corroborated by past experience" (Popper, 2002:9-10). By doing this, Popper seems to be associating himself with Plato's two-world theory, that is, the physical and the metaphysical worlds. There is agreement that science is or deals with the creation of new knowledge (UN Economic & Social Council, 2013). This view appears to have been influenced by the idea of Aristotle on science and scientific inquiry. This idea rests on the premise that science or scientific inquiry is knowledge that particular events take place or are bound to happen (Losse, 2001:5). In order for this knowledge to be regarded as scientific it has to be characterised as proof. In other words, it must objectively be supported by scientific evidence or proof or the so-called falsibility and/or falsification of statements (Kroeze, 2013:41). This then excludes pseudo-sciences, for example phenology and global warming (Kroeze, 2013:40-41).

In summary, the association of science with knowledge-building is essential to this paper. This is specifically so because development requires that there should be a new or advanced way of thinking. This thinking should then foster innovation, invention, that is, the so-called pillars of development

(Richter, 1995). These pillars, and their efficiency and effectiveness have to be tested, evaluated and measured. This testing, evaluation and measuring accordingly fall within the ambit and context of science or scientific scrutiny (Merkel, 1998:336-337). In the section below, one of a scientific invention, that is, technology is discussed. It will be revealed that technology contains both the physical and non-physical aspects. However, a human element is required for it to operate effectively and efficiently.

2.2 Technology

The word "technology" is rooted in history. It originates from the Greek word *techne*. The term *techne* refers to "neither art nor handicraft but rather: to make something appear, within what is present, as this or that, in this way or that way" (Heidegger, 1993:361). In this manner *techne* denotes a particular model or method of knowing. Specifically, it has relations to the art of the mind and what some call the fine arts (Thompson, 1995:82). Having the aforesaid in mind, incongruity still exists regarding how to properly define the word "technology". On the one hand, it can be described by reference to how a system, machine or mechanism works (Restivo, 2005:xix). In technological terms these systems are referred to as the hardware (Grübler, 1998: 20). Hardware is a collection of tools, for example axes, arrowheads, spades. It generally enhances the ability of a human to do a job. In others, the technology is defined having in mind the aspects of operation which are presumed not to involve a human element. This non-human element is, in technological terms, called the software. The emphasis, in relation to the second definition, is not only on what technologies are made but is also on how these technologies are made. The reliance on the non-human element is specifically common in big corporations, for example banks, insurance companies and the like. For instance, it has become common to hear people saying: "we apologise for the inconvenience, we are currently having technical problems". In this manner, technology satisfies the human and social needs, that is, the realising desired states of affairs, through devising material artifacts, for example objects, devices or processes which are appropriate and as effective as possible (Arageorgis & Baltas, 1989:212).

The fact that technology is described as encompassing both the hardware and software is indispensable to this paper. This is the case because technology

denotes the application of knowledge or what the French refer to as *technique*. The knowledge resides in the maker and/or consumer of the technology. It is knowledge about when, how and for what purposes the technology is to be used? This knowledge thus validates the claim on how societies view themselves and their environment (Pardeck & Murphy, 1986:1-2). Two examples may be used in order to illustrate this point. One relates to the developments in Brazil regarding the use of ethanol as fuel (biofuel). Brazil's ethanol idea started in the 1930s. The idea was motivated by constant increases in the prices of petrol and oil. Sugarcane was then directed into ethanol production and ethanol was converted into fuel. This biofuel is nowadays the most commonly used and contributes to greenhouse gas reduction of up to 90% (De Sousa *et al.*, 2015:35-40; Burkeridge *et al.*, 2012:119). The second example has to do with the programmes that are designed for water reclamation or water recycling or reuse. Water reclamation denotes a process to treat already used water in order that it may be re-used for drinking, irrigation or industrial purposes (Costán-Longares *et al.*, 2008:4439-4444). It involves, inter alia, four stages, namely, coagulation or flocculation, clarification or sedimentation, filtration and disinfection (Betancourt & Rose, 2004:222-226).

In summary, technology is one of the most indispensable scientific innovations. It can take the form of a physical (hardware) or non-physical (software) structures. Despite this difference, a particular amount of knowledge is necessary to operate a technology. This knowledge is generated by means of scientific inquisition. Building on the above-mentioned, the section below discusses the importance of culture in development. It is argued that development is likely to succeed if it is founded and has regard to the cultural circumstances of society.

2.3 Culture

Culture involves the combined sets of features of a society or social group. It requires prudence to be exercised in relation to the manner in which development is to be carried out. It also necessitates that science, innovation and the available technology should be appropriate to the developmental needs of a society. In this manner, society should participate in and/or take ownership of its own development (Ntibagirirwa, 2009:298). However, this participation is insufficient if developmental

structures are not a representation of the cultural beliefs which a particular society holds. Therefore, the basis for the abovementioned is the following:

"...what people believe and value are based on their being or ontological status. In other words, the beliefs and values people hold are a reflection of their identity, that is, their sense of self. Thus, ultimately, it is from this ontological status that a given people structure its own economic development that cannot easily be transferred to another people whose ontological status is different" (Ntibagirirwa, 2009:298).

Therefore, two propositions, inter alia, exist in relation to the importance of culture for developmental purposes. The first is that development encourages a well-grounded examination of related social issues, notably, science, technology and culture (Matzen & Edmunds, 2007:417). Consequently, a modification of the established modes of development becomes necessary. The second is that it promotes a developmental agenda which is consistent with a society's instructional practices. In summary, although development is necessary for the improvement of society, it however has to conform to the cultural practices of society. This is necessary in ensuring that society gets a sense of ownership to or have a stake in its own development.

3. Agenda for Development

3.1 Preliminary Remarks

It is indicated above that development suggests a transition from one particular paradigm to the other. This movement denotes a transformation from the old to the new. For purposes of this paper, the old represents a state of underdevelopment, that is, where sustainable access to safe drinking water and basic or improved sanitation is lacking. The new implies the goals of development. This new is often described as the future (The Future We Want) which all nations in the world desire to achieve. This is a future, inter alia, for the eradication of poverty, the promotion of the sustainable patterns of consumption or production and the protection of the natural base of the economic and social development. This future is to be achieved by establishing an "enabling environment at the national and international levels, as well as continued and strengthened international co-operation, particularly in the areas of finance, debt, trade, technology transfer, as mutually

agreed, and innovation and entrepreneurship, capacity building, transparency and accountability" (see the Millennium Development Goals (MDGs), 2015). The MDGs were established following the UN Millennium Summit during September 2000. The Goals reflect some of the most developmental challenges the world over. They relate to the eradication of extreme poverty and hunger, achievement of universal primary education, promotion of gender equality and empowering women, reduction of child mortality, improvement of maternal health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability and developing a global partnership for development (Mulaudzi *et al.*, 2016:1-2).

The South African developmental agenda is modelled along the 2015 MDGs. This then creates an expectation that South Africa will establish measures that respond to the identified challenges. In this research, the framework to Goal 7 (ensuring environmental sustainability) of the 2015 MDGs is discussed. Two factors motivate the making of this selection. The first is related to the fact that water and sanitation share a particularly close relationship. More specifically, recognition of one also implies an acceptance of the other. It is particularly stated that water and sanitation are the *sine qua non* for sustainable development and the improvement of the lives of people (UN Human Rights Council, 2011). It is accordingly presumed that water and sanitation are single units to the achievement of universal health. For example, water is essential for sanitation purposes in cases where water-based means are used. In addition, the right to basic water supply and basic sanitation are essential for the human health and wellbeing (S 2(a) of the Water Services Act). Secondly, Goal 7 of the 2015 MDGs cuts across or has relevance to all the other listed Goals. By way of illustrates: it may be necessary to attend to issues related to safe drinking water and basic or improved sanitation before attending to, inter alia, the reduction of child mortality, improvement of maternal health or combating HIV/AIDS, malaria and other diseases.

Given the discussion above, the section below studies the framework to promote sustainable or continuous access to safe drinking water and basic or improved sanitation. Applicable UN instruments and/or conventions are, where necessary, examined in order to give meaning and substance to this revision.

3.2 Safe Drinking Water

One of the most important steps in the revision of Goal 7 of the MDGs is the recognition of water as a fundamental human right. This realisation was initially incorporated into the Action Plan of the UN Water Conference that was held in 1977. Subsequently, a series of UN instruments – Convention on the Elimination of all Forms of Discrimination Against Women, Convention on the Rights of the Child, UN International Conference on Population and Development and UN General Assembly Resolution (A/Res/54/175) on the Right to Development, just to name but a few – then followed. For example, Article 12 of the A/Res/54/175 states that the right to food and clean water are fundamental human rights. The understanding of water as a right is informed by the acceptance that water is central for sustainable development (UN General Assembly, 2012), and is a public good that is essential to the life and health of all living organisms (ECOSOC, 2003). In its report of August 2007, the UN High Commissioner for Human Rights specifically stated *inter alia* that:

"It is now the time to consider access to safe drinking water and sanitation as a human right, defined as the right to equal and nondiscriminatory access to a sufficient amount of safe drinking water for personal and domestic uses... to sustain life and health".

Closely linked to this is the fact that access, that is, physical, economic and non-discriminatory access, to safe drinking water is necessary for leading a life in human dignity. Access is clearly defined. Access is deemed to exist if water is within or is in close proximity of the household, workplace, education or health institutions of a user. Consequently, the water point or any point of access to water must be within 1 000 metres of the home, workplace, education or health institutions. This accessing should be in line water access threshold in South Africa which is 25 litres per person per day or 6 kilolitres per household per month (Reg 3 Regulations Relating to Compulsory National Standards and Measures to Conserve Water). Furthermore, the water collection time must not exceed 30 minutes. Lastly, the costs of water should not exceed 5 per cent of a particular household's income (Reg 3 Regulations Relating to Compulsory National Standards and Measures to Conserve Water).

South Africa follows the human right trend that is set out by the United Nations. More specifically, the human right to safe drinking water is embodied in the Constitution of the Republic of South Africa, 1996 (Constitution). The preamble to the Constitution sets out the commitment in achieving this right. It states that South Africa has a duty to improve the quality of life of all citizens and (to) free the potential of each person. This promise is to be achieved by following chapter 2 of the Constitution, more importantly sections 24 and 27. Section 24(a) of the Constitution gives meaning to the aforementioned duty. It provides that "everyone has a right to an environment that is not harmful to their health or wellbeing". It is argued that the human right to water must be exercised in an environment which promotes human dignity (see, the South African case of *S v Makwanyana and Others, Dawood and Another v Minister of Home Affairs and Others; Shalabi and Another v Minister of Home Affairs and Others; Thomas and Another v Minister of Home Affairs and Others*), the achievement of equality and the advancement of human rights and freedoms. Its attainment may be limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society. The laws of general application which are enacted in response to sections 24 and 27 of the constitution include the Water Services Act 108 of 1997, National Housing Act 107 of 1997, National Water Act 36 of 1998 and Municipal Systems Act 32 of 2000. The National Water Act seeks to promote, amongst others, the equitable access to water. It requires access to water to be in or from a water resource, for example a river, spring, natural channel, wetland, lake or dam. Also, the access must be sustainable and continuous. The National Water Act additionally regulates the use of water for a number of purposes. These include domestic, domestic gardening, animal watering, firefighting and recreational purposes. Furthermore, it enjoins municipalities in South Africa to undertake certain tasks. These are, *inter alia*, to ensure that conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented and removed, services in respect of water....are provided. Accordingly, municipalities are required to take all reasonable measures to ensure the attainment of the provisions of section 9 above (S 3 of the National Water Act). From the analysis above, it becomes imperative to clarify certain propositions. It particularly has to be asked: what the terms sustainable and continuous mean within

the framework of ensuring access to safe drinking water? Additionally, it is pivotal to conduct an inquiry regarding the steps to be taken before it can be said that drinking water is safe. An attempt to establish the aforementioned is made in the sections below.

3.2.1 Sustainable

The verb "to sustain" denotes "to provide enough of what somebody or something needs in order to live or exist" or to make something continue for some time without becoming less" (Hornby, 2005:1548). In addition, the adjective "sustainable" involves the use of natural products and energy in a way that does not harm the environment or that can continue or be continued for a long time. It would appear from the Report of the UN Conference on Environment and Development of 1992 that access to safe drinking water is sustainable if due account of those who depend on water for their livelihoods is taken. This does not imply a cut-and-paste process and no shortcuts are required. Conversely, the views of the society, societal organisations, the poor, women, children, people with disabilities, and other NGOs should be taken into account in this regard.

3.2.2 Continuous

The word continuous refers to something that "happens or exist for a period of time without interruption" (Hornby, 2005:331). Within the context of Goal 7 of the MDGs, continuous access to safe drinking water is aimed at ensuring that the regularity of the water supply is sufficient for personal and domestic use (ECOSOC, 2013).

3.2.3 Safe

Safe implies that the water must be free from hazards that constitute a threat to human health. The most common of these include micro-organisms, chemical substances and radiological hazards. The National Water Act lists pollution as a threat to the safety of water. It then describes pollution in the following terms:

"The direct or indirect alteration of the physical, chemical or biological properties of a water resource so as to make it (a) less fit for any beneficial purpose for which it may reasonably be expected to be used; or (b) harmful or potentially harmful to the welfare, health or safety of human beings; to any aquatic or non-aquatic organisms; to the resource quality; or to property" (S 1(xv) of the National Water Act).

One of the important things to remember here is that the cleanliness and hygienic nature of the water for personal and domestic use assist in establishing whether or not it is indeed safe. Various methods are conventionally used in guaranteeing that the water is safe. These methods are part of a process which is referred to as water or wastewater treatment. This process assists in guaranteeing that the water has been drawn from a safe and improved drinking-water source. This may be a piped household water connection located inside a user's dwelling, plot or yard. Public taps or standpipes, tube wells or boreholes, protected dug wells, protected springs or rainwater collections are some of the examples of a water source (UNW-DPAC).

3.3 Basic or Improved Sanitation

It is illustrated above that water and sanitation share a particularly close relationship. In other words, access to basic or improved sanitation is almost impossible to achieve without the provision of access to water. Given this closeness, it therefore becomes inevitable that an acknowledgment of water as a right will similarly lead to the acceptance of basic or improved sanitation as a human right. Indeed, the Constitution of South Africa acknowledges the existence of this right. It particularly covers this right as part of the government's entitlement to provide access to health care services. To this end, reasonable legislative and other measures, within the state's available resources, must be taken. It is essential at this stage to describe certain notions that have relations with the right of access to basic or improved sanitation. These are, amongst others, sanitation, basic sanitation and improved sanitation. Firstly, the term sanitation means "access to, and use of, excreta, wastewater facilities and services that ensure privacy and dignity, ensuring a clean and healthy living environment for all" (UNW-DPAC). These wastewater (or sanitation) facilities and services involve a number of things. They include the collection, removal, disposal or purification of human excreta, domestic wastewater, sewage and affluent resulting from the use of water for commercial purposes. Secondly, the word "basic sanitation" denotes the "prescribed minimum standards of services (that are) necessary for the safe, hygienic and adequate collection, removal, disposal or purification of human excreta, domestic wastewater and sewage from households, including informal households", or the slums (2015 MDGs). The standards as set out in the section 1(ii)

of the Water Services Act are listed in Regulation 2 of the Regulations Relating to Compulsory National Standards and Measures to Conserve Water of 2001. These are "the provision of appropriate health and hygiene education; and a toilet which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection against the weather, well ventilated, keeps smells to a minimum and prevents the entry and exit of flies and other disease-carrying pests".

However, a challenge exists regarding a suitable meaning to be given to the term improved sanitation. This is the case because that which amounts to improved sanitation in one jurisdiction may not necessarily be so in another. The Ministerial Sanitation Task Team argues that improved sanitation goes or should go beyond a mere construction of toilets (Ministerial Task Team, 2012). It is accordingly a process of sustained environmental and health improvement. This practice may be one that hygienically separates human excreta from human contact and can consist of one of the following facilities: flush/pour flush to piped sewer system; septic tank; pit latrine; ventilated improved pit latrine; pit latrine with slab; composting toilet.

In summary, the above-mentioned indicate that sanitation, basic or improved, has everything to do with ensuring the privacy and dignity, clean and healthy living environment for the human person. For that reason, the sections below delve into the meaning of the terms "privacy", "dignity", "clean" and "healthy" within the context of providing basic or improved sanitation. Furthermore, the challenges that occur in the event that the aforementioned are not achieved are elucidated in section 4.2 below.

3.3.1 Privacy and Dignity

One of the starting points to the discussion of privacy and dignity for sanitation-related purposes in South Africa is the case of *Beja and Others v Premier of the Western Cape and Others* 2011 (10) BCLR 1077 (WCC). Amongst others, this case examined the correlation between the right to privacy and human dignity. It then referred to a number of cases the most important of which are, inter alia, *NM and Others v Smith and Others (Freedom of Expression Institute as Amicus Curiae), S v Jordan (Sex Workers Education & Advocacy Task Force as Amici Curiae)* 2002 (6) SA 642 (CC) and *Bernstein and Others v Bester and Others* NNO 1996 (2) SA 751 (CC). In *NM and Others v Smith and Others (Freedom of Expression Institute*

as Amicus Curiae), S v Jordan (Sex Workers Education & Advocacy Task Force as Amici Curiae), for example the court stated the following:

"The right to privacy recognises the importance of protecting the sphere of our personal daily lives from the public. In so doing, (it) highlights the inter-relationship between privacy, liberty and dignity as the key constitutional rights which construct our understanding of what it means to be a human being. All these rights are therefore inter-dependent and mutually reinforcing".

Furthermore, the court stated that "the constitutional commitment to human dignity invests a significant value in the inviolability and worth of the human body and the right to privacy, therefore, serves to protect and foster that dignity". Having examined these cases, the court in *Beja and Others v Premier of the Western Cape and Others* concluded that the right to privacy and human dignity are essential to the survival of a person. Given this significance, government at national, provincial or local levels must take all reasonable measures, taking into account its available resources, in order to safeguard these rights. The required safeguards are even more demanded in cases when the needs of the poorest of the poor are involved. Consequently, any practice to construct "a loo with view", that is, an unclosed toilet which is "completely open and is in full view of every person in the community" is unreasonable and unfair. Specifically, this practice infringes the right to privacy and human dignity.

3.3.2 Clean and Healthy

The issues relating to a clean and healthy environment are often said to have analogous meanings. The South African White Paper on Basic Household Sanitation of 2001 introduced a number of principles for the delivery of sanitation services in South Africa. One of the principles submits that sanitation improvement must be demand responsive and supported by an intensive health and hygiene programme. The Ministerial Sanitation Task Team also acknowledges the aforementioned association. It thus states that "sanitation does not simply mean latrines instead, it demands a greater hygiene (and clean) environmental awareness and capacity among communities to make incremental improvements that promote a healthy living environment" (Ministerial Task Team). The insistence on the necessity for a hygiene environment is not accidental. By their very nature, unhygienic or germ-infested

environments are unhealthy and unclean. This then results in the spreading of diseases and consequently compounds the existing burden to health systems (National Planning Commission, 2011).

4. Assessment of the Facts

4.1 Progress

Progress has been made by countries all over the globe to redress some of the major setbacks to development. The World Health Assembly (WHA) reports that during the period between 1990 and 2008 about 1.77 billion people worldwide had access to improved sources of drinking water (Sixty-Fourth World Health Assembly, 2011). Also, an estimated number of 1.26 billion people gained access to improved sanitation. It also appears that South Africa has placed the need to provide for sustainable access to safe drinking water and basic or improved sanitation at the forefront of development. It has particularly made the efforts in order to respond to these challenges. One of the examples is the Emalahleni Water Reclamation project which was established during 2005. The latter is a culmination of various programmes and plans for establishing facilities of basic water supply and sanitation to every household; and to eradicate the use of bucket toilets. Of course, massive progress in this regard was made immediately prior to the establishment of the new Constitutional order. For example, with a population of about 40 million people before 1994 (1994 represents the year in which the democratic South Africa was established), 15.2 million people, especially those living in rural areas, lacked access to basic water supply, that is, 25 litres per person per day, in South Africa. Furthermore, 20.5 million people lacked basic sanitation. In a recent survey (2012), Statistics South Africa estimates that the number of households with access to safe drinking water is about 85.9 per cent. Also, if we look at the statistics of some of South Africa's two poorest provinces (Eastern Cape and Limpopo) we find out that South Africa has made considerable progress. In the Eastern Cape the number of households with no access to basic sanitation during April 1994 was estimated at 10 001 327. However, a reduced number estimated at (288 346) was reported during April 2011. By 2012, the percentage of the people without access to basic sanitation was estimated at about 13.4 per cent. In Limpopo the number of households with no basic sanitation on or about April 1994 was estimated at 800 352. A decrease in

the number estimated at (464 257) was reported during the period around April 2011. In 2012, the percentage of households lacking basic sanitation in the Limpopo province was reportedly at about 6.3 per cent (Stats SA, 2013:28).

4.2 Challenges

The progress that is indicated above is however hampered by a number of shortcomings that still exist in South Africa. These limitations then enjoin South Africa to take meaningful steps to establish a framework for sustainable access to safe drinking water and basic or improved sanitation. For example, the World Health Organisation (WHO) states that there was still about 663 million people globally who were not yet getting drinking water from improved sources in 2015. Most of these people, that is, two-thirds of the said number, come from Sub-Saharan Africa. South Africa is one of those countries. In fact, South Africa is by a small margin outside the top-ten list of countries that will not be able to meet their water needs or demands by the year 2025. The WHO also states that about 2.6 billion people worldwide do not use improved sanitation. A greatest number of these people belong or are to be found in Sub-Saharan Africa and in some parts of Southern Asia. In South Africa about 2.4 million people had no access to basic or improved sanitation during 2011. During 2012, this number reportedly increased to approximately 3.2 million people (Department of Water Affairs, 2012). Also, about 38 196 households in the Free State Province were still using the bucket system. Consequently, these households used buckets which they keep inside their homes in order to relieve themselves. Furthermore, some areas in the province of the Eastern Cape continue to experience massive shortages of water. These deficiencies accordingly prevent or delay the implementation of the Bucket Eradication Programme (BEP). More specifically, they result in a sizeable number of people in this province to use buckets or open fields as alternatives to toilets (Department of Water Affairs, 2012).

A number of reasons are mentioned which cause these challenges. The most common of these are the lack of funding, dilapidated or dysfunctional Waste Water Treatment Works (WWTW), the rejection of Ventilated Improved Pits (VIPs) by the affected communities and population growth. However, it is argued that the main factor for the aforementioned challenges is the continued adoption of the

top-down approach to development. For example, the preamble to the Water Services Act states that the Act provides for a number of rights. These are, *inter alia*, the right of access to basic water supply and sanitation. These basic water supplies and sanitation are then described in section 1 of the Water Services Act. In relation to basic water supplies, it may be argued that these supplies are not limited to, *inter alia*, the provision of water taps. They also include designated rivers and dams. The problem here is that an assumption is then created that designating these supplies will lead to people accessing the water which is stored in these supplies. The problem is even more severe in cases where the needs of the poorest of the poor (those living in rural communities) and those of people whose right of access to water was before 1994 previously ignored are involved. In the case of sanitation, a mere construction of a toilet is insufficient. The empowerment of society with skill, labour and technology to keep the toilet free from bacteria and other germs is a starting point in establishing a culture of sustainable development.

5. Conclusion and Recommendations

The MDGs target of the year 2015 has come and gone. As such, countries around the world have established a new agenda to development, that is, Vision 2030 (see, the Sustainable Development Goals, 2016). The latter talks, *inter alia*, about eradicating hunger, ending extreme poverty, establishing good health and wellbeing, and creating clean water and sanitation by year 2030. However, South Africa still grapples with the most basic developmental needs encapsulated in the 2015 MDGs. Specifically, some communities, especially rural communities, still cannot access safe drinking water. In some cases, the water is available and can be accessed. However, it is not reliable or safe for drinking purposes. For the above-mentioned reason, more emphasis is needed in South Africa to foster development. Specifically, a new developmental model or agenda is desirable. It should accept the massive efforts that countries have already made in trying to address the challenges to ensure sustainable and continuous development. However, it should recognise the failures that some of the existing mechanisms to curb underdevelopment have had. The practice or process of water reclamation can be used as an illustration. It has been found in the recent past that a constant re-use or reclamation of water can produce adverse effects to the environment and

society. Parasites and other viruses, for example protozoa have been identified as posing grave risks in ensuring the quality of this water. These risks are even more severe in cases where the water is used for drinking purposes. Therefore, it is argued that the novel method to development should examine and/or re-examine the role of science, technology and culture to development. It may be said that there may be instances whereby culture resists and/or rejects the technology. The most obvious example is where society regards technology as one of the scientific tools that are designed to marginalise religion. The question then is that: does the culture outweigh the technology or vice versa, or should development be stopped in order to accommodate these cultural values and beliefs? No single answer is available for these questions. Further research is thus necessary which examines their relevance and importance for development.

The aim is not simply to attribute underdevelopment to the failure of an existing government or state. It is to establish some form of knowledge-nucleus which promotes knowledge creation, innovation and application. This nucleus should be rooted on society and be founded on the law. It should particularly favour a bottom-up framework to development which recognises the right of society as the planner, initiator and champion of its own development. Its structure ought to be multi-disciplinary in nature. This entails an examination, conceptualisation and proper understanding of the identified essentials to development before an attempt is made to address the developmental challenges. This requires ground-breaking thinking, inventive planning and progressive implementation. For example, feasible studies have been carried out in recent times on whether the desalination process can be used to supplement or as an alternative to existing mechanisms that addresses water scarcity and problems related to sanitation. The success of this process to turn ocean water into drinkable water may have contributed to the commencement of these studies. South Africa may have to partake in research of this kind as part of its post 2015 sustainable or continuous developmental agenda. The essentials to development should necessarily lead this process. Furthermore, the law has to be expansive or flexible enough to allow innovation of this kind. This is the case because the rigidity of the law will necessary frustrate the application or use of the essentials to strengthen development.

References

- Arageorgis, A. & Baltas, A. 1989. Demarcating technology from science: problems and problem solving in technology. *Zeitschrift für allgemeine Wissenschaftstheorie*, XX(2):212-229.
- Beja and Others v Premier of the Western Cape and Others* 2011 (10) BCLR 1077 (WCC).
- Bernstein and Others v Bester and Others* NNO 1996 (2) SA 751 (CC).
- Betancourt, W.Q. & Rose, J.B. 2004. Drinking water treatment processes for removal of *Cryptosporidium* and *Giardia*. *Journal of Veterinary Parasitology*, 126(1-2):219-234.
- Birou, A., Henry, P. & Schlegel, J.P. 1997. *Towards and Re-Definition of Development*. Oxford: Pergamon Press.
- Burkeridge, M.S., De Souza, A.P., Arundale, R.A., Anderson-Teixeira, K.J. & Delucia, E. 2012. Ethanol from sugarcane in Brazil: A 'midway' strategy for increasing ethanol production while maximizing environmental benefits. *Global Change Biology Bioenergy*, 4:119-124.
- Communiqué Meeting of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda, Bali, Indonesia, 27 March 2013.
- Constitutive Act of the African Union of 2000.
- Costán-Longares, A., Montemayor, M., Payan, J., Jofre, J., Mujeriego, R. & Lucena, F. 2008. Microbial indicators and pathogens: removal, relationships and predictive capabilities in water reclamation facilities. *Journal of Water Research*, 42(17):4439.
- Dawood and Another v Minister of Home Affairs and Others; Shalabi and Another v Minister of Home Affairs and Others; Thomas and Another v Minister of Home Affairs and Others* 2000 (3) SA 936 (CC).
- De Sousa Dias, M.O., Filho, R.M., Mantelatto, P.E., Cavalett, O., Vas Rossell, C.E., Bonomi, A. & Leal, M.R.L.V. 2015. Sugarcane processing for ethanol and sugar in Brazil. *Journal of Environmental Development*, 35.
- Department of Water Affairs, 2012. Sanitation Services – Quality of Sanitation in South Africa, Chief Directorate: Water Services. Available at: <https://www.sahrc.org.za/home/21/files/Quality%20of%20sanitation%20Main%20report%20April%202012%20final%20Aug%202012.pdf>. Accessed on 13 March 2018.
- ECOSOC. 2013. 2013 annual ministerial review – Science, Technology and Innovation (STI) and culture for sustainable development and the MDGs. Available at: https://www.un.org/ecosoc/en/AMR_2013. Accessed on 9 March 2018.
- First Session of the AU Conference of Ministers in Charge of Social Development, 27-31 October 2008, Windhoek, Namibia.
- Goldemberg, J. 1998. Essays on science and society: what is the role of science in developing countries? *Journal of Science and Policy*, 279(5354):1140.
- Government of Thailand, 1997-2001. *The Eighth National Economic and Social Development Plan*. Bangkok: National Economic and Social Development Board.
- Grier, M. 2001. *Kant's doctrine of transcendental illusion*. Cambridge: Cambridge University Press.
- Grübler, A. 1998. *Technology and global change*. Cambridge: Cambridge University Press.
- Heidegger, M. 1993. Building dwelling thinking. *Basic Writing*, 343.
- High-Level Panel of Eminent Persons, 2013.
- Hornby, A.S. 2005. *Oxford Advanced Learner's Dictionary of Current English*. Oxford: Oxford University Press.
- Jones, N., Holmes, R. & Espey, J. 2010. Progressing gender equality post-2015: harnessing the multiplier effects of existing achievements. *IDS Bulletin*, 41(1):113-119.
- Kant, I. 1977. *Prolegomena to any future metaphysics that will be able to come forward as science* (translated from the Original German by Carus, P.). Manchester: Manchester University Press.
- Kroeze, I.J. 2013. Legal research methodology the dream of interdisciplinary. *PER/PELJ*, 16(3):36-65.
- Losse, J. 2001. *A historical introduction to the philosophy of science*. Oxford: Oxford University Press.
- Matzen, N.J. & Edmunds, J.A. 2007. Technology as a catalyst for change: the role of professional development. *Journal of Research on Technology in Education*, 39:417-430.
- Merkel, A. 1998. The role of science in sustainable development. *Science*, 281(5375):336-337.
- Millennium Development Goals. 2015.
- Ministerial Task Team, 2012. Review, investigation and evaluation of the National Sanitation Programme – towards continuous improvement. Available at: http://www.dhs.gov.za/sites/default/files/documents/publications/Sanitation_Task_Team_Report_July2012.pdf. Accessed on 14 April 2018.
- Mulaudzi, F.M., Phiri, S.S., Peru, D.M., Mataboge, M.L.S, Ngunyulu, N.R. & Mogale, R.S. 2016. Challenges experienced by South Africa in attaining Millennium Development Goals 4, 5, and 6. *African Journal of Primary Health Care & Family Medicine*, 1-7.
- National Housing Code, 2009. Available at: http://www.dhs.gov.za/sites/default/files/documents/national_housing_2009/1_Simplified_Guide_Policy_Context/1%20Vol%201%20Part%201%20Simplified%20Guide%20to%20the%20National%20Housing%20Code.pdf. Accessed on 17 September 2018.
- National Planning Commission of the Republic of South Africa, 2011. Development Plan 2013: Our future – Make it work. Available at: <http://www.gov.za/sites/www.gov.za/files/Executive%20Summary-NDP%202030%20-%20Our%20future%20-%20make%20it%20work.pdf>. Accessed on 8 March 2018.
- National Water Act 36 of 1998.
- NM and Others v Smith and Others (Freedom of Expression Institute as Amicus Curiae), S v Jordan (Sex Workers Education & Advocacy Task Force as Amici Curiae)* 2002 (6) SA 642 (CC).
- Ntibatirirwa, S. 2009. Cultural values, economic growth and development. *Journal of Business Ethics*, 84(3):297-311.
- Pardeck, J.T. & Murphy, J.W. 1986. Technology and social service delivery. *Journal of Sociology and Social Welfare*, 13:1.
- Popper, K. 2002. *The logic of scientific discovery*. London: Routledge.

- Popper, K. 2014. *Conjectures and refutations: The growth of scientific knowledge*. New York: Routledge.
- Priest, G. 2002. *Beyond the limits of thought*. Oxford: Clarendon Press.
- Regulations Relating to Compulsory National Standards and Measures to Conserve Water of 2001.
- Restivo, S.P. 2005. *Science, technology and society: An encyclopaedia*. Oxford: Oxford University Press.
- Richter, 1995. The role of science in our society. Paper presented at the Unity of the Physics Day Joint Symposium of the American Physical Society and American Association of Physics Teachers on 19 April 1995, Washington DC, United State of America.
- S v Makwanyana and Others* 1995 (3) SA 391 (CC) 329.
- Schlegel, J.P. 1997. Is Development a Mosnomer? In Birou, A., Henry, P. & Schlegel, J.P. eds. *Towards and Re-Definition of Development*. Oxford: Pergamon Press. 1-6.
- Sixty-Fourth World Health Assembly. 2011. Drinking-water, sanitation and health. Available at: http://apps.who.int/gb/ebwha/pdf_files/WHA64/A64_R24-en.pdf. Accessed on 8 April 2018.
- Statistics South Africa (Stats SA). 2013. *General Household Survey*. Pretoria: Statistics South Africa.
- Thompson, M.G. 1995. *The truth about Freud's technique: The encounter with the real*. New York: New York University Press.
- United Nations Conference on Environment and Development held on 3-14 June 1992, Rio De Janeiro, Brazil.
- United Nations Economic and Social Council (ECOSOC), 2003. Substantive issues arising in the implementation of the International covenant on Economic, Social and Cultural Rights. Available at: http://www2.ohchr.org/english/issues/water/docs/CESCR_GC_15.pdf. Accessed on 9 March 2018.
- United Nations Economic and Social Council (ECOSOC), 2013. Substantive issues arising in the implementation of the International Covenant on Economic, Social and Cultural rights. Available at: [http://www.unhcr.ch/tbs/doc.nsf/\(symbol\)/E.C.12.2000.4.En](http://www.unhcr.ch/tbs/doc.nsf/(symbol)/E.C.12.2000.4.En). Accessed on 15 March 2018.
- United Nations Economic Commission for Africa. 1994. African common position on human and social development in Africa.
- United Nations Economic Commission for Africa, 2008. African common position on human and social development in Africa.
- United Nations General Assembly, 2012. Future we want. Available at: http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/66/288&Lang=E. Accessed on 14 March 2018.
- United Nations Human Rights Council, 2011. The human right to safe drinking water and sanitation.
- United Nations-Water Decade Programme on Advocacy and Communication (UNW-DPAC), 2010 Glossary on the human right to water and sanitation Available at: http://www.un.org/waterforlifedecade/pdf/hrw_glossary_eng.pdf. Accessed on 13 March 2018.
- Water Services Act 108 of 1997.
- World Health Organisation (WHO), 2017. Water and sanitation. Available at: http://www.who.int/gho/mdg/environmental_sustainability/en/. Accessed on 7 April 2018.

South Africa's Foreign Policy Since 2009: A Case Study of the South African National Defence Force

N Breakfast

Stellenbosch University, South Africa

WA Nkosi

South African Defence Force, Army, South Africa

Abstract: This paper analyses the role of military as an instrument of foreign policy in SA since 2009. Thereafter examines how the military is utilised in different roles other than fighting battles with an aim to protect the national interests. The primary research question of the paper is: what is the role of the South African military as an instrument of foreign policy, and how does this role play out in the dichotomy between foreign policy formulation and foreign policy implementation? The theoretical framework applied to the study is idealism. Idealists believe it is possible for humans to live together in harmony of (interest) if proper measures are taken of which that is what inspires SA's foreign policy. The methodology utilised for this paper is the qualitative approach as it is fundamentally descriptive in nature and it assists in providing complex contextual description of the formulation and implementation of both the military and the foreign policy. We argue that the military has become one of the state instruments whose utility has gained momentum since 2009; especially in Africa. This is directly in support of the foreign policy of South Africa. Last and most importantly, this paper contributes to the on-going debate on how SA's military of late has become an image of foreign policy in Africa.

Keywords: Foreign policy, Idealism, International Relations, Military

1. Introduction

South Africa's position of the country is strategic in such a way that it straddles the major economic sea trade routes of the world. South Africa (SA) also enjoys the privileges of direct access to both the Indian and Atlantic oceans which gives her the advantage of connecting the African continent with the rest of the world. Therefore SA must have national power to influence and protect her interests in the world arena. The domains of national power include political, diplomatic, information, economic, social and military. For the country to exert its position or influence in the anarchic state of the world it must have power. These domains are of such a nature that they are intertwined and they affect one another, they are based on an interdisciplinary perspective. If the economy of the country is in decline, it will affect its industry, including the military industry as, the state will not have money to procure military equipment and armaments. The possibility is that it will directly affect the political power, its influence in the international arena (Defence Review, 2015:3-5). According to the White Paper on Foreign Policy (2011:4) South Africa's action in the international sphere must be guided by its foreign policy. South Africa's foreign policy has

the underpinning elements of which all her actions must be based on and amongst others include the centrality of human security as a universal goal, based on the principle of Batho Pele (putting people first), support for democratisation and conflict management and peace. Thus it is important that foreign policy is discussed in perspective. Foreign policy is the state's plan of action in relations with other states.

International Relations (IR) as an academic discipline can be viewed simultaneously as constructivist and empiricist by nature. It is constructivist in the sense that it is reflexive and it deconstructs essential claims to knowledge. Constructivists put the emphasis on the assigned material aspects of power (Guzzini, 2013:5). They create the necessary room for the identities and interests of international actors to take a certain position in theorising international relations. In the nature of the international system, constructivism notes such identities and interests as the result of ideas and social construction of ideas. It gives objects meaning and can attach different meanings to different things. It is empiricist in as much as it is sensitive to the practices of human beings and their relationships to objects. These characteristics provide a perspective on how to analyse security

by focusing on specific practices and be reflexive towards those practices (Williams, 2013:21). The purpose of the paper is to analyse the role of the military as an instrument of foreign policy in South Africa since 2009. Thereafter, to examine how the military can be utilised in different roles other than fighting battles of with the aim of protecting the national interests. This provides an understanding of the roles that the military can perform in the international sphere. The military is an instrument of the state and thereby an extension of politics. It is used in different roles both internally and externally. The focus of this study is on the external use of the military instrument when the state is pursuing its foreign policy. The military instrument is not only used as hard power in cases of war but it can have effect in influencing international actors to act in a manner that is in the interest of South Africa. The central research question to be answered in this paper is: What is the role of the South African military as an instrument of foreign policy, and how does this role play out in the dichotomy between foreign policy formulation and foreign policy implementation?

2. Theoretical Perspective

The theoretical framework that applied in this paper is idealism. Simply because SA's foreign policy is influenced by the theoretical underpins of idealism. Lacewing finds it appropriate to clarify the nature of idealism and that the doctrine of apperception enters in only indirectly. The main claim goes back to the basic definition of idealism "*It is only as it is in thought that the object is truly in and for itself; in intuition or ordinary conception it is only an appearance*" (Lacewing, 2015:3). This claim is thoroughly acceptable to a modern realist, especially a scientific realist, and it is serve as another way of saying again that idealism consists in taking "finite existence", i.e. given sensible particulars merely as given, to be not absolute, will require something else to explain them. It is simply non-philosophical, even if common, it is remarkable that here the claim is that it is like "ordinary psychology," specifically in its doctrine of apperception (Barkenhead, 1923:3). Robert continues to argue that idealism is not meant to follow directly from the idea of concepts is not to deny that a more radical and appealing "Copernican" theory of concepts might be developed. The idea that items cannot be understood apart from thought makes sense (Robert, 2000:14). Idealism is very counter-intuitive in the sense that if realism does not work, idealism is the answer.

The claim that there is nothing to physical objects apart from ideas is certainly odd, but, it should be welcomed upon reflection. There are two reasons for thinking that idealism solves the problems that realism throws up. Certain questions are posed in this regard on how it is that experiences can be connected to something 'beyond', which cannot even be described or understood? How can it be confirmed that ideas really do represent (and represent accurately) something that exists? Idealism solves the problem of scepticism, because there is no need to 'link' the ideas perceived to something else (physical objects). Ideas don't represent physical objects, they are physical objects. The possibility of a world quite different from what is experienced does not suffice. In experiencing ideas, the world is also experienced (Anon, 2015:11). Idealism is distinguished by having the following main Tenets. These tenets are explained in the following manner:

- Universal ethics indicates that all humans should abide by common standards such as natural laws. Furthermore there is a universal ethic common to all people and there is no special aspect of culture that makes morality different from country to country. This notion of idealists claims cultural relativists are hypocrites.
- Another tenet is that peace is better than war and that war is seen as immoral by idealists, by others, it is only as a last resort and for a just cause.
- According to idealists war is irrational. Idealists argue that real conflicts arise over real disagreements and they tend to believe that such conflicts could be avoided if states sought to better understand each other. Thus, there is much misperception and manipulation of people in international relations that needs to be rectified.
- Idealists believe it is possible for humans to live together in harmony of (interest) if proper measures are taken. The human race could live together in peace if only it would come to believe that war and violence are not the answer. Conflict is not intrinsic of human existence as realists claim; war and violence are learned behaviours, not intrinsic and this is constructed.
- Idealists are more optimistic about human nature. In the proper setting, people would enjoy peace and be free from conflict and thus are good.

- Another tenet idealist mentioned is that people that are active can take charge of politics. Political leaders can manipulate common people to fight in war, but an active, democrat movement of common people can reverse this manipulation and this indicates the power of public opinion.

Again, war is irrational and avoidable, and most individuals would not participate in war if they were fully informed and had a free choice. Furthermore, a lot of faith is put in international law and intergovernmental organizations (IGOs) such as the United Nations and International Court of Justice to solve problems on the international level (Anon, 2015:11-14; Lacewing, 2015:5). Karl also argues that idealism is more consistent than realism with a commitment to empiricism. The hypothesis that there is a physical world, quite independent of experience, is not something that can be verified through experience. The experience is only of primary and secondary qualities. Furthermore the argument is that primary and secondary properties belonged to the physical object; the properties are held together by its substance. A substance is, by definition, something that does not depend on something else to exist (Karl, 1991:9). Booth concurs that physical objects have substance that they can exist unperceived. Idealists connotes that the substance of physical objects are nothing more than the ideas perceive. In addition the ideas only exist in the mind. It doesn't make sense to say a pain exists unless someone feels, or that a colour exists unless someone sees it. Nor does it make sense to say a shape exists unless someone sees or feels it. What is the shape 'square' except what we see or feel? The realists stipulates that primary qualities are not dependent upon being perceived, and in this way, there is sense of physical objects existing unperceived (Booth, 2011:37; Nkosi, 2017:8). It worth noting that idealism is the same as liberalism in the sense that it embraces the notion of human rights, multi-lateralism, peace and different role players in the world order.

3. Setting the Scene on SA's Military and Foreign Policy

The world is anarchic, that is the sense that sovereign states recognise no higher authority, thus realists portrays the fact that the world is dominated by states that act only in pursuit of their national interest. Therefore, interaction is regulated through the exercise of power. Ultimately it is through the utilisation of military power supported by a strong economy (Bylis

et al., 2007:97). Hurd indicates that in consideration of self-interest and legitimacy states avoid the stigma of being branded as law breakers. Instead they consider having a trustworthy reputation to be advantageous. This is also applicable to even the most powerful states. They seek to solicit support from other states that have common interests before they take action (Hurd, 1999:397). South Africa as a state also portrays its power in Africa through its foreign policy by using the military while pursuing its national interests, and contributing to peace and stability in the continent. Thus the paper will focus on the link between the military and the foreign policy. It is important to understand military security so that it can be linked to foreign policy (Williams, 1999:162; Nkosi, 2017:59). The next section will discuss military security.

4. Military Security

Buzan approaches security from all angles; from micro to macro, and also addressing the social aspects of security and how people or societies construct or "securitize" threats. This is also applicable to current issues, for example, the war on terrorism. This constructivist approach allows not only discovering security, but also the breakdown of every aspect that contributes to or affects security, from the individual and society to the main referent, which is the state. This epistemological methodology can be considered to be one of Buzan's greatest contributions to the theory of IR, as it allows for a broader understanding of conflicts and issues in the field of International Relations (Buzan, 2009:2). White argues that security at its broadest can cover threats to anything valued by individuals, starting from physical survival and wellbeing to economic welfare, personal relationships and sense of self-worth, and then extended to anything valued collectively as part of a society or group. Wolfers (1952:485) indicates that security can legitimately encompass someone's individual emotional wellbeing, 'national security' naturally limits the field to those aspects of security for which the state might take responsibility. When something is a security issue, it is expected of the state to become more involved: the state is allowed greater powers and resources to deal with that issue (White, 2012:4-5).

Baldwin (1997:12) contends that security is an important concept, which has been used to justify suspending civil liberties, making war, and massively reallocating resources during the last fifty years. Wolfers states that security covers a range of goals so wide that highly divergent policies can be interpreted

as policies of security. Security points to some degree of protection of values previously acquired, a nation is secure to a extent to which it is not in danger of having to sacrifice core values if it wishes to avoid war and is able if challenged to maintain them by victory in such a war (Wolfers, 1952:484).

Security is about the pursuit of freedom from threat and the ability of states and societies to maintain their independent identity and their functional integrity against forces of change, which they see as antagonistic. Security is about survival, but it also includes a substantial range of concerns about the conditions of existence (Buzan, 1991:435). The National Security Strategy guides national decision-making and determines courses of action to be taken in order to attain the state or condition wherein the national interests, the well-being of our people and institutions, and our sovereignty and territorial integrity are protected and enhanced. Military strategy is in support of the national strategy that is also congruent with the policy. There are common features of the military strategies in terms of actions. All strategies are concerned with ways to employ means to achieve ends. This is also applicable at operational and tactical levels. In essence all efforts are directed towards attaining the objective that is defeating the enemy. They are all employed to achieve military objectives in support of national strategy end and policy (Lykke Jr, 2017:180). Clausewitz (1942:20) contends that there are five basic military strategies namely;

- **Strategy of Extermination:** With this strategy the action is to exterminate and is directed at the physical embodiment of the enemy.
- **Strategy of Exhaustion:** The action is to either exhaust the enemy's war making means, the enemy's will to continue fighting over the political object, or both.
- **Strategy of Annihilation:** The strategy seeks to strip an enemy of his war making means in decisive battle through either physical attrition or the breaking of his psychological cohesion through dislocation.
- **Strategy of Intimidation:** The main focus is to threaten an opponent through the threat of violence, either psychologically compelling him to do something or, alternately, deterring him from doing something.

- **Strategy of Subversion:** Aim of this strategy is to subvert the attitude or beliefs of an adversary in order to break the enemy's resolve and observance to the political objective.

There are also commonalities between these basic military strategies and that they all exist between two poles, one physical and the other psychological. These two poles, as the objects of military strategy, provide an integrating framework for military strategy (Buzan, 1991:91). The next section will focus on the elements of the military.

5. Elements of the Military

The South African Defence Review, 2015 indicates that the military must have a defence posture but will maintain offensive capabilities. This will allow the military to execute its functions properly and effectively. For the military to be effective it must have the following elements;

- **Joint Command Control:** This is to ensure joint action with respect to land, sea and air and which must be capable of integrating with multi-national and departmental agencies.
- **Defence Diplomacy:** This is aimed at prevention and resolution of conflict that will be enhanced through integration of its diplomatic, military and other efforts in a complimentary manner. The main effort focuses on those national priorities where defence diplomacy engagements will add the most value (Neethling, 2012:481).
- **Special Forces:** Special Forces capabilities must be suited to strategic reconnaissance; ordered strategic special tasks; deep reconnaissance in support of the combat services and the execution of unique operations including hostage rescue, urban and anti-terror operations.
- **Medium Combat Forces:** This force must be have mobility, firepower and must be projected where required.
- **Heavy Combat Forces:** The force must be able to deter adversaries and be able to conduct operations in high threat situations.
- **Air Operations:** This capability must be responsive and agile to defend and protect the South African airspace.

- **Military Health Support:** The capability must be deployable and be able to sustain operations for longer periods.
- **Expeditionary Force:** This force must be projected and be able to support operations in distant areas.
- **Information Warfare:** This capability must be able to protect South Africa's cyber domain thorough comprehensive information warfare equipment (Defence Review, 2015:6; Du Plessis, 2003:117).

It is important that military is linked to foreign policy in order to understand the nexus between the two. The next section will thus discuss SA foreign policy.

6. South Africa's Foreign Policy

The Freedom Charter is the capstone document of the ANC, as it provides directions to the government policies and actions. Similarly it directs the foreign policy of the country. The Freedom Charter emphasizes the element of peace and friendship, furthermore it states that South Africa will strive to maintain world peace and be involved in settling international disputes by negotiations (The Freedom Charter, 1955:1). Therefore, the government of the ANC continues to pursue its international relations objectives as directed by the Freedom Charter which states that there shall be peace and friendship. Therefore the foreign policy is focused on forming friendship and to work towards peace in the continent and the world whilst pursuing South Africa's interests. (ANC 53 National Conference Resolution, 2016:38). Resolutions that were taken in the ANC Polokwane conference also addressed aspects on international relations. Decisions taken there include the following dominant features of foreign policy such as the struggle against poverty and underdevelopment especially in Africa guided by NEPAD programmes, peace and the peaceful resolution of conflicts, peacekeeping activities, partnerships, building and reforming institutions in the continent and ensuring influence on political global issues (Ibid. 2016:34-41). The international relations focus mostly on the engagement with the continent, whilst supporting the call for the establishment of the AU government. Furthermore the decisions emphasized that the immediate focus should be on the building of regional economic communities and regional integration. It was also

pointed out that the consolidation of SADC is the first step to attain AU government and recognised that the ANC has a prominent role in strengthening and consolidating regional political and encourages the establishment of the SADC parliament (Sidiropoulos, 2008:117-119).

Habib indicates that it is critical that in the discourse about South African foreign policy, the hegemonic status of the country in the continent is taken into consideration. In this regard hegemons do not only aspire to lead but are also endowed with military, economic and other resources. It is of utmost important that they have a political and socio-economic vision. Ultimately it takes responsibilities to ensure that the features of its vision are operationalized in the region it sees as its sphere of influence (Habib, 2003:3). In some instances SA has taken leadership in the Democratic Republic of Congo with the deployment of Force Intervention Brigade (FIB) and in others, it took a silent stance in its dealing with international relations. Besides the hegemon must have the leverage to enforce (Tull, 2016:2).

The SA foreign policy covers various issues that must be addressed by the government. Amongst others are issues such as human security, environmental sustainability, poverty alleviation, development, political and economic crises, human rights, disarmament and the non-proliferation of nuclear weapons. For SA to address these issues it needs the cooperation of other countries (Masters *et al.*, 2015:106; Landsberg, 2004:183).

Since the foreign policy and military had been discussed separately the next section will link the two indicating how the military is used as a foreign policy instrument.

7. Nexus Between the Military and Foreign Policy

Foreign policy is implemented by the state. It must therefore be noted that the concept of the state has dominated western thinking since the seventeenth century and today power is dispersed through the nation state. The state has powers and resources to ensure that it pursues its own interests. This is more apparent in the blurring of three traditionally important distinctions such as between domestic and international spheres, between policy areas and between public, private and non-profit sectors. This is significant but rarely considered within

contemporary deliberations on domestic and foreign policy. The challenges faced by governments, such as terrorism and immigration, for example, cannot be solved by one government but this demands a collective action by a global community (Edwards, 2007:31). Policy approaches to deal with these challenges are derived from the older vision of international politics, one dominated by notions of border controls, citizenship and sovereignty (Buzan *et al.*, 1998:15). The United States global military posture serves as an example of how to make military support the foreign policy of the country. In 2009, the US launched a major review of its global military posture which resulted in the shift away from Cold War orientation and reinvigoration of US's' partnerships in Asia. This strategic deployment of military in Asia is political as it pursues her national interest and thus in line with its foreign policy (Flournoy *et al.*, 2012:55).

With regard to South Africa, her national security is centred on the advancement of her sovereignty, democracy, national values and freedoms, and its political and economic independence. There is both a domestic and a regional dimension to national security; however the focus here will be on regional security (Southall, 2006:220). Regionally, South African national security inextricably hinges on the stability, unity and prosperity of the Southern African region, and the African continent in general. Africa is at the centre of South African foreign policy, and the growth and success of the South African economy is basically dependant on enduring peace, stability, economic development and deepened democracy on the continent (Department of Military Veterans Strategic Plan, 2012:20). The DIRCO Strategic Plan also indicates that one of their objectives is to enhance international responsiveness to the needs of developing countries and Africa through negotiations and influencing processes in the global governance system. The objective is furthermore broken down to contribution to peace and security and socio-economic stability within the centrality of the UN Charter and international laws (DIRCO Strategic Plan, 2015:32).

Security and development go hand in hand; the two are inter-linked and intertwined; and both are the continent's biggest challenges. The human well-being and good health will take place in a secured environment. However in the case of insecurity there is health crisis, political violence, forced migration just to mention few and the achievement

of development is affected negatively (Stewart, 2017:3). SA, in partnership with likeminded African states, has a vested interest in contributing to the rooting of democracy, the promotion of economic advancement and the pursuit of peace, stability and development on the African continent. This manifests in contributions to UN, AU and SADC security, democracy and good governance initiatives. This is also inclusive of specific bilateral partnerships with other African states in the political, economic, social and security realms (Dudley, 2013:2). Nation states mitigate security risks through the coordinated application of a suite of 'soft' and 'hard' power interventions, including diplomatic initiatives, political interventions, economic measures and importantly, the deterrence value of the Defence Force, coupled to military interventions where appropriate. South Africa's international stature and balanced suite of defence capabilities contribute to overall deterrent capability and posture. This is characterised by credible combat forces, operational prowess, rapid force generation through trained Reserves, demonstrated ability in field training, technological and doctrinal competence, and the visible morale of personnel (Defence Review, 2015:vi).

The Military is a unique instrument and an important lever of power at the disposal of the state to pursue its national security and foreign policy priorities and is consequently at the core of South Africa's national security. The deployment of the Defence Force must thus be coordinated with the full range of instruments which government can bring to bear both domestically and regionally. However, the Defence Force provides the means of last resort when other instruments of state are unable to protect or defend South Africa.

South Africa has deployed its Defence Force widely in recent years ranging from counter-piracy in the SADC Maritime Area; to peace-missions across the African continent; to a return to border-safeguarding; to a range of other domestic security duties. Many of these operations have not required the Defence Force to engage in significant combat operations. But when the Defence Force has to engage, the military capability must thus be commensurate with South Africa's international status, strategic posture and its inescapable continental leadership role (South African Defence Review, 2015:vii). South Africa in the case of internal disputes in Lesotho has consistently expressed preference for a negotiated settlement of disputes. This has resulted

in her involvement in mediating the conflicts in Zimbabwe, the Democratic Republic of Congo and the Comoros in the Southern African region. Despite this preference for political solutions, SA has not avoided embarking on military interventions where it was deemed necessary (Grigsby, 2009:267). The country's defence forces also provide critical assistance to its neighbours in disaster relief such as in Mozambique. SA's peacekeeping presence on the continent is impressive especially with the deployment of the (FIB), drawing on its past successes, particularly in countries such as Burundi. South Africa is one of the largest contributors of troops to the UN (Lalbahdurl, 2015:12).

The SANDF like all militaries is a foreign policy instrument. Military capabilities can be used in three modes; firstly, in a military mode, that is the coercive use of armed force, secondly in a political-diplomatic mode, for example the supportive use of military means in the form of peace support missions as an adjunct to diplomacy and lastly in a diplomatic mode, for example defence diplomacy (White Paper on SANDF, 1996:21-24). In past years, the re-emergence of the military instrument in South Africa's foreign policy has been realised. The international expectations regarding South Africa's role as a responsible and respected member of the international community have steadily grown. These expectations includes that SA will play a leading role in international peace missions. The White Paper on SANDF also states that South Africa is committed to responsibly fulfilling its obligations under the charters of the UN and the AU, as well as the SADC Treaty. Therefore, South Africa's decision-makers became fully aware of international expectations that the country needed to play an increasingly significant political-military role in African peacekeeping requirements and international peacekeeping endeavours (Du Plessis, 2009:11). Moreover, the prospect of the SANDF being drawn into further peacekeeping missions was reiterated by African National Congress (ANC) member of the Parliamentary Portfolio Committee on Defence, Dr Gerhard Koornhof, who stated in August 2004 at the University of Pretoria that the SANDF "will probably result in an increase in ordered deployments in the region as we are moving towards a more collaborative approach to defence and security in our region" (Neethling, 2006:68). This resulted in the country being more involved in DRC, Sudan and Central African Republic. The deployment of the UN Intervention Brigade that mostly consisted of

SANDF and its high tech equipment to neutralise and destroy the rebel group (M23) in DRC indicated the use of hard power in achieving foreign policy objectives (Cammaert, 2013:3).

South Africa has officially declared its commitment to playing a meaningful role in Africa and the rest of the international community, and has (at least by implication) stated its aspiration to become a permanent member of the Security Council of the UN. Against this background it is important to note that the White Paper on SANDF states that participation in peace missions is increasingly becoming a prerequisite for international respectability, and for a strong voice in supranational organisations and in debates on multinational conflict management. In this regard, the South African government is taking the view that participation in international peacekeeping is important for playing a significant role in the international community, in the region and Africa in general. In view of the above, SANDF members were deployed on African soil (O'Connor, 2005:7).

Schoeman states that the importance of the military in SA's foreign policy is stipulated in the strategic plans of both departments (Department of Defence [DOD] and DIRCO), that hard power will be used achieve or protect the interests of the country where deemed necessary. The commitment to international peace and security has become more prominent in the adoption of the White Paper on South African Participation in International Peace Missions 1999. The emphasis is on peacebuilding and post conflict reconstruction and development. Peacebuilding is not only limited to post conflict situations but also to attempt to address the root causes of conflict. Peace mission activities are the foremost part of a country's foreign policy. Conventionally there are four instruments of foreign policy that are available for policy implementation. They are diplomacy, economic technique, propaganda and military means, with diplomatic and economic instruments combined to a certain extent. The military means are the last in the hierarchy (Schoeman, 2013:209).

From a military perspective, humanitarian operations can be conducted as part of a broader peace support operation or in a non-peace support operations scenario, which has the alleviation of human suffering as its main objective. Both are conducted under circumstances in which the official authorities

are unable, and in some cases unwilling, to assist in providing adequate aid to the population (Homan, 2008:74). In a peace support operation, there are a series of distinct measures to provide protection for targeted populations. One set of protective measures relates to the protection of humanitarian action and includes the defence of aid convoys and the maintenance of humanitarian corridors. A second set of measures relates to the physical protection of populations in discrete locations. It may be when people remain in their homes and communities, and safe havens or when people from the surrounding area seeking protection congregate. Protection by a military is directed to prevent mass killing. Protection is providing area security for humanitarian action (Holt, 2006:2). The next section will deal with the foreign policy challenges.

8. Foreign Policy Challenges

Political pledges on the deployment and utilisation of the military must be in line with the capability of the military. In most cases there is a gap between the pledge and the real capability on the ground; thus finding the military being overstretched. Therefore for a country to utilise its military as an instrument to achieve foreign policy goals and objectives, such an instrument must be credible. In the case of South Africa foreign policy demands on the military establishment are great, especially with its prioritisation of the African agenda. The issue to be on the table is whether the military is capable of providing the required support for the implementation of the African Agenda, given the heavy demand placed on it in terms of active involvement in peace keeping. The military has moved to transformation thus less emphasis on the maintaining military capabilities. The move was also to change the outlook of SA where the military was used to destabilise the neighbouring countries during the apartheid regime (Schoeman, 2013:217).

The challenge is a lack of political will, which is crucial to provide the required resources to develop and maintain the capabilities that would ensure the use of the military as a credible instrument of South African foreign policy. The biggest challenge was to convince the ordinary citizens that strengthening the military was not a matter of neglecting basic issues such as education and health. That it was also in the interest of the country that the level of its socio economic aspirations and also to have a strong military that would secure the environment

in which South Africa can pursue its national goals and objectives (Schoeman, 2013:218).

Peacekeeping missions are deliberately chosen by countries for different reasons. For example, Brazil's reason is to promote their international status and prestige while India's participation in peacekeeping missions is based on the notion of good international citizenship and idealism. Peacekeeping is viewed as the part of the price you have to pay to be among the nations that make rules. South African policy is directed strongly towards strengthening the capabilities of AU to promote peace and security on the continent (Anon, 2010:3).

Another point to be considered is that responding to violent conflict is not just a military issue. It also requires the full array of political and economic tools at member states' disposal. The ability to provide an integrated approach to preventing and managing violent conflict is perhaps the single greatest challenge. Nevertheless, military instruments are relevant and careful consideration of the role they should perform is important. For instance, in recent years the trends in armed humanitarian interventions have raised political and legal challenges to how such operations are carried out. When the military is called upon to perform such operations, ideally with a UN mandate, it will be expected to use weapons designed and developed according to international legal obligations (Mawsley *et al.*, 2003:41). In March 2014 the South African government completed its Defence Review, which not only reflects on its past engagements but also suggests a strategic focus for the future. A main pillar of the proposed strategy revolves around the role that South Africa should play in providing peace support to the continent via contributions to the UN, AU and SADC. The government needs to fund the operationalization of this policy document. The next paragraph will discuss the conclusion.

9. Conclusion and Recommendations

The South African military as an instrument of the country's foreign policy has improved significantly since 2009. South Africa has gained confidence on the international stage and especially with its aspirations on the continent. Diplomacy as an instrument of continental policy has proven not sufficient. The backing of the military is required, especially when the country has to pursue its national interests which include a peaceful and stable continent. Stability will

allow development opportunities for business to grow the South African economy and also address the demands of poverty alleviation and creation of employment. South Africa's aspirations for continental leadership and to strengthen its stance in a global arena such as in G20, BRICS and having a seat in UN Security Council must be backed by taking leadership in the region and Africa as a whole. South Africa could also strengthen its international position by engaging more actively in international debates on the future of peace missions. In any case a country considered a continental power cannot stand back from international responsibilities of good citizenship. The country's aspirations might fail if its capabilities do not match its responsibilities. A thorough understanding of complexities and demands of peace, construction and development as far as relevant resources and capabilities are concerned still seem to escape policy makers and politicians.

A political consensus needs to emerge where all the elements of power would be co-ordinated and harmonised in the fulfilment of the foreign policy of the country. The next section will provide recommendations for further research.

This paper recommends that a study be conducted on the application of realism and must be merged with regionalism in a bigger context of Africa since South Africa's foreign policy inextricably hinges on the stability, unity and prosperity of the Southern African region, and the African continent in general. This is so recommended since this paper focussed on the application of only idealism in line with the South African foreign policy. The researchers further recommends a quantitative study on the subject to be conducted that will include the participation of members from the relevant departments to treasure broader opinion on the matter since this study was based on qualitative approach obtaining information from the secondary sources.

References

- African National Congress 53 National Conference Resolution, 2016. Accessed on June 2016, Available at: <http://www.anc.org.za/docs/res/2013/resolutions53r.pdf>.
- Anon, 2010. Global Targets, local ingenuity. September 23. *The Economist*.
- Anon. 2015. Idealism. Available at: <http://utminers.utep.edu.arbroermer/idealismPDF>. Accessed on August 2015.
- Baldwin, D.A. 1997. The Concept of Security. *Review of International Studies*, 23(1):5-6.
- Booth, K. 2011. *Realism and World Politics*. New York: Taylor and Francis Group.
- Burchill, S., Linklater, A., Devetak, R., Donnelly, J., Paterson, M., Reus-Smit, C. & True, J. 2005. *Theories of International Relations*. New York: Pgrave Macmillan.
- Buzan, B. 1991. New Patterns of Global Security in the Twenty-first Century. *International Affairs*, 67(3):431-451
- Buzan, B., Weaver, O. & De Welde, J. 1998. *Security: A New Framework for Analysis*. London: Lynne Reiner Publishers.
- Cammaert, P. 2013. The UN Intervention Brigade in the DRC. International Peace Institute.
- Clausewitz, C. 1942. Principles of War. Available at: <http://www.clausewitz.com/item/Clausewitz-PrinciplesOfWar-ClausewitzCom.pdf>. Accessed on May 2017.
- Dudley, A. 2013. South African Foreign Policy: Striving towards Mandela Ideals. Africa Institute of South Africa. Policy Brief, No 89, June.
- Dunne, T., Kurki, K. & Smith, S. 2010. *International Relations Theories: Discipline and Diversity*. New York: Oxford University Press.
- Du Plessis, A. 2002. Analysis and Evaluating Foreign Policy. In McGowan, P.J. & Nel, P. (eds). *Power, Wealth and Global Equity: An International Relations Textbook for Africa*. Cape Town: University of Cape Town Press.
- Flournoy, M. & Davidson, J. 2012. Obama's new Global Posture: The logic of United States Foreign Deployment. *Foreign Affairs*, Jul/Aug.
- Gerber, R. 2009. *Writing a Research Proposal for Post-Graduate Studies: Development Studies*. Port Elizabeth: Nelson Mandela Metropolitan University.
- Gigsby, E. 2009. *Analysing Politics: An Introduction to Political Science*, 4th edition. London: West Group.
- Guzzini, S. 2013. *Power, Realism and Constructivism*. New York: Routledge.
- Habib, A. 2003. Hegemon or Pivot? Debating South Africa's role in Africa. Public Debate. Centre for policy studies, Johannesburg. Available at: <http://www.sarpn.org/documents/d0000620/P611-Pivotalstate.pdf>. Accessed on 17 July 2016.
- Holt, V.K. 2006. The Military and Civilian Protection: Developing Roles and Capacities, *HPG Research Briefing*, No 22, March.
- Homan, K. 2008. Military and Human Security. *Security and Human Rights*, no 1.
- Huang, R. 2002. On the Nature of Public Policy. *Chinese Public Administration Review*. 1 ¾: 275. Available at: <https://cpar.net/index.php/cpar/article/view/32>. Accessed 12 March
- Huntington, S.P. 1974. The Two Worlds of Military Policy in Horton, F. et al. *Comparative Defence Policy*. Baltimore: John Hopkins University Press.
- Karl, A. 1991. Hegel and Idealism. *Monist*. 74(3):386-402.
- Lacewing, M. 2015. *Idealism*. London: Routledge.
- Lalbahadurl, A. 2015. South African Foreign Policy: Tempering Dominance through Integration. Johannesburg: South African Institute of International Affairs.

- Landsberg, C. 2004. *The Quiet Diplomacy of Liberation*. Johannesburg: Jacana Media (Pty) Ltd.
- Lykke (Jr), A. 2017. *Towards an Understanding of Military Strategy*. Available at: <http://www.au.af.mil/au/awc/awcgate/army-us-awc/strategy/13lykke.pdf>. Accessed February 2017.
- Masters, L., Zondi, S., van Wyk, J. & Landsberg, C. 2015. *South African Foreign Policy Review: Volume 2*, Pretoria: Africa Institute of South Africa
- Neethling, T. 2006. Military Spending, Socio-economic, challenges and foreign policy demands: Appraising SA predicaments, *African Security Review*, 15(4):58-78
- Neethling, T. 2012. Considerations on Defence Thinking in Post-1994 South Africa with Special Reference to Post-conflict Reconstruction and Development. *Scientia Militia*, 40(3):474-479
- Nkosi, R.M. 2017. *Formulation and Implementation: The South African Military as an Instrument of Foreign Policy since 2009*. Unpublished Masters Thesis. Cape Town: Stellenbosch University.
- Nzo, A. 1999. Foreign Ministers' Budget Vote Address. *South African Journal of International Affairs*, 6(2):217-225.
- Republic of South Africa, Department of International Relations and Cooperations. 2015. *Strategic Plan 2015-2020*. Pretoria: Government Printers.
- Republic of South Africa, Department of Military Veterans Strategic Plan, 2012. Pretoria: Government Printers.
- Republic of South Africa, 2012. *The National Development Plan 2030: Our future – make it work*. Available at: [http://www.dac.gov.za/sites/default/files/NDP%](http://www.dac.gov.za/sites/default/files/NDP%20). Accessed 17 August 2016.
- Republic of South Africa, The White Paper on Department of Defence, 1996. <http://www.dod.mil.za/documents/white-PaperonDef/whitepaper%20%20defence1996.pdf>. Accessed January 2017.
- Republic of South Africa. 2011. *The White Paper on South Africa's Foreign Policy –Final Draft*. Available at: http://www.gov.za/sites/www.gov.za/files/foreignpolicy_0.pdf. Accessed June 2016.
- Robert, M.A. 2000. *Idealism and Realism in International Relations*. London: Routledge.
- Schoeman, M. 2013. *Foreign Policy and the Military: In Service of Reconstruction and Development in Neethling, T and Hudson, H. Post – conflict Reconstruction and Stone, Security according to Buzan*. Available at: http://www.geest.msh-paris.fr/IMG/pdf/Security_for_Buzan.mp3.pdfSidiropoulos, E South African Foreign policy in the post Mbeki period. *South African Journal of International Affairs*, Vol 15, 2008, pp 117-120.
- Solomon, H. 2010. South Africa in Africa: a case of high expectations for peace. *South African Journal of International Affairs*, 17(2):131-147
- South African Defence Review. 2015. *Department of Defence*. Pretoria: Government Printers.
- Southall, R. 2006. *South Africa's role in conflict resolution and peacemaking in Africa*. Cape Town: Human Sciences Research Council Press.
- Stewart, F. 2017. *Development and Security*. Work Paper 3. *Centre for Research on Inequality, Human Security and Ethnicity, CRISE*. Queen Elizabeth House, University of Oxford. Available at: <http://www3.qeh.ox.uk/pdf/crisewwps/workingpaper3.pdf>. Accessed February 2017.
- The Freedom Charter. 1955. ANC. Available at: <http://www.sahistory.org.za/article/freedom-charter>. Accessed on 8 August 2016.
- Tull, D. 2016. *United Nations Peacekeeping and the use of Force*. Available at: https://www.swp-berlin.org/fileadmin/contents/products/comments/2016C20_tll.pdf. Accessed April 2017.
- Welman, C., Kruger, F. & Mitchell, B. 2009. *Research Methodology*. Oxford University Press: Cape Town.
- Williams, P.D. 2013. *Security Studies: An Introduction*. New York: Routledge.
- Williams, R. 1999. *Challenges for South and Southern Africa: Towards Non-Consensual Peace Missions?* In J. Cilliers and G. Mills. Johannesburg: Institute for Security Studies and SA Institute of International Affairs.
- White, H. 2012. *The idea of National Security: What use is it to Policymakers?* National Security College Occasional Paper No. 3. National Security College.
- Wolfers, A. 1952. *National Security as an ambiguous symbol*. *Political Science Quarterly* Vol 67, No 4. Available at: <http://www.jstor.org/journal/aps-html>. Accessed February 2017.

Audit Committee Evaluation in South Africa's Public Sector: The 360-Degree Approach

KN Motubatse

Tshwane University of Technology, South Africa

Abstract: Although the desire and need to assess audit committees' effectiveness is a growing phenomenon, there is no single way of evaluating their performance, or to determine if the execution of their mandates is more/less effective in the public/private sector. The problem is that audit committees have traditionally been assessed according to a single set of measurements based on members' qualifications and experience, while ignoring the importance of processes and variables emerging from a 360-degree evaluation. The purpose of this paper is to determine the effectiveness of audit committee self-evaluation in the South African public sector when the 360-degree approach is used. This paper draws its understanding of the 360-degree evaluation method's effectiveness from the literature and qualitative methods reviewed. A semi-structured interview was conducted with individual directors of internal audit and members of their audit committees to obtain their expert opinions. Both convenience and snowball sampling methods were used to select the participants. Participants were drawn from the nine Provincial Treasuries and from their audit committees in the public sector. The paper finds that the 360-degree evaluation method is not being used by the audit committees of provincial entities as a self-assessment tool, and neither is its use elsewhere fully compliant with National Treasury's requirements. The results further indicate that the governance structures, management and internal auditors of these entities are not using the 360-degree evaluation tool to its full potential when assessing the audit committee's effectiveness. Therefore, this paper proposes that the National Treasury makes greater effort to promote the implementation of the 360-degree evaluation approach to audit committee performance, one that recognises the unique characteristics of public sector audit committees and their stakeholders.

Keywords: 360-degree evaluations, Audit committees, Effectiveness, Public sector, Self-evaluation

1. Introduction

Audit committee evaluation using the 360-degree methodology in the South African public sector is highly effective and the tool is appropriate for helping the audit committee members to understand their strengths and weaknesses in the performance of their official responsibilities. Much of the successes in the evaluation of the audit committees is as a result of effective implementation of the process. However, implementation has not been uniformly achieved despite this being an official directive from the National Treasury (National Treasury, Online). Since the commencement of 360-degree evaluations of ACs in the public sector, the evaluation criteria have not been subject to the refinements and updates one would expect of an intensive, practical tool that is required to generate reports to be included in the entities' annual reports (these reports are expected to show the audit committees' self-assessments and their assessments by their stakeholders.) Thus, this present study seeks the views of both AC members and the directors of internal audit functions in the public sector in order to provide an up-to-date understanding of the ACs'

360-degree evaluation process. The discussion was guided by five (5) questions the researcher deemed essential to achieving an understanding of the effective implementation of the 360-degree evaluation methodology. The questions were:

- What is the overall purpose of the 360-degree evaluation of audit committees tasked with oversight of public sector governance;
- Are the audit committees aware of the requirement to perform 360-degree evaluations;
- What are the challenges to the effective implementation of the 360-degree evaluation process in the public sector;
- Do you think the 360-degree evaluation process can improve the audit committee's effectiveness; and
- Do you think the total non-performance of 360-degree evaluations of audit committees might lead to internal control deficiencies?

According to Carless *et al.* (1998:482), the performance of a 360-degree evaluation helps the assessment of individual job performances where the underlying purpose is to achieve sustained improvement. Thus, the effective performance of 360-degree evaluations of audit committees is essential for the effective functioning of audit committees in the public sector. These evaluations offer significant opportunities to audit committees (both as an entity and to its individual members) to find out how they are performing, how they interact with each other, with management, internal audit, external audit and with other stakeholders, and how effective they are when interrogating audit reports and the reports of other assurance providers. Although this research was intended to determine the effectiveness of the audit committee self-evaluation processes in the South African public sector (using the 360-degree approach), by discovering the views of the members of the audit committees, the entities' management and their assurance providers, this became problematic as many interviewees are still unclear as to what this approach is, and just as unsure as to how it can be used effectively. Thus, it can be argued that many public sector departments are probably not taking advantage of the insights a 360-degree evaluation of their audit committees could provide, and as a result, this tool is not being used effectively to improve audit committee performance and functioning in governance. Lepsinger and Lucia (2009:6) state that the 360-degree evaluation is synonymous with multi-source feedback. Fleenor and Prince (1997) observe that the benefits of 360-degree evaluations include that they create a better picture of how an individual is performing in predetermined competency areas. When professionally and sensitively implemented, it is regarded as a reliable tool to assess feedback from multiple sources (Conine & Leskin, 2016). Despite the fact that the 360-degree evaluation of audit committees is mandated and supported by the National Treasury (2009), (as the custodian of public sector audit committees) the tool is still underused. For example, Chopra (2017) identifies some challenges to the implementation of 360-degree evaluations, including a lack of knowledge and a failure to understand the benefits arising from the use of the tool. When it is used, the feedback solicited and received from every person affected by the performance and activities of the process (Chopra, 2017) is superficial and apparently generated without much depth of thought or analysis.

Formal audit committee evaluation is often seen as an effective means of assessing the quality of audit committees' activities and competencies. The rationale behind the use of the 360-degree approach is that the collective feedback from various stakeholders (including management, internal audit and the audit committee itself), can be more effectively used to demand accountability from providers of assurance oversight. As an aside, at present there is no officially sanctioned alternative method by which to gain an insight into how audit committees are performing and whether they are adding value to the South African public sector entities they serve. Therefore, the objective of this study is to determine the effectiveness of the audit committee self-evaluation process in the South African public sector using the 360-degree approach. In pursuit of this objective, semi-structured interviews were conducted with directors of internal audit and members of the audit committees in selected public sector entities, to obtain their expert opinion. This paper is structured as follows: The next section provides a background understanding of the 360-degree evaluation process, and discusses the relevant literature. Section 3 describes the data collection process and the research method. In section 4, the data emerging from the interviews is analysed. Finally, section 5 offers conclusions drawn from the analysis of the data.

2. Literature Review

According to Lepsinger and Lucia (2009), the history of 360-degree feedback begins in the early 1950s, where it was used by the German military to gather feedback from multiple sources in order to evaluate officers' performance during World War II. The growing popularity of 360-degree feedback gained momentum to the extent that it is now routinely used to obtain feedback to determine competence levels (Liang *et al.*, 2017) and to assess performance improvement (Campion *et al.*, 2015). Thus, organisations and professional associations rapidly came to understand and embrace the concept as a performance measurement tool (Humphrey, 2017). From a management point of view, giving feedback is not an unusual exercise or a new practice (McCombs, 2014). The objective of the 360-degree evaluation (in South Africa's public sector entities) is to gain insight into how audit committees fulfil their oversight roles with respect to the public financial reporting process, and the internal control systems, internal audit

function, business risk areas, and compliance with laws and regulatory provisions. This paper thus investigates the effectiveness of audit committees' use of the 360-degree feedback approach. While National Treasury requires that the effectiveness of the audit committees be evaluated (National Treasury, 2009), using the 360-degree approach, the question remains inconclusively answered as to whether their use of this approach generates an accurate reflection of the actual situation, and whether the information about the audit committee's independence and understanding of business risks is accurate. Of course, the audit committee's mandate is prescribed in the entity's audit charter, and any evaluation is likely to contain a subjective element. Thus, it is difficult to compare the individual perceptions of the audit committee's overall performance, and generate a cohesive view that can be measured against the audit charter. Hence, as is argued in this paper, at any given level of collective evaluation, there is a likelihood that the individual evaluations will range from significantly less-than-satisfied through to ecstatically satisfied with performance. The purpose of an audit committee assessment is to provide audit committee members with insight into the effectiveness of the audit committee as a collective, and themselves individually, and thus to identify areas in need of improvement (Deloitte, 2013). According to Treasury, this assessment must occur annually. The assessment instruction must set out a clear set of objectives and key performance indicators for the audit committees in respect of their responsibilities (National Treasury, Online). In South Africa, King II recommends that the board should regularly review and assess its own effectiveness by means of a self-assessment. This self-assessment should be of the board as a whole, and each of its committees, and the contributions of each individual director (IOD, 2002). Thus, in similar vein, the work of the audit committee should be evaluated by the audit committee itself, the accounting officer, the external auditors and the internal auditors (National Treasury, Online).

The 360-degree evaluation of audit committees has not been widely welcomed across public sector organisations: despite this resistance there is increasing demand that governance structures should be evaluated. Little has been described in the literature about the relative importance (or effectiveness) of doing the 360-degree evaluations of

audit committees in the South African public sector. In addition, and adding significantly to the challenges of implementing the 360-degree evaluation process in the public sector, is the fact that there is a notable lack of compliance monitoring tools emanating from National Treasury. Thus, this paper is necessarily based on the premise that 360-degree evaluations of audit committees can be focused on assessing their technical competencies and leadership skills. This premise notwithstanding, the fact is that the audit committee composition, its collective and individual understanding of business risks, processes and procedures in the areas of risk management, internal control, financial reporting and governance can also be subject to improvement by including them in the 360-degree assessment, and this would thus create an enhanced self-awareness of the performance of the activities of the audit committees in the public sector. See Table 1 on the following page.

ACs in the public sector environment are expected to use the 360-degree assessment feedback and evaluation in order to get a better understanding of their strengths and weaknesses. Such feedback provides them with useful results in the areas where they are under-performing.

3. Research Methods

Qualitative research is a research methodology that analyses information gathered through the study of language and behaviour in natural settings (Berkwits & Inui, 1998). Hence, qualitative research is often used in situations where new ideas are developing (Creswell & Poth, 2017). In the present study, the qualitative research approach was used to capture information about opinions and motivations that underlie the participants' perceptions of the audit committee members and the directors of their internal audit functions. In following a qualitative research method to dive deeper into the research problem, this study used a semi-structured interview format, conducted with two audit committee members and two directors of internal audit functions at two unrelated government entities. The interviews were conducted at the National Treasury's offices in Pretoria. Semi-structure interviews can provide reliable and comparable qualitative data (Creswell & Poth, 2017) which means that the data collected can be subjected to a certain amount of statistical analysis. With this in mind, the researcher contacted the research participants to personally invite them to

Table 1: 360-Degree Assessment

Evaluation Area:	
Composition and Quality	According to Wang <i>et al.</i> , (2016), audit committee composition should include someone with financial and accounting expertise whose specialist skills can prevent managers from manipulating accounting estimates or applying inappropriate accounting methods, thereby minimising the risk of material misstatement in financial statements. For example, when Kim <i>et al.</i> , (2016) examined the impact of changes in audit committee attributes on financial expertise, size, and independence on firms' audit inputs and financial reporting quality and found that more independent, and more competent audit committees are better able to detect misstatements and/or deter opportunistic reporting by management, independent of the audit quality.
Introspection	Be introspective (AICPA, 2009). Evaluate the audit committee's performance by asking specific questions about the impact it has had on the organization, and most importantly, its financial reporting process, the annual audit, the relationship with the internal and independent auditors, members of management and elected officials (AICPA, 2009).
Understanding Business and Risks	Auditors should assist the ACs to understand their responsibilities and to follow best practices (McMullen & Raghunandan, 1996).
Comprehensive	Conduct 360-degree evaluations of all audit committee members and the committee chair. The chair should consider the result of the audit committee members' evaluations of each other in the context of the chair's evaluation of the members (Limpopo Provincial Treasury, 2015/16). The chair should consider whether any members of the committee should be rotated off the committee; this should be done in consultation with the representative of the governing body or the equivalent official. The members' attendance record and level of participation should be considered during this process (AICPA, 2009).
Oversight of Internal and External auditors	Dobija (2015) asserts that an AC is an effective tool of oversight for financial reporting and external auditors.
Performance improvement	Ask the chief audit executive, chief financial officer, chief executive officer, and independent auditor for comments on the performance of the audit committee (AICPA, 2009).
Process and Procedure	The audit committee chairperson should be considered a key actor in the AC process and procedures with respect to the contribution, power and influence over the role of the audit committee (Compernelle & Richard, 2017).
Competency	Lisic <i>et al.</i> , (2016) suggest that a more independent and expert audit committee is needed. Therefore, audit committees should be evaluated on the baseline of competency and performance (Bolton, 2014).
Communication	Audit committee should have direct communication channels with auditors (Scarborough, <i>et al.</i> , 1998). Thus, the establishment of the audit committee is to ensure continuous communication between external auditors and internal auditors, where the committee meets regularly with the auditors to review financial statements and audit processes.
Leadership	The members should talk about the performance of the committee chair. If the members collectively agree that the committee chair is not performing at the level needed, the members should bring their concerns to the attention of the chair of the governing body or equivalent official (AICPA (2009); Limpopo Provincial Treasury (2015/16).

Source: AICPA (2009); Limpopo Provincial Treasury (2015/16)

participate in the study. The standard pre-research interview protocols were followed by the researcher during which the nature and scope of the research were discussed with the participants. The questionnaire comprised five (5) questions. The interviews lasted approximately 35 minutes, were conducted in English, and were subsequently transcribed by the researcher.

4. Findings and Discussion

This section presents the research findings that emerged from the analysis of the interviews. Participants were requested to provide their opinions on the use of the 360-degree evaluation process on their audit committees, all of which function in the South African public sector.

4.1 Overall Purpose of the 360-Degree Evaluation Process on Audit Committees in the Public Sector Governance

According to participant 1:

"The overall purpose of the 360 degree evaluation is to establish the level of the following: independence of the AC and correct capacitation; understanding the business of the entity the AC oversees; performance of AC in general; and AC execution of its mandate as per paragraph 3.1.10 of the Treasury Regulations".

In their study of 360-degree assessment of management competency, Liang *et al.* (2017), discover that the 360-degree competency assessments could be used to identify the strengths and weaknesses of service providers at an individual level, team level and organisational level. Hence, the above measurements set forth by the AICPA (2009) are aligned to the findings presented by Liang *et al.* (2017).

4.2 Audit Committees' Awareness of 360-Degree Evaluations

Participants 2 and 3 had this to say:

"AC's are well aware of the 360 evaluations; the challenge might be the ability to interpret the outcomes of the evaluations and to implement corrective action where shortcomings are identified. In cases where they are not aware, management is to be blamed as they should have introduced the tool to AC as management is also required to perform the assessment".

This view corresponds with that of Rao and Rao (2014), who state that the effective use of 360-degree evaluation requires the right attitude. This implies that the 360-degree process' feedback will only help those who want to make constructive use of the information, be they an individual audit committee member or a group/committee as a whole. With the right attitude this evaluation process helps them to recognise their strengths and the areas needing improvement while also enhancing general awareness through this communication process. Effectively, an awareness of the reasons for and administrative processes driving the assessment will enable the audit committee to understand any new areas identified in the process, thus enabling them to make meaningful changes.

4.3 Challenges to Effective Implementation of the 360-Degree Evaluation System in the Public Sector

Participant 3 said the following:

"The biggest challenge identified is the understanding of the tool. Currently in a shared AC structure like Limpopo, on one item you will find different answers to a question, which is odd as the charter and structure for the entire clusters is one [i.e. there is a single charter for the entire cluster of departments]. Further to that is [that] members of AC don't take time to familiarise themselves with the business of the departments. Of course, in my view, [the provision of] workshop or induction could assist here. Non-performance in terms of paragraph 3(c) [of the Treasury Regulations], also leads to inconsistent reporting on the tool".

As demand continues to grow for improvements in effective governance (and despite the fact stated above that audit committees "do not take time to familiarise themselves with the business of the department", Vukotich (2014:30) states that the most common "mistakes and misuses of 360 feedback are often made in its implementation and use". However, Humphrey (2017) maintains that the 360-degree feedback process is one of the assessments used to foster leadership capability. Thus, the effective implementation of a 360-degree feedback system can be seen and used as a strategy to improve effective governance and improve efforts to achieve the entity's goals.

What would the positive outcomes be if the 360-degree evaluation process were successfully implemented? It is axiomatic that feedback is essential if the performance of the audit committee is to improve. Thus, the results of a 360-degree assessment, if offered and received sincerely, provide extra impetus to the process of improvement. Hence, within the context of the audit committee evaluation, 360-degree feedback could be used to obtain and assess performance information on the chairperson of the audit committee and on that of individual member. Regarding feedback performance, Rasheed *et al.* (2015) indicate the existence of direct associations between feedback use, accountability, self-efficacy and social awareness and performance, as well as indirect relationships manifesting as satisfaction with the feedback.

Hence, as Participant 4 asserts:

"Before the tool is implemented, AC members, internal audit and management should be taken through all the aspects of the tool – meaning [they should be shown] what is expected of them to do with the evaluation".

While Participant 5 recognises that:

"this is evident from inputs received from the stakeholders as in [in] certain situations, their inputs differ significantly."

Hence, as Participant 1 confirms:

"the tool can also be utilised to define the objectives or focus areas of the AC during the year. For example, that kind of effort can direct the department to achieving positive audit opinion".

4.4 The Ability of the 360-Degree Evaluation to Improve the Audit Committee's Effectiveness

In response to this question, Participant 4 said:

"Yes, it can, if proper care is taken from the onset, when it is introduced, and further if it is utilised to inform the annual work schedule of AC".

Audit committee effectiveness is evaluated in terms of demonstrated independence (Sun *et al.*, 2014), and other key characteristic such as financial expertise and an understanding of financial controls (Lisic *et al.*, 2016). Hegazy and Stafford (2016) point out that there is a developing understanding and growing competence within the AC in terms of their assurance which can only improve as the roles and responsibilities of the audit committee are sympathetically evaluated in terms of the audit committee's charter (National Treasury, 2009)

4.5 The Ability of [The Absence] of 360-Degree Evaluation of Audit Committees to Lead to Internal Control Deficiencies.

Finally, Participant 3 asserted:

"Not really, as paragraph 3.1.10 of the Treasury Regulations is also in place to mitigate the non-availability of the tool".

Participant 1 shared a similar view, affirming that:

"taking into account that the AG also conduct quarterly key control exercises, the risk is manageable".

According to Alzeban and Sawan (2015), the AC is charged with the responsibility of reviewing public sector financial information and with facilitating the work of both the internal audit function and the external auditors. It does so by monitoring the work performed by the internal auditors with respect to compliance with rules and regulations, and that performed by the external auditors on financial controls and reporting.

5. Conclusion and Recommendations

A significant body of research literature has emerged in recent years, in which the various aspects of the 360-degree evaluation process have been investigated, but there are still notable gaps. Thus, a better understanding of the 360-degree evaluation processes as an underlying aspect of what makes an AC effective will see the tool itself improve and thus participate in improving the efficacy of the AC in the public sector. Based on the semi-structured interviews conducted to address this study's problem statement, it can be concluded that the participating internal audit directors view the use of 360-degree evaluation as an effective tool to improve the performance of the audit committees in the public sector environment. This paper has also identified difficulties in the implementation of the evaluation process. The key difficulties are the failure to implement the evaluation process and, where it is used, there is inconsistency in the organisation's compliance with Treasury's protocols on the use of 360-degree evaluations of the audit committees in the South African public sector. The 360-degree evaluation of audit committees was first recommended in the King II Report on corporate governance in 2002, and subsequently adopted by the South African National Treasury to enhance the effectiveness of audit committees in the public sector. Now, some sixteen years later, it should be actively promoted to enable the audit committees in the public sector to identify, understand and enhance their strengths and to address their weaknesses more effectively.

References

- AICPA. 2009. Self-Evaluation: A Primer for Audit Committees. Available at: <http://www.aicpa.org/ForThePublic/AuditCommitteeEffectiveness/AuditCommitteeBrief/DownloadableDocuments/Self%20Evaluation.pdf>. Accessed on 28 December 2017.
- Alzeban, A. & Sawan, N. 2015. The impact of audit committee characteristics on the implementation of internal audit recommendations. *Journal of International Accounting, Auditing and Taxation*, (24):61-71.

- Berkwits, M. & Inui, T.S. 1998. Making use of qualitative research techniques. *Journal of General Internal Medicine*, 13(3):195-199.
- Bolton, B. (2014). Audit committee performance: ownership vs. independence – Did SOX get it wrong? *Accounting & Finance*, 54(1):83-112.
- Campion, M.C., Campion, E.D. & Campion, M.A. 2015. Improvements in performance management through the use of 360 feedback. *Industrial and Organizational Psychology*, 8(1):85-93.
- Carless, S.A., Mann, L. & Wearing, A.J. 1998. Leadership, managerial performance and 360-degree feedback. *Applied Psychology*, 47(4):481-496.
- Chopra, R. 2017. 360 Degree Performance Assessments: An Overview. *Global Journal of Enterprise Information System*, 9(3):102-105.
- Compernelle, T. & Richard, C. 2017. The Audit Committee as an Interactive Process: Insights on the AC Chairperson's Power. *European Accounting Review*, 1-25.
- Conine, T.E. & Leskin, B. 2016. Developing Emotional Intelligence and Conflict Management Skills Through the 360 Assessment. *Global Business and Organizational Excellence*, 35(3):18-26.
- Creswell, J.W. & Poth, C.N. 2017. *Qualitative inquiry and research design: Choosing among five approaches*. Sage Publications.
- Deloitte. 2013. Audit Committee Brief. Available at: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/center-for-corporate-governance/us-aers-acbrief-february2013-3262015.pdf>. Accessed on 28 December 2017.
- Dobija, D. 2015. Exploring audit committee practices: oversight of financial reporting and external auditors in Poland. *Journal of Management & Governance*, 19(1):113-143.
- Fleenor, J.W. & Prince, J.M. 1997. Using 360-degree feedback in organizations. Greensboro: Center for Creative Leadership
- Hegazy, K. & Stafford, A. 2016. Audit Committee roles and responsibilities in two English public sector settings. *Managerial Auditing Journal*, 31(8/9):848-870.
- Humphrey, D.V. 2017. *360-degree feedback impact on leadership development: A multiple case study*. Unpublished Doctoral thesis. Capella: Capella University.
- Institute of Directors. 2002. *King report on corporate governance for South Africa*. Johannesburg: Institute of Directors. Available at: <http://www.iodsa.co.za/PRODUCTSSERVICES/KingReportonGovernanceinSA/KingII.aspx>. Accessed on 9 July 2017.
- Kim, J.B., Segal, B., Segal, D. & Zang, Y. 2016. The Triangular Relationship Between Audit Committee Characteristics, Audit Inputs, and Financial Reporting Quality. 2014 Canadian Academic Accounting Association (CAAA) Annual Conference. Available at: SSRN: <https://ssrn.com/abstract=2373341> or <http://dx.doi.org/10.2139/ssrn.2373341>.
- Lepsinger, R. & Lucia, A.D. 2009. *The art and science of 360 degree feedback*. London: John Wiley & Sons.
- Liang, Z., Howard, P.F. & Leggat, S.G. 2017. 360° management competency assessment: Is our understanding adequate? *Asia Pacific Journal of Human Resources*, 55(2):213-233.
- Limpopo Provincial Treasury. 2015/16. Audit committee 360 degree evaluation report. Polokwane: Limpopo Provincial Treasury.
- Lisic, L.L., Neal, T.L., Zhang, I.X. & Zhang, Y. 2016. CEO power, internal control quality, and audit committee effectiveness in substance versus in form. *Contemporary Accounting Research*, 33(3):1199-1237.
- McCombs, B.L. 2014. Using a 360 degree assessment model to support learning to learn. R., Deakin-Crick, T., Small, C. Stringher, (Eds.). *Learning to learn for all: Theory, practice and international research: A multidisciplinary and lifelong perspective*, 241-270.
- McMullen, D.A. & Raghunandan, K. 1996. Enhancing audit committee effectiveness. *Journal of Accountancy*, 182(2):79.
- National Treasury. Guidelines for the Audit Committee. Available at: <https://oag.treasury.gov.za/RMF/Pages/s302AuditCommittee.aspx>. Accessed on 23 December 2017.
- National Treasury. 2009. *Internal Audit Framework*. 2nd edition. Pretoria: National Treasury.
- Rao, T.V. & Rao, R. 2014. *The Power of 360 Degree Feedback: The India Way for Leadership Effectiveness*. SAGE Publications India.
- Rasheed, A., Khan, S.U.R., Rasheed, M.F. & Munir, Y. 2015. The impact of feedback orientation and the effect of satisfaction with feedback on in-role job performance. *Human Resource Development Quarterly*, 26(1):31-51.
- Scarborough, D.P., Rama, D.V. & Raghunandan, K. 1998. Audit committee composition and interaction with internal auditing: Canadian evidence. *Accounting Horizons*, 12(1):51.
- Sun, J., Lan, G. & Liu, G. 2014. Independent audit committee characteristics and real earnings management. *Managerial Auditing Journal*, 29(2):153-172.
- Vukotich, G. 2014. 360° feedback: ready, fire, aim – issues with improper implementation. *Performance Improvement*, 53(1):30-35.
- Wang, M.C., Lee, M.H. & Chuang, J.J. 2016. Relations among audit committee establishment, information transparency and earnings quality: evidence from simultaneous equation models. *Quality & Quantity*, 50(6):2417-2431.

The Assessment and Enhancement of Performance Management Within the South African Local Government Environment

MM Selepe

University of Limpopo, South Africa

Abstract: This paper deals with the performance of the Municipal Managers and Managers accountable to them as well as institutional performance of a municipality. It outlines performance appraisals, performance management. The paper examines general performance problems as well as possible remedies. The South African Local Government performance management system consists of the individual and institutional performance management. The paper will focus on Section 57 managers which deal with the appointment of Municipal managers and managers accountable to the Municipal Manager as well as their performance agreements. The paper explains the municipal performance management. In terms of the institutional performance, measuring tools of the municipality which are the Integrated Development Plan (IDP) and the Service Delivery Implementation plan (SDIP) will be explained. This paper seeks to provide guidelines to councillors, managers, officials and local government stakeholders in developing and implementing a performance management system in terms of the requirements of the legislation. The paper strives to establish common language and thereby ensuring some level of consistency and uniformity in the application of concepts.

Keywords: Performance appraisal, Performance management, Municipal manager, Municipality

1. Introduction

The initial emphasis after the transition to democracy in South Africa was on Policy development. This was later overtaken by a concern to promote efficient, economical and effective implementation of the developed policies. As the local sphere of government was developed there came about an increased emphasis on monitoring and evaluation of the implementation of these policies and more specifically a concern with performance management. Good performance management helps identify what policies and processes work and why they work. Thus, the collection and management of information with regard to performance is critical to effective operational planning and monitoring and evaluation required to enhance accountability. With an appropriate performance management system, information that assists stakeholders to exert pressure for improvements in the service delivery processes is generated. Central to the performance management system is the development of Key Performance Indicators (KPIs) as instruments to assess performance. The indicators help to translate complex socio-economic development challenges into quantifiable and measurable outputs. They are therefore crucial if a proper assessment is to be done on the impact of municipalities in improving the quality of life of all (Venter *et al.*, 2007:110).

Craythorne (2006:120) states that performance management is most commonly thought of as a technique applied to the performance of staff. While that is true, performance management is a powerful tool that can be applied to the performance of an organisation and thereby indirectly to the political figures who are responsible for that organisation. It must give intelligence as to whether the outcomes, inputs and outputs have been achieved and whether a more effective, efficient and economic system is evolving. This intelligence is used in the review phase to inform the improvement phase. The management of human resources is as important as the management of the organisational system. People management must include the concepts of changing an existing culture and introducing the concept of skills- and leadership development. It is this human intervention element of change management that must receive the needed attention if the performance management journey is to succeed.

Performance management is a new requirement for local government in South Africa. Moreover it is a specialised field with concepts usually interpreted and applied differently. Municipalities deliver services critical to the well-being and development of the local government sphere. In order to ensure that municipal service delivery is as effective,

efficient and economical as possible, municipalities are required to formulate strategic plans, allocating resources through a municipal budgeting process; and monitor and report on the results as required by applicable legislation. Performance information used in performance management is essential to focus attention of stakeholders on performance of individual municipalities against their Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plans (SDBIPs). In the municipal context, a comprehensive and elaborate system of monitoring performance of municipalities has been legislated. The system is intended to continuously monitor performance of municipalities in fulfilling their developmental mandate. If developed properly the performance management system can become a powerful tool for building a high performance municipality and bridging the gap between planning and implementation (Performance Management Regulations, 2001:5).

2. Legislative Framework on Local Government Performance Management

Performance management, as an instrument for good governance, must ensure that it reaches the local sphere's developmental objectives. The Constitution of the Republic of South Africa, 1996, Chapter 7 deals exclusively with the local sphere of government and lists the objects and developmental duties of municipalities. The Municipal Structures Act 1998 Section 19(1) states that a municipal council must strive within its capacity to achieve the objectives set out in Section 152 of the *Constitution*. In terms of section 19(2) of the Municipal Structures Act it is stipulated that a municipal council must annually review its overall performance in achieving the set objectives. The way that local government can manage and ensure that its developmental objectives have been met, is thus through the performance management system. Government, within this governance framework, gives us the tools to execute the above objectives and developmental duties. The Integrated development planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on the development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands. It will enable them to direct resource allocation and institutional systems to a new set of development objectives (Treasury, 2008:14-15).

In other words, good corporate citizenship is all about how the municipalities set their priorities through the performance management system as per the IDP, conduct their business as per the SDBIP and relate to the community they serve through community input and public participation (The Institute for Performance Management, 2007). The behaviour is enshrined in the Batho Pele Principles (2008) to ensure better services are delivered towards the communities they serve. It is thus an integrated system that is best described in Chapter 6 of the Local Government Municipal Systems Act (2000) as amended which specifically emphasises that the municipality must implement a performance management system that is in line with the priorities, objectives, indicators and targets contained in the IDP. The Act furthermore states that the performance management system must be commensurate with its resources and promote a culture of performance management among its political structures, political office bearers and councillors, and in its administration, and administer its affairs in an economical, effective, efficient and accountable manner (Treasury, 2008:14-15).

Ultimately, sound governance can thus be referred to as an integrated performance management system that regularly conducts planning, measuring, budgeting, implementing, monitoring, assessing, reporting, evaluating and reviewing in a systematic way to ensure sustainable methods of meeting governance requirements, legislative compliance and community needs and demands. The platforms in a municipality used for these purposes are the IDP, performance management system, the SDBIP (departmental alignment) and the Individual Performance Plans of the Section 57 Managers. These then become the objectives and indicators of the Section 57 managers. The Section 57 managers, cascade the indicators and targets to the next level, sometimes referred to as the Lower SDBIP (Treasury, 2008:14-15).

3. The Relationship Between Performance Appraisal and Performance Management

According to Van der Westhuizen (2016:142) performance appraisal, sometimes called performance evaluation, performance measurement or performance review is the most common phase of the performance management process and one which most employees are familiar. Performance appraisal is defined as a part, phase, activities or aspect of

performance management through which the performance of an employee is appraised and a performance score or rating that indicates the level of performance is decided upon. Performance management in the public sector is a complex feature of the employment contract in which employers, employees and citizens share a reciprocal relationship and an exchange in which they have complementary rights, duties and responsibilities. Performance management is defined as a continuous, systematic and integrated process of identifying, appraising, managing and developing employee's performance. Performance appraisal may be defined as a formal and systematic process, by means of which the job-relevant strengths and weaknesses of employees are identified, observed, measured, recorded and developed (Swanepoel *et al.*, 2008:369).

According to Swanepoel (2008:371-372) performance appraisal is also the human resource function most often criticised and whose system carry the greatest risk of either failing, falling into disuse or degenerating towards a meaningless paperwork. Performance management can be regarded as non-time specific on-going process that involve the planning, managing, reviewing, rewarding and development of individual or group performance. The performance appraisals and performance management are intertwined in the successful delivery of public institutions goods and services to consumers. Performance appraisal is carried out as a phase of a performance cycle of a public institution. The performance cycle consists of multiple phases and performance management consists of multiple performance cycles. Without performance appraisal, the process of performance management is deficient. Depending on the policies that are adopted by public institutions a performance cycle may consist of two performances appraisal phases that are conducted at regular intervals, normally one in the middle and the other at the end of the performance cycle. Performance appraisal is therefore a small fraction of a comprehensive process of managing performance whereas performance management is holistic, integrated and systematic.

This difference is substantiated by the nature of outputs and outcomes that performance appraisal and performance management anticipate achieving. The objectives of performance management surpass those of performance appraisal in that the impact of performance management goes beyond the boundaries of public institutions. This means that if public institutions implements performance management

effectively it satisfies the needs of consumers that are not necessarily part of it whereas the outcomes of performance appraisal are consumed internally (Van der Westhuizen, 2016:143-144).

4. Purpose of Performance Appraisals

The purpose of performance appraisal is classified into three categories, namely, administrative, employee development and institutional development all of which are reflected in the definitions of performance appraisal and performance as well as the relationship and differences between them. The categories are outlined as follows;

4.1 Performance Appraisals as Administrative Instruments

Performance appraisals are important administrative instruments that help managers to make significant operational and human resource management decisions. Administratively, performance appraisals make available performance information that may be used to administer decisions about the following:

- **Career Management and Human Resources Planning:** Appraisers gain insight into employee's career goals, the type of support they need to reach their career goals and support that an employee may need to support other employees to develop their skills;
- **Financial Rewards:** Performance appraisals may be used as a determining factor in financial aspects such as annual salary increases, pay progression and performance bonuses;
- **Management of Discipline:** Identification of unsatisfactory performance and destructive behavior and appraisers are enabled to institute corrective action by means of coaching, counseling and referrals to employee assistance services;
- **Employee Placement Decisions:** Appraisers gain knowledge about the discipline employees are qualified or interested;
- **Workforce Research:** The information that is gained through performance appraisals may be used to examine or compare employees team or team performance over multiple periods (van der Westhuizen, 2016:144-145).

4.2 Employee Development

Performance appraisals help employees develop their chosen careers. As a development instrument they facilitate activities through which employees are able to achieve personal development. Performance appraisals may reduce the occurrence of rating errors by appraisers and allow for procedural fairness in public institutions. They empower employees by giving them an input into decisions about their personal development.

4.3 Institutional Development

The purpose of performance appraisals in enhancing institutional development cannot be explained in isolation from their administrative purpose and employee development. These three purposes are interlinked in that administrative decisions are essentially about employee development. If employees are able to predict their career development and are rewarded on merit and placed in appropriate positions, they tend to be productive, committed, motivated to perform even better and in general are satisfied with their work. In this way employee performance improves that of a public institution. A public institution is then able to satisfy the needs of its customers (citizens) and improve on its image. Because performance appraisals improve communication between appraisers and employees, they enhance co-operation and create a common vision amongst employees, which is necessary to achieve the goals of the institution (van der Westhuizen, 2016:146)

5. Developing a Performance Management System

According to Swanepoel (2008:379) it is very important to develop a performance management system which is not an isolated project, but well aligned to other Human Resources Management systems. Typical issues to be addressed to ensure an appropriate customised performance management system are highlighted in the subsections that follow:

5.1 Pre-Design Considerations

An effective performance management system should enable and empower line management to implement the strategies and objectives of an organization successfully. Probably one of the

most crucial aspects during the very early stages of planning the introduction of systematic performance management would be the very question of whether we want to have such a formal system for managing work performance or not. While Human Resources practitioners might well see the value and have relevant expertise the key is that top management team must be keen to have it. If it can be demonstrated that such a system is fundamental to the actual process of strategy execution it should be pretty straightforward.

5.2 Designing the System

Once the decision has been made active engagement in developing the system will commence. The input of the internal or external specialists is required. Probably the most important thing is to engage the people who will be using the system. The actual essential activities must be performed to actually develop the system:

- **Obtaining Basic Job Information:** Job design and analysis, which form the cornerstone of gathering job related information. The nature of the work and typical job duties and responsibilities, should guide how the system should work.
- **Establishing Performance Standards and Performance Criteria:** Performance standards describe the conditions for desired work performance. The system should probably be designed such that the work performance standards are mutually agreed upon by those who must do the work and those to whom they report.
- **Choosing the Format and the Source of Appraisal Information:** Decisions on the format of appraisal instrument and sources that should generate the ratings must again be the outcome of thorough deliberation on my factors such as the overall objectives, potential advantages and disadvantages and organisation-specific circumstances.
- **Preparing Documentation:** The relevant policy documents should form the framework for the process and procedures that detail more finely who should be doing what and when in terms of the planning and managing work performance. The actual performance appraisals forms are very important because they will form the basis for discussions as well as where we will be able to

access relevant work performance related information. It is normally quite important to develop user guides together with the policies and procedures manuals for managers. Particularly important in this regard will be guidelines in relation to the actual processes of assessing and discussing matters related to work performance.

5.3 Introducing and Operationalising the System

Process related to the implementation phase focus mainly on various training sessions and introductory exercises. The contents of such training may be determined by the level of involvement of users during and the development phase, the complexity of the specific system and existing competence in performance management of the supervisors.

5.4 Maintaining the System

The maintenance of an appraisal system entails activities such as:

- Monitoring the consistent application of performance ratings;
- Reviewing satisfaction levels of managerial as well as non- managerial staff who are using the system and finding out about what can be done to improve the system;
- Devising and arranging and arranging training and development interventions indicated by review results;
- Monitoring the internal and external environment for changing circumstances that may necessitate a review or adjustment of current practices; and auditing and evaluating the effectiveness of system comprehensively from time to time.

6. Synergy Between Organisational Performance Management and Individual Performance Management

The performance of a municipality is integrally linked to that of staff. It is therefore important to link organizational performance to individual performance and to manage both at the same time, but separately. The legislative mandate for measuring individual performance is found in Section 57 of the Municipal Systems Act, which requires that the Municipal

Manager and Managers who report directly to the Municipal Manager, sign performance contracts, which must include performance objectives and targets. These must be practical, measurable and based on key performance indicators set out on the IDP. Effectively, the organisational scorecard is executed by the employees of the municipality. In practice this means that the strategic organisational scorecard becomes the responsibility of the municipal manager, and the Cluster scorecard is the responsibility of the Deputy City Manager of the Cluster. The head of department's individual performance plans will flow out of the Deputy City Manager's performance plan and the manager on the lower level will have a performance plan that flows out of the head of the department's performance plan. This process is then cascaded down throughout the hierarchy of each of the department in the municipality. Although legislation requires that the municipal manager, and managers directly accountable to the municipal manager, sign formal performance contracts, it is also a requirement that all employees have job descriptions. These must be aligned with the individual performance plan of the head of the department. In this way all employees are working towards a common goal. It is however the responsibility of the employer, to create an environment, which the employees can deliver the objectives and the targets set for them in their performance contracts and job descriptions (Performance Management System Framework, 2008:16).

6.1 Benefits of a Performance Management System

6.1.1 Organisational Performance

The Organisational Performance Management System is advantageous to a municipality as it identifies major or systematic blockages and guides future planning and developmental objectives and resource utilization in the municipality. It provides a mechanism for managing expectations and ensuring increased accountability between residents of a municipal area and the political and administrative components of the municipality. It provides early warning signals to identify problems in meeting the IDP strategies. Provides appropriate management information for informed decision making.

6.1.2 Benefits of Individual Performance

Individual performance benefits ensure alignment of individual goals and objectives with that of the organisation and to coordinate efforts in order to

achieve those goals. The benefits ensure that there is an understanding of what is expected from the incumbents, by when it is expected and to what standard is expected. There is a clear understanding of the incumbent's key areas of accountability. Individual performance benefits are significant in determining whether or not performance objectives are being met or not. Qualified decisions within the incumbent's level of competencies are made and learning and development opportunities are created to enable the incumbents to meet the set standards of performance (Performance Management System Framework, 2008:18).

7. Individual Performance Management in Terms of Section 57 Managers

When designing the organisational structure of municipalities, Craythorne (2006:191-192) proposes it be done in stages. The first stage, called the macro-design stage would be to identify the sections, divisions, branches and departments. Next, top management for the organisation should be established. The final stage is the design of various units such as sections, divisions, etc. often called the micro-design stage. Within the second stage of design, the Section 57 managers should be appointed. It is important to note that the municipal manager, as the highest executive power within a municipality, must have the relevant skills and expertise to perform the duties associated with their positions. The municipal manager of the democratic South Africa is a key figure in the successful management of the administration of a municipality. The Local Municipal Systems Act (2000) spells out the functions and responsibilities of the municipal manager.

In short, the municipal manager is responsible for the formation and development of an economical, effective, efficient and accountable administration, the management of the municipality's administration in accordance with the Municipal Systems Act (2000) and other legislation related to municipalities, the implementation of a municipality's IDP, the management of the provision of services to the local community in a sustainable and equitable manner, the appointment of staff and maintenance of discipline of all staff and the promotion of sound labour relations, improvement of communication between municipality's administration and political structures and political office-bearers. The Local Government Municipal Systems Act, 2000 differentiate between

staff generally and managers directly accountable to the municipal manager or second-level posts. Persons filling those second-level positions are to be appointed by the council or executive committee of a municipality after consultation with the municipal manager. A municipal manager and senior managers directly accountable to the municipal manager may only be appointed to Section 57 managerial positions in terms of a written contract which complies with the provisions of section 57 of the Municipal Systems Act, 2000; and subject to a separate performance agreement to be concluded annually, and which must be concluded within a reasonable time after the appointment has been made and thereafter within one month of the beginning of each financial year.

Once the municipality has determined the role profiles for each Section 57 manager, the performance objectives and targets for each managerial position must be determined in respect of relevant key performance indicators set by the municipality in terms of Section 41(1)(a) of the Local Government Municipal Systems Act (2000). The role profile and the performance objectives and targets envisaged in the KPAs and respective KPAs must form the basis of any performance agreement linked to contracts of Section 57 managers. In terms of the guidelines of the Municipal Systems Act 2000 the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006) sets out the parameters on how the performance of Section 57 managers will be directed, monitored and improved. The performance plan may change annually based on changes made in the SDBIP. Parties must review the provisions of the agreement during June of each year and must compile a new performance agreement that replaces the previous agreement at least once a year within one month after the commencement of the new financial year. The agreement will terminate on the termination of the Section 57 manager's contract of employment for any reason. If at any time during the validity of the agreement, the work environment alters to the extent that the contents of the agreement are no longer appropriate, the contents must be mutually agreed between the parties and immediately revised. It is however important to note that 80% of the performance covered in the contract must relate to the SDBIP of a municipality.

The performance objectives and targets must be met by the employee within the set time-frame for

achieving targets. The key objectives describe the main tasks to be done. In collaboration with these objectives, the KPIs should provide details of the evidence that must be provided to show that a key objective has been achieved. A Section 57 manager's performance will, in addition to these objectives, also be measured in terms of the contribution she/he made to achieve the goals and strategies of the IDP or SDBIP of a municipality.

The criteria upon which the performance of a Section 57 manager must be assessed consist of two components, both of which must be contained in a performance agreement. The Section 57 manager must be assessed against both components with a weighting of 80:20, allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively. Each area of assessment is to be weighted and should contribute to a specific part of the total score. The assessment will be based on his/her performance in terms of outputs or outcomes identified as per the performance plan linked to the KPAs, linked to the organisational achievements.

8. Institutional Performance Management System

The publication of reports by the Auditor-General on financial statements and the performance of municipalities show that municipalities in South Africa are still struggling to perform efficiently and effectively. The root cause of this is the lack of internal controls and of governance principles, and the mismanagement in municipalities (Local Government Turnaround Strategy, 2009:11). The council's performance management system contains the following core elements:

Performance Planning ensures that the strategic direction of the Municipality more explicitly informs and aligns the IDP with all planning activities and resource decisions. This is the stage where Key Performance Areas and Key Performance Indicators (KPIs) are aligned to the IDP and national requirements, and targets are set.

Performance Measuring and Monitoring is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met. It occurs during key points in a process for example, on a quarterly and annual basis.

Performance evaluation analyses why there is under-performance or what the factors were, that allowed good performance in a particular area. Where targets have not been met, the reasons for this must be examined and corrective action recommended. Evidence to support the status is also reviewed at this stage. An additional component is the review of the indicators to determine if they are feasible and are measuring the key areas appropriately. A corporate analysis of performance will be undertaken by the Performance Management Unit, to examine performance across the municipality in terms of all its priorities.

Performance Reporting entails reporting twice a year to management, the performance audit committee, council and the public. In addition, a quarterly report is also prepared and sent to Internal Audit to be audited, prior it being sent to council and the performance audit committee (Performance Management System Framework, 2008:20)

8.1 Institutional Key Performance Areas (KPAs)

The KPA's that must be adopted and contained by municipalities in their Local Government Strategic Agenda as the core KPA's in their organisational performance scorecard are outlined below as follows:

8.1.1 Basic Service Delivery

This includes aspects such as basic water, sanitation, electricity, refuse and roads. It also includes social infrastructure such as housing, health, education, welfare and cemeteries.

8.1.2 Local Economic Development

This include economic development and poverty alleviation strategies and awareness programmes, in addition to the social infrastructure, social programmes also form part of this e.g. HIV/AIDS, ABET which comprises of economic generation objectives and elements of poverty alleviation are also grouped in this area.

8.1.3 Governance and Public Participation

It measures how the local government sphere aligns and integrates with the provincial and national spheres of government on cross cutting issues, programmes to demonstrate how the community participates/ is consulted/ is empowered in government programmes; particularly the establishment and functionality of ward committees and community development workers and the involvement of Traditional Councils in municipal affairs.

8.1.4 Municipal Transformation and Organisational Development

The following questions must be asked to ensure municipal transformation.

- How the institution is (administratively and politically) capacitated to exercise its duties (Human Resource development and management)?
- How the organization is structured to meet the needs of the IDP?
- Is the organization accountable to the public via the necessary performance management systems?
- Are the internal policies and processes adhering to aspects like gender equity, disability and general management of the municipality?

8.1.5 Municipal Financial Viability and Management

It comprises the policies and process relating to revenue generation, debt and credit management as well assets and liability control and auditing, and aspects such as submission of the financial statements to the Auditor General (AG) as well as the findings of the AG on the Municipal Affairs Compliance with Municipal Finance Management Act and the Service Delivery and Budget Implementation Plan (Performance management system framework, 2008:22).

8.2 Institutional Key Performance Indicators (KPI's)

Key Performance Indicators are measurements that indicate whether progress is being made in achieving the SFA's. Indicators are important as they provide a common framework for gathering data for measurements and reporting: translate complex concepts into simple operational measurable variables, enable the review of goals and objectives, help provide feedback to the municipality and staff, and identify the gaps between IDP strategies and the operational plans of the various departments and setting of Key Performance Indicators. The key performance indicators should be Specific, Measurable, Achievable, Realistic and Time-framed (SMART). Key Performance Information concepts should also be considered when indicators are set such as:

- Input Indicators: all the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work".

- They include finances, personnel, equipment and buildings.
- Activity indicators: the processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
- Output indicators: the final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver".

Outcome indicators: the medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".

Impact indicators: the results of achieving specific outcomes, such as reducing poverty and creating jobs (Performance management system framework, 2008:24).

9. Conclusion and Recommendations

The paper explained the legislative framework of performance management system in local government. It also examined the development and the relationship between performance management and performance appraisals. The individual and institutional performance management system was discussed in detail. It is evident that the South African Local Government performance management system is developed and derived from the local government legislative framework can be concluded that strengthening the performance management system could be the basis of effective service delivery in municipalities. According to the 2016/2017 financial year the Auditor-General's report indicated that out of the eight Metropolitan Council municipalities it is only the three Metropolitan Councils that had a clean audit. The Auditor-General's report confirms that there is sufficient budget to render services but the implementation process seem to be biggest hurdle pertaining to service delivery. The local government enacted regulations dealing specifically with issues related to individual performance management and institutional performance management in municipalities, instead serious challenges are posed in implementing a municipal performance management system to promote the culture of good performance in municipalities.

The primary and key recommendation is the crafting or formulation of the Local Government Performance Management system implementation strategy. Strategy positioning and implementation must be adopted by all the municipalities. There is a need for the South African Local Government officials to benchmark on the best practices and policies practiced by Metropolitans such as New York City in the US and London in the United Kingdom. All the municipalities have the Performance Management policies and frameworks but they are unable to implement them according to their set standards of performance and stipulated timelines. It is therefore, recommended that local government must conduct a management skills audit. This will highlight gaps in competence and may identify training needs for managers to meet new performance demands. This is important to ensure the success of the Performance management system. It is suggested that success will depend quite significantly on skilled and competent municipal managers who are leaders and who possess broad yet finely-honed skills.

The scorecard approach is a dynamic tool which is easy to change and can be presented differently for baseline workers depending on one's specific circumstance. However, they should also be viewed with caution because for other people or employees they could contain a lot of confusion and complexity. Moreover, the scorecard system is the integral component of the Performance management system, it consists of the district scorecard and the department scorecard. The district scorecards are broader issues, some of which the institution has no influence over but would like to measure. The departmental scorecard is more specific and allows for departments to be measured on issues that they would like to be measured on.

Lastly there is a need to implement change management. The employees must be informed of the need for change. The internal or external change agents must be identified to facilitate the change process. An environment and climate that support the change process must be fostered and the objectives of the organization must be adapted. It also became evident that change primarily involves people. Therefore, it is important for change agents to involve the people in the organization in the process of change.

References

- Craythorne, D.L. 2006. *Municipal Administration: The Handbook*. Cape Town: Juta.
- South Africa. 1996. *Constitution of the Republic of South Africa Act of 1996* Pretoria. Government Printers.
- South Africa. 2000. *Local Government Municipal Systems Act, No. 32 of 2000*. Pretoria: Government Printers.
- South Africa. 2000. *Local Government Structures Act, No. 117*. Pretoria: Government Printers.
- South Africa. 2003. *Local Government Municipal Finance Management Act, No. 56 of 2003*. Pretoria: Government Printers.
- South Africa. 2007. Department of National Treasury. 2007. *Framework for Managing Programme Performance Information*.
- South Africa. 2008. eThekweni Municipality. *Organizational Performance Framework*. Durban: eThekweni Municipality.
- South Africa. Department of Provincial and Local Government, 2001. *Local Government Municipal Planning and Performance Management Regulations*. 2001. Pretoria. Government Printers.
- South Africa. Department of Provincial and Local Government, 2006. *Local Government Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Manager*. Pretoria. Government Printers.
- South Africa. Department of National Treasury. 2007. *Framework for Managing Programme Performance Information*. Pretoria. Government Printers.
- Swanepoel, B.J., Erasmus, B.J. & Schenk, H. 2008. *South African Human Resource Management*. Cape Town: Juta.
- Van Der Westhuizen, E. 2016. *Human Resources in Government: A South African perspective on theories, politics and process*. Cape Town: Juta.
- Venter, A. *et al.* 2007. *Municipal Management: Serving the People*. Cape Town: Juta.

Epistemological and Ontological Discourses on the Role of Universities in the 21st Century

N Tshishonga

University of KwaZulu-Natal, South Africa

Abstract: Worldwide, institutions of higher learning are challenged to transform themselves to play a decisive role in an ever-changing environment. Viewed from an open system theory, these institutions like any other organizations are to discover, contextualise and employ appropriate and deliberate strategic planning, management strategies and tools to address the needs and aspirations imposed by these environments. As such, universities are compelled to configure and revisit their roles and models for them to impact positively on their immediate environment and wider stakeholders. Thus, the existence of universities as social institutions implicates them to transcend their traditional role from teaching and learning and improve their research and community engagement to using knowledge as a social tool to transform society. This paper therefore provides an ontological and epistemological analysis of the traditional and emerging roles played by universities in the 21st century. The author made use of various models to assess and understand evolving roles of universities and their implications for a wider societal transformation. These models range from the metaphysical, scientific, entrepreneurial and bureaucratic to liquid, therapeutic, authentic and ecological models. Within a single university, the research university, the entrepreneurial university, the bureaucratic university, and even the corporate university have a presence and influence. However, the question is how does the modern university navigate all this branding and roles, and still maintain its status and identity of being a university. Due to pressure from both the immediate and wider environment, the paper argues that universities have no option but to adopt to the ecological university model if they are concerned about playing an active and impactful role in transforming society.

Keywords: Developmental university, Ecological university, Epistemological, Ontological discourses, Role of Universities

1. Introduction

In the context of African universities, issues of transformation, access, quality and curriculum revamping are of the utmost importance. Within this transformative agenda for African universities, is the imperative for Africanising or endogenising these institutions to serve the intellectual and developmental needs of the African people (Crossman, 2004). In this context, Mamdani (1997, in Makgoba & Chetty, 2010:3) challenges African universities as an opportunity for 'producing knowledge' where the African condition and the African identity are considered as their central problem and which further recognises the African condition as historical. Mostly affected are the South African higher education institutions which for decades had operated under Bantu education designed to promote mediocre and inferior qualified scholars. This the kind of education Verwoed envisaged for the Blacks based on the view of them as 'hewers of wood and drawers of water' (in Sehume, 2018:15). The legacy of Bantu education and its adverse effects still continue to

undermine the potential of black students whom the majority of them attended mediocre and poorly managed schools. Considering the discriminatory system of Apartheid, imperatives for equity, redress and development of higher education was prioritized post-1994 era (Balintulo, 2004). This paper therefore provides an ontological and epistemological analysis of the traditional and emerging roles played by universities in the 21st century. The author made use of various models to assess and understand evolving roles of universities and their implications for a wider societal transformation.

2. Concept of a University

Universities are social institutions charged with the responsibilities of teaching and learning, conducting research and community engagement. Traditionally, these functions comprise the core business of the university (Uys *et al.*, 2010). Although teaching and research form the core business of the university, the university is also expected to be responsive to the communities in their proximity. The trio

functions of universities of teaching, research and community engagement underlie the traditional roles of universities. These functions help to define a university within the broader higher education institutions. From the developmental role, a university is associated as an ancillary, self-governing institution, an instrument with a development agenda, and as engine of development (van Schalkwyk & Bailey, 2013:157-158). As such, universities should be conceptualized as part of the broader institutions of higher learning designated to produce knowledge and disseminate such knowledge to a broader society. At the centre of the notion of a university is the production of knowledge with scientific and scholastic rigour. In essence, a university is a community of scholars, people who apart from teaching and learning, indulge in ground breaking research and further extend their scholarship through community or social engagement. A university is an institution of higher learning where learning takes place more from those people, those ideas, and those phenomena from unknown circumstances (Brink, 2016:115). Through institutions of higher learning, universities included, knowledge is generated and an environment for creativity and innovation is created to produce scholars and theorists. The Oxford Dictionary (1990:1339) defines a university as an educational institution designed for instruction, examination or both, of students in many branches of advanced learning, conferring degrees in various faculties and often embodying colleges and similar institutions. Beyond institutions of higher learning being custodians of knowledge, production and dissemination, these knowledge-based institutions also play an active role in helping individual citizens, governments and whole societies in their planning and managing of human capital. As a community of students, academics and support staff, their core business is directly or indirectly engaging in the educational process (Mkhize, 2014:108).

3. The Place of Universities in the South African Transformation Agenda

In South Africa, universities are central in developing capable and committed human resources within the parameters of social transformation (Tshishonga, 2016). The higher education sector since 1994 was envisaged to transform itself in order to bring about broader societal transformation. As such, Ramphele (2008:196) argues that higher education is a platform for the practice of high-level human and intellectual work and the training of current and

future generations of professionals, scientists and technological experts. However, it is not only imperative, but also a strategic deployment and capacity builder. Arguably, the Commonwealth Expert Group Report (1991:7) states that:

[t]he true challenge of human resources development in South Africa is to assist the process of political change, redress the inequalities and poverty bequeathed by the apartheid state, and contributes to transforming those mental stereotypes which foster vision and discord within the South African society.

In this regard, universities and other tertiary institutions play a pivotal role in building human resources towards creating a knowledgeable and responsible society. More than twenty years into democracy; South Africa is still suffering from poorly educated, unskilled and incompetent human resources. As evidenced through poor performance records regarding delivery of sustainable services, the public sector is crippled by poorly skilled and incompetent civil servants. Although Nengwekhulu (2009:351) notes that public service delivery failures should not be blamed only on skills deficiencies and shortages, but also on other critical factors. This situation is further aggravated by unfilled strategic posts across all the spheres of government which is also accompanied by a laissez faire type of leadership ill-equipped to make strategic decisions, particularly at a managerial level. In this regard, Ramphele (2008) suggests that in order for the public sector to address the legacy of apartheid, service delivery backlogs, skills and state capacity constraints, transformative leadership is imperative.

Human resource development is essential since skilled and competent human resources become central in terms of bringing about lasting and positive changes aimed at empowering both the employees and the institutions themselves. Human resource development in this context has the ultimate outcome of human betterment through achieving effective performance. Within the public sector, Ferreira (2008:204) advocates for a holistic approach towards the development of human resources to entail training, education, and staff rotation, attendance of workshops or conferences. In addition, human resource development is associated with effective and efficient service delivery to the public and in particular, poor communities who are wholly dependent on government institutions

(ibid, 205). Surprisingly, despite government public policies such as the Skills Development Act (1998) aimed at upskilling the South African workforce and the White Paper on Public Service Training and Education (1997) which provides a policy foundation aimed at transforming public service training and education into a dynamic, needs-based and proactive instrument, the South African workforce is still underperforming. Education for human development is fundamental to South African society, a society ridiculed by a dire need for skills, knowledge and competencies to run the country democratically and professionally. Given the Bantu history of apartheid, it is therefore no surprise that upon the advent of democracy as Picard (2005:117) argues that 'Black people in the main were not equipped, either by education or by temperament for success in the new South Africa'. Transforming higher education for human development rests on the imperative to 'enlarge people choices' and the process of enlarging people's choices according to the UNDP (1990) entails empowering them to achieve their potential to lead fuller and more productive lives. Similarly, as the human development paradigm is to higher education transformation, the development of human capabilities and empowerment of people is central as using those capabilities would enable them to participate in the development process (UNDP, 2000). According to UNDP (2000), transforming education for human development involves the creation and adherence of non-racialism, non-sexism, and a unified system with democracy and redress. Education in this regard is linked to the broader transformative agenda of South African society and further to enhance people's education for people's empowerment.

4. Ontological and Epistemological Role of a University

Scholars both nationally and internationally are in agreement that the role of universities in society needs to be enhanced and revisited in line with the developmental state and knowledge economy imposed by globalization (Universities are public entities funded from the public purse; hence, their role should transcend their immediate environment). The growing demand of accountability to society is justified. There are at least two reasons for these demands; the first one is based on the role that these universities played during the apartheid era. The National Party used them for the propagation and establishment of its policies

which discriminated against the black majority and excluded them from decision making processes. They were structured in a way that favoured white superiority. The second one is based on the needs and expectations of the current government that all higher education and training institutions should be responsive and accountable. The strategic plan of the current Department of Higher Education and Training (2010/11-2-14/15) envisages higher education and training institutions that have inclusive institutional cultures, respectful of differences, supporting learning and development. Institutions need to prepare students for a democratic and diverse society that are producing students who are socially conscious, have sense of citizenship and respect for human rights and democratic values. Arguably, unless the power relations and the structural inequalities are addressed, universities still have far to go before they can play a meaningful role in promoting citizenship and public good. Research shows that their structure, culture, attitudes and behaviours have not changed much from what they were during the apartheid era and this is constraining progress in fulfilling their role in the current dispensation. There has been commendable progress made by the Department of Higher Education and Training in terms of the policy framework and the creation of an environment suitable for the university to execute their social roles, and by the universities themselves in terms of the programmes and projects that they have implemented. However, there are still challenges which require the attention of all higher education stakeholders to deal with, particularly the unfinished business of transforming universities with an African identity. The students through the FeesMustFall campaign reminded the nation not only that South Africa is a middle income country, but its education system has not transformed adequately enough to offer accessible, quality education that is a panacea to most of (South) Africa's challenges.

In contemporary society, the production of knowledge, research and scholarship in universities should be located within transdisciplinary and interdisciplinary research (Holness, 2015). In this context, Habermas (in Du Plooy-Cilliers, 2014:21) differentiates three ways of generating knowledge namely; practical, technical and emancipatory knowledge. Importantly, this categorization of knowledge is social knowledge acquired through the process of living and human engagement. Technical knowledge represents scientific knowledge, such knowledge is

based on proven or scientific facts, and emancipatory knowledge is transformative in nature and is an amalgamation of both social and scientific knowledge (Hope & Timmel, 1984:14). Similarly, these types of knowledge are advanced in order to develop a critical awareness in society. Thus, the integration of knowledge areas is imperative for government to function effectively, efficiently and productively. Since government and its institutions affect people and other sectors such as private and civic problems researched, outputs are produced by scholars and students of public administration transcend linear disciplinary focal discourses. Two trends could be attached to the emerging transdisciplinary and interdisciplinary research focus. The first trend relates to the genesis of the New Public Management (NPM) and its reliance on models, approaches and practices as benchmarks from the private sector (Minogue, 1998). According to Baker (2004:42), NPM is orientated more towards cost cutting, tax reducing concerns of the developed states for capacity building and development. Thus, Garson and Overman cited in Vigoda (2003:2) associate NPM as an interdisciplinary study of the generic aspects of administration...a blend of the planning, organising and controlling of management with the management of human, financial, physical, informational and political sources. The second trend emanates from globalisation and its cross pollination of ideas and challenges across the globe through the advancement of technology. Due to globalisation, knowledge production through research assumes different forms and themes as the problems faced are encountered beyond the nation states. As a result, funding university collaborative research initiatives are encouraged within and among institutions of higher learning and other international knowledge production formations. Thus, knowledge production in an informational society is subjected to the scientific bodies for applicability, validity, and reliability. Universities and other institutions of higher education are challenged to produce postgraduates, especially PhDs in natural sciences and other faculties. However, with the crisis of governance and development overwhelming the public sector, especially in the developing world, universities are challenged to produce knowledge that would therefore impact on policies and developmental programmes. With the dawn of the fourth digital industrial revolution, Marwala (2018:17) advocates that South Africa should incorporate artificial intelligence into their education system. Stakeholders such as universities,

industries, the financial sector and society are considered as important stakeholders in taking the fourth industrial revolution. Marsala (2018) argues that the industrial revolution to succeed, education institutions should produce graduates that understand both humanities and technology as the industrial revolution is about the convergence of man and machines. Skill sets of the digital age such as problem solving, flexibility, judgement and decision-making are to be integrated into our curricula at primary, secondary and tertiary levels.

Neuman (2011:92) defines ontology as an area of philosophy which is concerned with the issue of what exists or the fundamental nature of reality. Ontology is underpinned by two positions, namely realist and nominalist (Neuman, 2011:92). On one hand, realists view the world as being 'out there' and the 'real world' exists independently of humans and their interpretations of it, while on the other hand, nominalists assume that humans never directly experience a reality. The role of the university within this framework is to use scientific methods to unravel the dynamics embedded in such a world. This reality shares common problems such as crime, HIV/AIDS, terrorism and migration, and solutions to these challenges require collaborative generation of solutions through inter-university collaboration. The inter-university collaborative nature is best explained by the concept of a transdisciplinary approach to intellectual discourse and research (Du Plessis, Sehume & Martin, 2011). As an approach that acknowledges a united and borderless intellectual engagement, Du Plessis et al. (2011:18-19) explain transdisciplinarity as 1) an integrative process of knowledge production and dissemination, 2) an approach that recognizes the complex character of realities which calls for more than one discipline in terms of interpretation and application, 3) about transgression beyond old methods and concerned with the cross-fertilization of experiences and skills as a road to the convergence of expertise. Operating within the transdisciplinarity framework, universities together with other knowledge producing institutions enter into bilateral agreements to advance intellectual discourses and scholarship (Sanpad, 2007). Research themes used to be the domain of public administration such as policy and governance cut across disciplines. According to Neuman (2011:93), epistemology is an area of philosophy concerned with the creation of knowledge by focusing on how we know what we know or what

are the most valid ways to reach reality. Thus, how we know and what we know has to be gauged through multiple lens embracing transdisciplinary and interdisciplinary research. This means that social scientific researchers are not only influenced by research methods, but also by ideas about how knowledge is generated (Treadwell, 2006). Epistemology literary means theories of knowledge whereby the researcher's beliefs determine the social world and the assumptions of how knowledge is generated.

Oakeshott (in Minogue, 2005) conceptualises the notion of a university as an association of persons, locally situated and engaged in caring for and attending to the whole intellectual capital which composes a civilization. He argues that the university does not merely concern itself with keeping an intellectual inheritance intact, but to be continuously recovering what has been lost, restoring what has been neglected, collecting together what has been dissipated, repairing what has been corrupted, reconsidering, reshaping, reorganizing, making more intelligible, reissuing and reinventing. This definition explicitly articulates the core business, especially in portraying universities as a production of knowledge. In this regard one of the academics at UKZN argued that:

Society requires the university as an essential part of the fabric of civilisation including the democratization and development of its human resources. Thus a university is central in our search for new knowledge and skills critical for a knowledge-based economy and for connecting the country to the outside knowledge centres (personal interview, 2018).

In essence, the university needs a society from where it can draw students as well as use for research purposes. Ironically, universities are located in cities but a majority of them are actually not part of these cities. They are literally detached and perhaps unfamiliar with the immediate needs of the surrounding communities. By the nature of their narrow pursuit of intellectual excellence to enhance their academic prestige, universities are almost imaginary, elitist and disconnected from the ordinary person (Dipholo, 2010).

Indeed, universities are often envisaged as associations of privileged few. Their sophistication, real or imagined, makes them somewhat mystical

institutions whose immensely talented employees have no idea of the realities of the outside world (Dipholo, 2010). In the same way, people outside of these renowned repositories of intellectualism and sources of abstract knowledge are fascinated, perplexed and overawed with what exactly goes on in there. Consequently, ordinary people have kept a distance from activities of universities fearing to expose their lack of a university education and perhaps humiliate themselves there.

But universities whilst rightfully engaged in intellectual pursuits should not do so for their own sake. They should consider themselves as vehicles of socio-economic change by participating in the process of forming values and setting reachable goals for society. Education plays a pivotal role, not only in preparing people for the labour market or creating their own job opportunities, but is also instrumental in fighting poverty. Chinnia (2018:9) argues that lack of education makes it difficult for people to escape the deprivation trap. Education for Chinnia has advantages for both individuals and society. For individuals, a better education can help improve to health and nutrition while broadening opportunities for finding work. At the societal level, education entails having a skilled workforce and improving productivity coupled with citizens who are skilled at reducing poverty and increases their income. Thus, universities should transcend their traditional roles of teaching and research and play an active role in positive change in the economy and society within South Africa and in the African continent.

5. A University Within Multiple Spaces

Universities as institutions of higher education are by their nature and existence operate within and across created and virtual spaces. These spaces can be located at the micro, meso and macro environment. Traditionally, universities are confined within geographical spaces such as campuses and colleges; however, due to the advancement of technology, these institutions are connected and interconnected beyond geographical spaces. Thus, the wider usage of technology renders institutions such as universities mobile and therefore assumes a virtual status as reflected in their visions and missions statements. These developments compelled those historically contact universities to adopt technologies that enables them to reach stakeholders far and wide and further advances scholarship in various fields of study.

Spaces upon which universities find themselves are determined by the environments and the interaction that takes, particularly in response to the needs and demands exerted by such environments. Various universities have strategically positioned themselves to survive amidst financial and human capital deficiencies and hardships. In essence, spaces of the university implicate the space for academic life in particular. It is within university spaces that academics are expected and demanded to multi-task, especially in finding ways upon which a single activity is designed to have multiple results (Marks, 2005). Thus, university spaces make sense within academic life and imposed time frames upon which is bound in one space, but is reflective of a multiplicity of spaces. The elastic nature of academic space-time interface is depicted through the notion of flexible time, where academics are not confined to a specific working time as long as they adhere to their teaching and consultation time schedules. Three sets of space/time formations are distinguished in the form of 1) practical time/practical space, 2) virtual time/virtual space and 3) the imagined time/imagined space (Barnett, 2011:78-79). Practical time/practical space reflects felt time and visible space as a convergence through a work diary and planned activities. The virtual time/virtual space though complex and less attractive due to its invisibility and private character, plays a balancing role between life and work among academics and professionals. Lastly, the imagined time/imagined space envisages possibilities through imagination with new spaces and timeframes. A corporate strategy of universities is a typical example where imaginative possibilities are presented vividly, thus stretching over frames of time. In this regard, Barnett argues that the expansion of academic life imposed working awkward times such as in the evenings and weekends. In their line of duty, Barnett (2011:76) highlighted that the demands of academic life include: [t]eaching, marking, evaluating, reading, researching, writing, conducting fieldwork or experiments, fulfilling administrative requirements and income generation, not to mention seeing visitors, running open days, forging links with local schools, colleges, firms and organizations.

These activities on their own occupy the academic life; hence, the reduction of spacious time. Barnett (2011) argues that academic time has the potential to open spaces through attending international conferences and engaging with other academics through the advancement of collaborative research

endeavours. Within this assertion, Lefebvre (1991:91) in his analysis of space indicated that spaces can multiply to encompass 'a geographical space, ethnological space and democratic space'.

Barnett (2011:76-77) identified four sets of spaces, namely intellectual and discursive, epistemological and scholarly, pedagogical and curricular and ontological worthy of deliberation in this paper. 1) The intellectual and discursive space is a space in which an academic through academic activities and community engagement, contributes to social discourse and the wider public sphere. Academics through their participation in civic life are able to engage and enlighten the public thereby, educating or conscientising people on socio-economic, environmental and cultural issues including political issues. 2) The epistemological space affords academics an opportunity to pursue their own research interests. These research interests could be in the form of engagement in the income streams, private and public sectors commissioned research projects who may exert control over the publication of the output. However, Barnett (2011) pointed out that an epistemological space is often constrained by pursuant partial interests and financial return, particularly when universities are driven by the knowledge economy. 3) The pedagogical and curricular space plays a decisive and pivotal role in determining the teaching and learning of pedagogical methods and strategies, and the curriculum relevant towards addressing current societal challenges. On one hand, the pedagogical space challenges course co-ordinators and lecturers to be innovative in devising new pedagogical techniques that encourage students-lecturer relationships and engagement. Thus, student-oriented methods not only forge alternative pathways for pedagogical relationships, but also for methods that are emancipator and liberatory in nature as advocated by Freire (1972). Curricular space on the other hand, challenges teams and coordinators to design courses and programmes free from ideological or discursive baggage. Through the FeesMustFall campaign, South African students challenged universities to transform themselves by making institutions of higher learning accessible, offering a quality and transformed curriculum. Central to the FeesMustFall campaign were challenges pertaining to tuition fee increment and free education compounded by low government funding, and a low pace of transformation and curriculum development (FitGerald & Seale,

2016; Pillay, 2016). It could be argued that the FeesMustFall Movement is a typical example vindicating universities to cease operating as ivory towers producing knowledge-for-itself, but to embrace the notion of the developmental university. The students and student movements in their demands highlighted that universities could a developmental role by ensuring learning that is accessible, an excellent quality, decolonized and have a transformed curriculum (Booyen, 2016). The last space is an ontological one, a space where academics occupy being academics. Accordingly, through the ontological space, academics assume multiple identities and play roles inclusive of entrepreneurs, mentors, managers, quality assessors, facilitators or curriculum designers. Barnett (2011) warns that the widening of the ontological space of academic life could result in either corruption or liberation with psychological and institutional repercussions.

6. Models Underpinning Universities

This section of the paper investigates a variety of models experimented with by institutions of higher learning to comprehend evolving roles which universities are guided by, thus including their implications for a wider transformed societal change. These models range from the metaphysical, scientific, entrepreneurial and bureaucratic to liquid, therapeutic, authentic and ecological models (Barnett, 2011). Within a single university, the research university, the entrepreneurial university, the bureaucratic university and even the corporate university have presence and influence. The four models of a university such as the metaphysical, scientific, entrepreneurial and bureaucratic are used aptly to understand and analyse the existence of the university in a contemporary world, while the other categorized sets such as the liquid, therapeutic, authentic and ecological models are projecting the possibilities of the university.

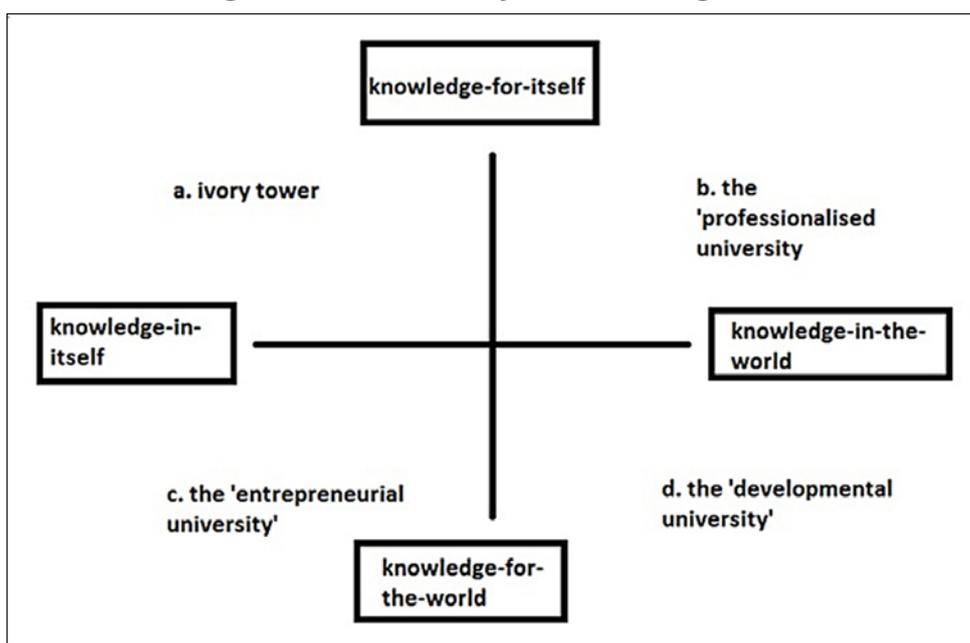
The first model is the metaphysical university and this is informed by the ideas emanating from university engagement with the universe or the world. Through the metaphysical approach, the university enlightens and socialises individuals in knowledge transference with the possibility of producing new individuals. Metaphysical ideas, though abstract, have images of new relationships that transcend the immediate world. For Audi (1999:563), the metaphysical university is open to the world and its

affinity to the universe enables it to investigate the nature, constitution and structure of reality. Barnett (2011:13) argues that university boundaries are constantly widening and becoming even more open to negotiation, and according to the author, the idea of a university encompasses knowledge, truth, discussion, inquiry, authenticity, care, understanding, veracity, application, persons, critique, development and action.

Secondly, the scientific university emerged post the abandonment of the metaphysical university. The scientific university resembles the research university with a bias towards what Barnett (2011:21) calls 'hard science' or knowledge produced within the 'natural sciences', especially engineering and medicine. This model is influenced by a knowledge society underpinned by a strong connection with the state and industry. Compared to the humanities, natural sciences have a bigger share of a university budget hence; the value for money is intrinsically linked to technological applications and economic growth. Universities of technology such as Durban University of Technology, Tswane University of Technology, Free State University of Technology, Mangosuthu University of Technology are exemplary of scientific institutions with a strong affinity to industries through their integrated work learning programmes. Most South African institutions of higher education proclaim to be research universities and that has become their measure for being rated nationally and internationally. Epistemologically, research universities are identifiable through their pursuit of research reflected in academic journals. Barnett (2011:31-32) categorises knowledge into four quadrants, thus, knowledge-for-itself, knowledge-in-itself, knowledge-in-the world and lastly, knowledge-for-the world.

Figure 1 on the following page is reflective of the knowledge grid based on Barnett's four quadrants. Quadrant (a): knowledge-for-itself/knowledge-in-itself depicts the ivory tower university where pure knowledge is produced apart from the world hence, its utility is considered. Quadrant (b): knowledge-for-itself/knowledge-in-the world is reflective of a professionalized university which is rooted in the world and professional knowledge related activities to advance the university's own interests. Quadrant (c) is knowledge-in-itself/knowledge-in-the world represents the entrepreneurial university and knowledge and its products in this form are largely produced apart from the world, either to be

Figure 1: The University and Knowledge Grid



Source: Barnett (2011: 31)

applied or sold to the world for profits or economic returns (Barnett, 2011:32). The last Quadrant (d) is knowledge-in-the world/knowledge-for-the world, and is unique in the sense that the university is active in the world and knowledge is generated by engaging in the world-embedded activities. The primary purpose of this Quadrant is to help improving the world; hence, knowledge production is actualised to work for-the-world.

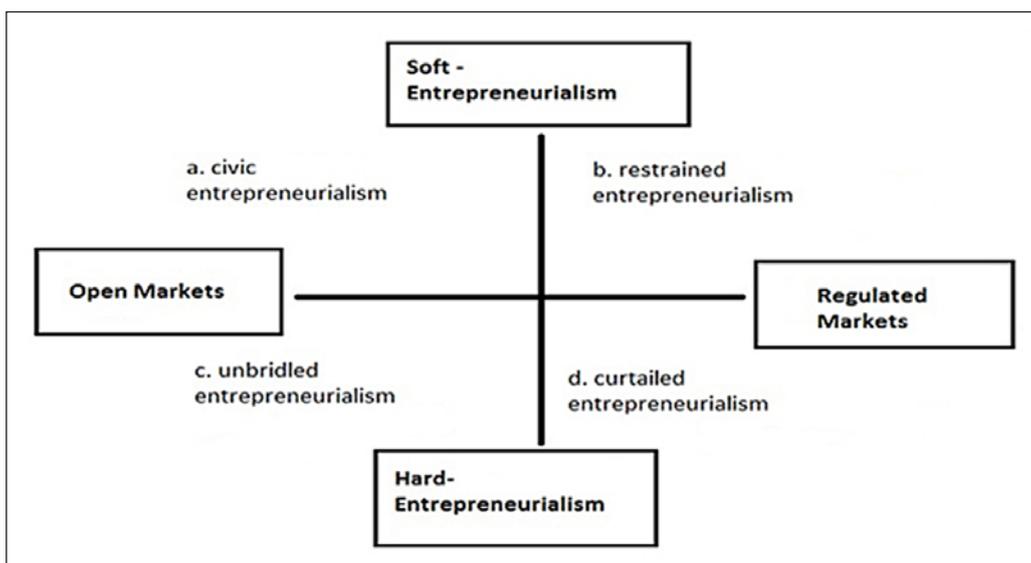
The third model is the entrepreneurial university as proposed by the work of Clark (1998 & 2004). It is argued that due to financial constraints and financial hardships experienced by students, universities are forced to consider entrepreneurialism as the pathways of their sustenance. From the entrepreneurial model, a university is perceived as a set of spaces and it enters into spaces of an entrepreneurial ethos and its practical manifestations (Barnett, 2011:36). Entrepreneurship within universities differentiates hard and soft models. Hard models fall within those forms of entrepreneurship with definite intention to secure an economic return while the soft models are those forms not driven primarily by income generation. See Figure 2 on the following page.

The financial dependency of universities to the state and private sector has led to a managerialism approach to governing these entities. Managerialism according to Maake (2011) is new

jargon of higher education which mirrors the private sector unleashing and entrenching some oppressive culture. The repercussions for such dependency have resulted in the demise of academic freedom and lack of autonomy. Through entrepreneurialism, universities encourage their staff, especially academics and income units to get involved in ventures and programmes aimed at maximizing profit are within and across disciplines. Entrepreneurial universities by their nature avoid using their capital for unproductive use hence; they are more prone to generate some of form of returns for their own efforts. Entrepreneurial branded universities invest through their capital hence, their quest for capital growth and expansion of intellectual capital (Barnett, 2011:34). Despite the economic return attached to entrepreneurial activities, universities embark on such ventures to profile themselves for their image, reputation and positioning in the outside world.

The university as bureaucratic is the fourth model and is often associated with the corporate nature of a university. Through a bureaucratic university, institutions of higher learning are run resembling businesses with bureaucratic procedures and processes imposed on academic life. Some of these procedures entail student admissions, the appointment of staff, and the balance of academic activities, examinations, research applications, curriculum structures, recording of research activities

Figure 2: Forms of Entrepreneurship in Higher Education

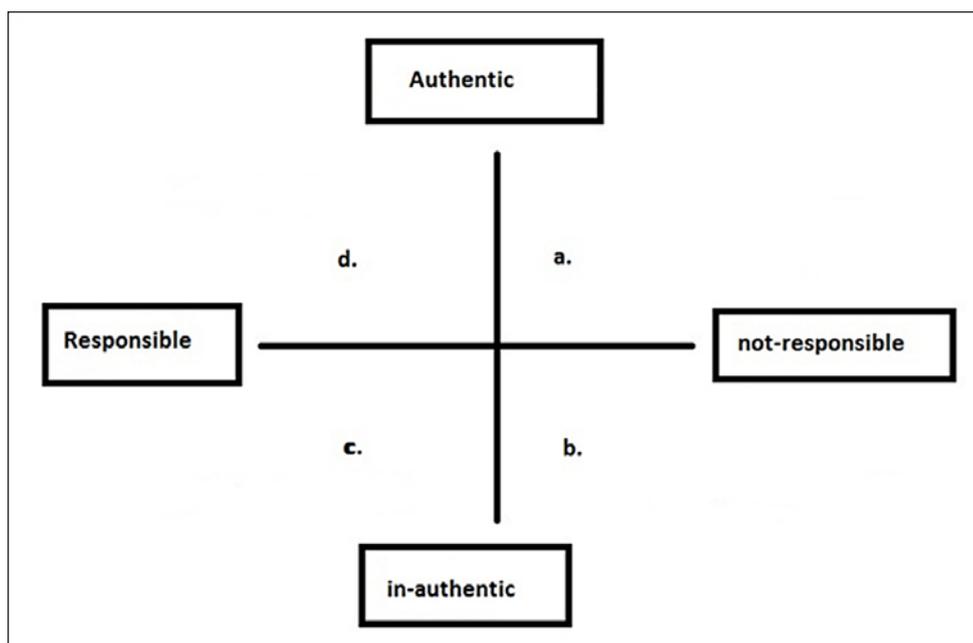


Source: Barnett (2011: 38)

and publications, teaching hours and meeting with research students (Barnett, 2011:45-46). The expansion of these bureaucratic procedures saw the regulation of academic activities with the difference that non-academic staff who happened to be administrators and managers constructs such procedures. The university in 'becoming possible' is categorised within the following set of models such as the liquid university, the therapeutic university, the authentic university and the ecological university. The liquid university is fluid hence; it continues to unfold for future possibilities. Epistemologically, Barnett (2011:110) equates a liquid university with amoeba and the argument is that such a university is always on the move and it interacts with its environment. This model of university is described by a never-ending succession of shapes and it is not shapeless. Accordingly, a liquid university is always on the pathway to a continuous process of assimilation and accommodation. In becoming a university, it presents itself with new income opportunities from the state agency, changes in a funding stream and students' expectations. These elements interact dynamically in an environment that is complex enough hence, adaptable to move through the processes of assimilation. Universities also have to modify themselves to stay relevant to their call of duty. Despite the assimilation process, institutions of higher learning have to accommodate the changing environment and this entails being proactive in responding to the funding deficiencies faced by students. For example, the recent FeesMustFall campaign was staged by South

African students was based on a lack of funding for students to access quality education. Another model is a therapeutic university and this version of a university according to Bahti (1992:68) resembles an injured modern university with a need for therapy. According to Barnett (2011:120), a therapeutic university has a caring element, especially for human beings and caring for the university community thus, so too its staff and students. The author went on to place this model within the marketisation of higher education where students are located and underpinned by a market relationship with their institutions. Almost all universities have units and programmes that offer psychological services to students who face some trauma and hardships at both an educational and personal level. Uniquely, due to some challenges students' encounter traditionally, the University of KwaZulu-Natal (UKZN) decided to establish indigenous services in 2007 within the UKZN community thus, staff and students are afforded an opportunity to consult a traditional healer or songoma. Mkhize (2017), a woman in charge of providing indigenous counselling highlighted during an interview that: The indigenous services are offered mainly to all, especially the students who encounter challenges beyond what Western medical doctors and student psychological counselling could provide. However, the therapeutic university creates both ontological and epistemological uncertainties. Ontologically, students are exposed to a changing world which causes insecurities pertaining to who exactly they are and what they are.

Figure 3: The University Authenticity and Responsibility



Source: Barnett (2011: 103)

One post-graduate student lamented that:

Without prospects for securing a job in the labour market, universities have become the breeding ground for producing unemployed graduates. Without tangible skills and competencies relevant to the workforce, students turn to become wasted resources with degrees which cannot enable them to be employed or self-employed.

Thus, universities are caught in between advancing intellectual scholarship and offering marketable skills and knowledge for their students to be employable or create their own jobs once graduated. On the idea of graduate students creating their own jobs, Rudigi (2018) in a seminar hosted by the UKZN Centre for Civil society, titled 'Entrepreneurship through research – converting research into community projects' argued that: While the role of universities is to transfer knowledge and prepare graduates for the labour market, I argue that this role should also be of shaping the labour market by entrenching new ideas and innovations. In essence, universities should play the role of creating jobs rather than just creating job seekers. He further asserts that:

This can be achieved by ensuring that graduates are equipped with necessary knowledge and skills beyond producing academic work. This approach could create an enabling environment

for graduates to identify and close the gap between knowledge and socio-economic problems. It means graduates should have first-hand experience in advancing and experimenting with new knowledge produced through research. They should also be equipped to see problems in their communities and be able to come up with viable lasting solutions.

It is crucial for newly registered students to develop critical analytical skills, self-awareness, and to socialise themselves through various engagements in the university environment. The third model is the authentic university model which is an idealist one, which strives to comprehend its place in a multi-layered world. For Barnett (2011:135), an authentic university projects itself into future possibilities and as such, it lives in the past, the present and the future all at once. Since this university is not existence yet, the context, proposed enquiry and learning, the envisaged responsibilities and conditions are some of the core ingredients for an authentic version of the university. See Figure 3.

An authentic university is a model, where learning and enquiry are driven and inspired for the purposes of understanding, reflection and inquiry across society assisting itself to have a better grasp of the real world (Finnegan, 2005; Barnett, 2011). Barnett (2011:132) identified four conditions under which the authentic university is created. Firstly,

are the contingent-and-general conditions, where being part of a global learning economy; universities subject themselves to similar callings and subjugations. Secondly, are the contingent-and-particular conditions which compel universities to position themselves, thus considering the markets, income flows, reputation, mix of teaching and research and their epistemologies. Thirdly, are the specific value conditions regarding the precariousness of the authentic university, thus, based on the space and responsibility, universities are able to forge their own value position and such value position has to be sustained. Lastly, are the general value conditions. The precariousness is for universities to live up to the expectations for being part of the global family of universities (Barnett, 2011:132). For an authentic university to be actualised, it should be rooted in the real world with its own self-image navigated through forces and expectations of it. In addition, Barnett (2011:135) argues that an authentic university could realize its authenticity through: 1) a grasp of the level of the world; 2) a sense of the complex interplay of factors affecting it; 3) a crystallisation of its own hopes and self-image; 4) an ethical undemanding of itself reflecting on a value position and 5) time as authenticity is realised over time and through time.

The fourth and the last model is the ecological university and this model symbolizes a radical shift from other models where traditionally, the university places emphasis of on enquiry based on the advancement of scientific scholarship. Unlike the other models, the ecological version of a university according to Barnett (2011) calls for 'an openness of mind and open society'. The notion of ecologic is centered on the wellbeing and interconnectedness of the environment, with care for the environment being the central framework (Barnett, 2011:139). The ecological university is rooted on a real urgency towards the world as its ethical responsibility. Such a university comprehends itself as having a responsibility towards networks and interconnections (Guattari, 2005:34). Thus, a university which is ecologically grounded has the capacity to promote understanding through learning and inquiry. The author further argues that being and becoming ecological is a huge project, as it takes the university into a new order of being, thus inhibiting 'a new ecosophy, at once applied and theoretical, ethno-political and aesthetic' (Guattari, 2005:67). The ecological model challenges modern universities to cease operating as ivory towers amidst societal

misery, gross underdevelopment and injustices. A university within this model becomes an entity, which constantly engages with itself and its adjacent environment in order to remain relevant and be part of the solutions to societal challenges.

Dauids and Waghid (2018:27) designates an ecological university to be a university that: [h]as spaces of agency and remains on the look-out for large deficiencies in its own research and in the wider world. It has an ethical concern to promote democratic interests to help people to understand one another, coexist and make sense of the world in which they live. As espoused by Buber (1958), such a type of university enters into a dialogue and the pursuit of its core business to advance intellectual scholarship anchored on robust teaching and learning, research and community engagement. The philosophy of dialogue encourages the university to create a dialogical environment upon which people embrace their co-existence as people able to relate to each other in seeking alternative remedies to their challenges (Buber, 1958). The ecological university and its quest for dialogical engagement distances itself from the relationship based on the dichotomy of 'I' and 'it' as a separate entities. For instance, research is engaged for mere purposes of gathering information, for grounding concepts and proving or disproving set hypotheses (Dauids & Waghid, 2018). This created dichotomy dictates a university to be understood as a place where only knowledge is produced, thus expanding a gap between the researcher and knowledge within the 'I-it' relationship. Contrary to the forged 'I-it' relationship, is the 'I-thou' relationship which unfolds through a university's encounter with the world and its humanity in full integration. This co-existence is reflective of the philosophy of Ubuntu, which is underpinned by an Nguni phrase 'I am because you are'. The university operating within the context of Ubuntu does so integrally and in uniform through people's collective action and solidarity (Msila, 2015).

7. Navigating Various Roles Imposed by these Models and the Environment at Large

The metaphysical, scientific, entrepreneurial, bureaucratic, liquid, therapeutic, authentic and ecological are models which universities navigate for their survival (Barnett, 2011). In responding to global challenges, a single university could assume various models such as a research university, an

entrepreneurial university, a bureaucratic university, and even the corporate university. However, the question is how does the modern university navigate all these roles and branding, and still maintain its status and identity of being a university. Due to pressure from both the immediate and wider environment, the paper argues that universities have no option but to adopt to the ecological university model if they are concerned about playing an active and divisive role in transforming society through social and economic development (Davids & Waghid, 2018). With the fourth industrialisation, universities and other knowledge-based institutions are challenged to make their research relevant in dealing with industrialisation-imposed challenges. Unless developing nations, South Africa included, elevate themselves to the opportunities and challenges imposed by the fourth industrial revolution where technology and machines play a leading role, thus inclusive of artificial intelligence, it will supersede human intelligence (Marwala, 2018:15). While social sciences are imperative for redressing old and emerging problems imposed by neo-liberalism and globalisation, South Africa should balance its education by investing in mathematics, sciences, agricultural and technological related fields (Twenty Year Review, 1994-2014). The mastery in these fields would spark academic interest among students to pursue qualifications that would make South Africa competitive while developing strategies to deal with locally based challenges.

Evidence shows that engagement between universities and industry would produce a skilled and competent workforce. Ebong (2004) advocates for industry and universities to go into partnerships together to improve the curricula and review programmes. Universities provide the bulk of basic research which contributes to applied research and development (Ebong, 2004: 569). Research beginning at university laboratories ends up being utilised by industries, particularly in the medical field. It is thus imperative that universities and industry work together in order to produce innovative and a technologically skilled workforce. Navigating all these role and responsibilities as deliberated above, institutions of higher learning should be aware of their capacity and capabilities to set both strategic and programmatic visions and goals. This demands that these institutions commit themselves to develop a future generation of scholars who are capable not only of securing employment for themselves, but are competent to contribute to knowledge

production that could be utilised to solve complex challenges and issues besetting the African continent, and beyond its borders.

8. On Being and Becoming an Ecological University

Universities worldwide are in transition, from being to becoming institutions of learning and robust engagement in knowledge production, management and dissemination. This transformation has presented these social and knowledge based institutions with both opportunities and challenges (Cebekhulu, 2013). The quest for being and becoming presents universities with the opportunities for introspection. Thus, universities are tasked to revisit their mandate with the purpose of renewing and revamping themselves as agents of societal change. In the case of South African universities, a transformation agenda is imperative, especially considering that the apartheid system had imposed racial and ethnic lines policies on universities (Anderson, 2018). For example, the formation of the University of Durban Westville, University of the Western Cape (Coloureds), University of Venda (Vhavenda), University of Transkei (Xhosas), University of Cape Town, Rhodes University, University of Natal (English), Stellenbosch University, University of Pretoria, Rand Afrikaanse University, University of Free State (Afrikaans medium universities), University for Bophuthatswana (Tswanas) (Maake, 2011). The post-apartheid era presented these institutions with an ever-needed opportunity to transform them with a transformational agenda as inclusive, accessible and quality institutions of higher learning. This situation depicts the 'being' as the existence of universities during the colonial-apartheid era. The being of universities is centered on their core existence and their fundamental purpose both in their immediate environment and the broader socio-economic and political environment. Fundamental and central questions are what purpose do universities serve and how effective are they in executing their role? Do they have necessary capacity and resources at their disposal to effectively execute their mandate? What is their impact in the socio-economic and political landscape?

For the higher education sector, the post-apartheid era, presented itself with deserving opportunities for sector transformation and reconfiguration (Cebekhulu, 2013). Imperative to this transformational opportunity is the transition of universities

from their apartheid status as instruments of the apartheid state to a tool with a transformative agenda. (Johnson, 2013:55). Despite the mergers of these institutions, institutions of higher learning are still caught in a vortex of overt and passive resistance to transformation. This resistance is evident in areas such as language and curriculum development. For instance, a university such the University of Free State has been in and out of court in defence of the Afrikaans language as medium of instruction for learning and academic engagement. Both during and post-apartheid eras, language has been used as a way to prevent access to higher education, particularly against previously disadvantaged students. The imposition of Afrikaans to black students resulted in the 1976 national insurgence where students challenged the apartheid government to abolish Afrikaans as a medium of instruction in both schools and universities (Johnson & Jacobs, 2012).

9. Conclusion and Recommendations

The paper has provided an ontological and epistemological analysis of the traditional and emerging roles played by universities in the 21st century. Various models underpinning universities have been explored with the primary purpose of navigating the dynamics and roles universities are designated to play in transforming themselves and society at large. These models range from the metaphysical, scientific, entrepreneurial and bureaucratic to the liquid, therapeutic, authentic and ecological models. These models have become determining factors upon which institutions of higher learning, universities in particular, could exercise their socio-economic and intellectual mandate. The privatisation of universities and the adoption of a managerialism approach (Chetty, 2013) to governing these entities have exerted tremendous pressure on universities to assimilate and accommodate various roles. As argues in this paper, these changes and challenges led to the emergence and re-emergence of three-tier system intensive universities. The categorization of universities includes a small upper tier that continue to do well (UCT, Wits, Stellenbosch, UKZN, etc.), a larger middle tier with mainly teaching universities (WSU, Limpopo), and often struggle to survive. The third category is teaching-only universities with low performance in both advancing scholarship and research output (Venda, Zululand, etc.). These tiers of universities are differentiated by their abilities and capabilities to make effective use of the new possibilities created by information technology.

Among small upper tier universities are the previously advantaged institutions which over the years (apartheid era) have managed to accumulate a vast scholarship ethos and wealth. Some of the universities counted in this category entail the University of Cape Town (UCT), the University of Pretoria (UP), the University of Witwatersrand (Wits), Rhodes University (RU), the University of Johannesburg (UJ), and the University of KwaZulu-Natal (UKZN). Due to the intellectual and financial capacity at their disposal, they are able to accommodate most of models such as the metaphysical, scientific, entrepreneurial and bureaucratic to the liquid, therapeutic, authentic and ecological identities. Historically, these universities were previously and some are still white dominated. Contrary to a smaller tier, larger middle tier universities although cannot be categorized entirely as teaching only universities, their ranking is low especially when it comes to research output. Due to pressure from both the immediate and wider environment, this paper argues that universities have no option but to adopt, assimilate and accommodate the ecological university as the model for them play an active and impactful role in transforming society. In the context of all these deliberations advanced in this paper, the question remains: To what extent does the modern university navigate all these roles and branding, and still maintains its status and identity of being or of becoming an ecological university?

References

- African National Congress (ANC). 1994. The Reconstruction and Development programme (RDP): A Policy framework. Johannesburg: Umanyano Publications.
- Anderson, B. 2018. Education: With Emphasis on South African Education. In Seedat-Khan, Jansen, Z.L. & Smith, E. (Eds). *Sociology: A south African Perspective*. Australia/Brazil: Cengage Learning.
- Bahti, T. 1992. The Injured University. In R. Rand (Ed). *Logomachia: The Conflict of the Faculties*. London, NB: University of Nebraska Press.
- Balintulo, M. 2004. The role of the state in the transformation of South African higher education, 1994-2002: Equity and redress revisited. In Zeleza, P.T. and Olukoshi, A. (Eds). *African Universities in the twenty-first century*. Pretoria: UNISA Press.
- Barnett, R. 2011. *Being a University*. London/New York: Routledge.
- Booyen, S. (Ed). 2016. *FeesMustFall: Student Revolt, Decolonization and Governance in South Africa*. Johannesburg: Wits University Press.
- Brink, C. 2016. Two tales of quality and equality. In *Reflections of South African university leaders*. Cape Town: African Minds.

- Buber, M. 1958. I and thou. New York: Charles Scribner's Sons.
- Castle, M. 1998. The Information Age: Economy, Society and Culture. Vol 111: End of Millennium. Oxford: Blackwell.
- Cebekhlu, A. 2013. Unhlaba Uyahlababa: The World is Thorny. Wandsbeck: Reach Publishers.
- Chetty, N. 2009. Intellectual freedom the lifeblood of universities. The Mercury, 1 June 2009.
- Chinnia, B. 2018. Importance of education. The Glenwood Weekly Gazette, 22 June 2018, p. 9.
- Commonwealth Expert Group Report. 1991. Human resource development for a post-apartheid South Africa. Commonwealth Secretariat: London.
- Crossman, P. 2004. Perceptions of 'Africanisation' or 'Endogenisation' at African Universities: Issues and Recommendations. In Zeleza, P.T. and Olukoshi, A. (Eds). *African Universities in the twenty-first century*. Pretoria: UNISA Press.
- Davids, N. & Waghid, Y. 2018. Embrace the ecological university. Mail & guardian, 6-12 April 2018, p. 27.
- Dipholo, K. 2010. Universities in transition: From Ivory Towers to People-centred Institutions. A Paper presented at the 9th PASCAL international Observatory Conference. December 2010, Gaborone.
- Du Plessis, H., Sehume, J. & Martin, L. 2011. The Concept and Application of Transdisciplinarity in Intellectual Discourse and Research. Johannesburg: Mapungubwe Institute for Strategic Reflection (MISTRAN).
- Ebong, M.B. 2004. University Industry relations in Nigeria. In Zeleza, P.T. and Olukoshi, A. (Eds). *African Universities in the Twenty-First Century*. Vol II Knowledge and Society. Dakar: CODESRIA.
- Ferreira, G. 2008. Collective Bargaining and the public sector. *Journal of Public Administration*, 43(2.1):191-202.
- FitGerald, P. & Seale, O. 2016. Between a Rock and a Hard Place: University Management and the #FEESMUSTFALL Campaign. In Booyen, S. (Ed). *FeesMustFall: Student Revolt, Decolonization and Governance in South Africa*. Johannesburg: Wits University Press.
- Freire, P. 1972. Pedagogy of the oppressed. UK/Canada: Penguin Books.
- Guattari, F. 2005. The three Ecologies. London: Continuum.
- Jeffery, A. 2010. Chasing the rainbow: South Africa's Move from Mandela to Zuma. South African Institute of Race Relations: Johannesburg.
- Johnson, K. & Jacobs, S. (Eds). 2012. Encyclopedia of South Africa. Scottville: University of KwaZulu-Natal Press.
- Johnson, P. 2013. The passive revolution and the post-apartheid University-Black Skin, White Masks. In De Wet, G. (Ed). *Beyond the Apartheid University: Critical voices on transformation in the university sector*. Alice: University of Fort Hare Press.
- Maake, N. 2011. Barbarism in Higher Education: Once Upon a Time in a University. Johannesburg: Ekaam Books CC.
- Makgoba, M.W. & Chetty, C. 2010. The History and context of Higher Education in South Africa Post-1994 In M.W. Makgoba and J.C. Mubangizi (Eds). *The Creation of the University of KwaZulu-Natal: Reflections on a Merger and Transformation Experience*. Excel Books: Delhi.
- Mamdani, M. 1989. Social movements and constitutionalism in the African context, Centre for Basic Research Working Paper 2, Centre for Basic Research: Kampala.
- Marwala, T. 2018. The fourth industrial revolution. The Sunday Independent, 25 March 2018, p.17.
- Marwala, T. 2018. Will AI affect our standard of living. The Sunday independent, 24 June 2018, p.15.
- Minogue, K. 2005. 'The concept of a university' Transaction: New Brunswick.
- Msila, V. 2015. UBUNTU: Shaping the Current Workplace with (African) Wisdom. Randburg: Knowres Publishing Ltd.
- National Development Plan. 2011. National Development Plan; Vision for 2030. Pretoria: National Planning Commission.
- Nengwekhulu, R.H. 2009. Public service delivery challenges facing South African public service. *Journal of Public Administration*, 44(20):341-363.
- Picard, L.A. 2005. The State of the State: Institutional Transformation Capacity and Political Change in South Africa. Wits University Press: Johannesburg.
- Pillay, P. 2016. Financing of Universities: Promoting Equity or Reinforcing Inequality. In Booyen, S. (Ed). *Fees Must Fall: Student Revolt, Decolonization and Governance in South Africa*. Johannesburg: Wits University Press.
- Ramphele, M. 2008. Laying Ghosts to rest in South Africa: Dilemmas of the Transformation in South Africa. Cape Town: Tafelberg.
- Tshishonga, N. 2016. Are Institutions of Higher Learning caught in the Vortex?
- SANPAD. 2007. Cooperating for Science: An Inventory of research and Education Partnerships between South Africa and the Netherlands. Amsterdam: Rozenberg Publishers.
- Sehume, J. 2018. Solving poverty, unemployment and inequality. The Sunday Independent, 24 June 2018, p. 15.
- United Nations Development Programme (UNDP). 1990. The Nature of States Parties Obligations (Art. 2 par 1). Oxford University Press: New York/Oxford:
- United Nations Development Programme (UNDP). 2000. South Africa: Transformation for Human development. UNDP: Pretoria.
- Uys, L., De Kadt, E., Bawa, A. & Mazibuko, F. 2010. Core business (Teaching/Research /Community Engagement). In Makgoba, M. and Mubangizi J.C. (Eds). *The Creation of the University of KwaZulu-Natal: Reflections on a Merger and Transformation Experience*. New Delhi: Excel Books.

Integrated Development Plan Implementation and the Enhancement of Service Delivery: Is There a Link?

NE Mathebula

University of Limpopo, South Africa

Abstract: South African municipalities are legislative-bound to develop and implement an Integrated Development Plans (IDPs). IDPs are strategic documents designed to address service delivery imbalances of the pre-democratic dispensation and promote integrated and politico-socio-economic welfare of the general citizenry. Services delivered by municipalities are therefore incorporated within the IDP of each municipality. The aim of this paper is to interrogate the relationship between IDP implementation and service delivery using four (4) selected municipalities found within the Limpopo Province, South Africa as unit of analysis. This is done through qualitative and quantitative research approaches to comprehensively understand some of the factors leading to poor IDP implementation and poor service delivery to communities within the jurisdiction of selected municipalities. A structured questionnaire and supplementary interviews were used to collect primary data. The sample of the study comprised of 68 employees from the selected municipalities during the year 2014. The paper therefore concludes that efficient and effective implementation of the IDP has a potency of accelerating service delivery levels thus curbing service delivery protests. Proposed recommendations can contribute to both the body of knowledge and an instrument for policy making decisions.

Keywords: Implementation, Integrated Development Plan, Municipalities, Service delivery

1. Introduction

The South African government has since the democratic dispensation been battling with rectifying service delivery challenges, poverty and unemployment as inflicted by the legacy of the apartheid regime (Mathebula, 2014; Mathebula, 2016; Ncanywa & Getye, 2016; Mathebula, Nkuna & Sebola, 2016). Local government as a sphere closer to the people was established in the year 1996 to deal with these challenges, particularly those of service delivery. The provision of services by municipalities has a framework in the Constitution of the Republic of South Africa (1996), policies and other pieces of legislation. Through these legislative frameworks, the Integrated Development Plan (IDP) was formulated and implemented in all municipalities across South Africa with the aim of enhancing service delivery challenges. However, it is in instances of 'effective' implementation and operationalisation that the IDP is able to yield the desired outcomes and fast-track the provision of services to communities. This article interrogates the extent of the implementation of the IDP in relation to service delivery in selected municipalities within the Mopani District Municipality, Limpopo Province (South Africa) with a view of identifying gaps in implementation. This paper is critical in that it identifies backlogs existent within the municipalities in relation to IDP implementation

and developing strategies that may assist in effectively managing the processes for the benefit of the citizenry in terms of service delivery. The following section of the paper briefly provides literature review on IDP and service delivery, with the view of positioning the results within the theoretical context under which it must be viewed.

2. Theoretical Overview

According to Craythorne (2006), (IDP) refers to a strategy aimed at the integrated development and management of the area of jurisdiction of the municipality concerned in terms of its powers and duties. Deriving from the provisions of the Development Facilitation Act (67 of 1995) together with the provisions of the Constitution of the Republic of South Africa (1996), Local Government: Municipal Systems Act (32 of 2000) for operational purposes define an IDP as a plan which has to be adopted by each municipal council within a prescribed period after the start of its election term. Such statutory definition is derived from the policy intentions of the White Paper on Local Government (1998), wherein the IDP is defined as a mechanism to enable prioritisation and integration in municipal planning processes, and strengthen links between the development and institutional planning processes. In the context of this paper, IDP refers to such processes

as alluded from both the theoretical landscape and statutory provision as applicable within municipalities found in Mopani District Municipality area with a view of exposing its implementation and consequences on service delivery.

The IDP was conceived by South African municipalities mainly as a tool to support coordinated implementation of the Reconstruction and Development Programme (RDP) between the national, provincial and local government. Eventually, municipal services were incorporated into the IDPs and such has remained a prerequisite for all municipalities to ensure its operative functioning. IDPs serve as business plans of municipalities for a certain period of time (Madzivhandila & Asha, 2012), normally five years. Appropriate, efficient and effective implementation of the IDP in a municipal environment ensures acceleration of service delivery as expected of by citizens of a state. Basically, South African municipalities that are struggling to deliver services to their communities have a fundamental implementation challenge of the IDP as opposed to any other reasons as some may debate. Therefore, the IDP serve as a mechanism that replicates the municipal council's vision for the longstanding development of the municipality with special emphasis on its most critical development and transformation needs, to ensure an 'integrated and coordinated service delivery' to communities (Mathebula, Nkuna & Sebola, 2016). It is for this reason that the IDP is regarded as a tool to assist municipalities in achieving their developmental mandates and as a planning and implementation instrument to bring together the various functions of government departments and municipalities. However, the IDP in its implementation stage is a complex and sophisticated project which requires participation from various stakeholders. Stakeholders and or role-players in the IDP process have different roles in the formulation and implementation. According to the Department of Provincial and Local Government (2005), as it was previously known, provinces have an important role to play in contextualising national requirements and grounding them within the certainties and specificities of each province, and guiding municipalities in the development and implementation of IDPs and programmes for sustainable development. Having briefly conceptualised and shown the importance of IDPs, in relation to implementation and service delivery, the following section of the paper outlines the research methodology and approach used to execute the study and gather data from the respondents.

3. Methodology and Approach

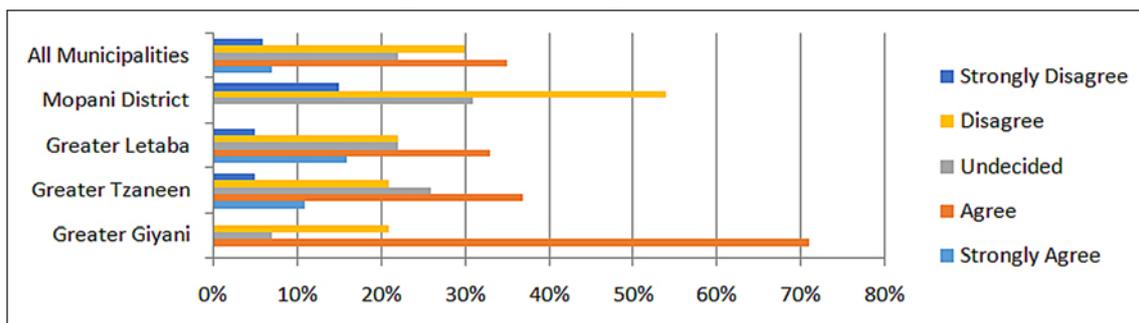
A combination of both qualitative and quantitative research approaches were adopted. Structured questionnaires comprising of Likert Rate scales (Strongly agree, Agree, Neutral, Strongly disagree and Disagree) were administered while 10 supplementary unstructured interviews were conducted as follow-ups to the answers provided in the questionnaires. To ensure validity of the results as presented in this paper, questionnaires were first piloted. Ethical clearance to conduct the study was issued by the University of Limpopo and thus ensuring that ethical considerations as they pertain to research are respected and upheld. Due to the nature and scope of the study, a biased and purposive sampling technique was deemed necessary to select participants. This was so because respondents had pre-knowledge on the implementation of the IDP and the status of service delivery in their respective municipalities. As the study was conducted in four (4) municipalities (Greater Giyani Local Municipality, Greater Tzaneen Local Municipality, Greater Letaba Local Municipality and Mopani District Municipality), 80 participants (20 from each municipality) were selected from a combined population of all the municipalities. However, only 68 questionnaires were returned and considered for the purposes of conducting data analysis. The following section provides for data presentation and analysis as collected through the approach explained above.

4. Findings and Discussion

4.1 Integrated Development Plan Implementation

Appropriate implementation of the IDP serves as a basis in which service delivery can be improved in municipalities (Mathebula, 2016; Mathebula, Nkuna & Sebola, 2016). Failure to properly, efficiently and effectively implement the IDP could mean that services incorporated within are not delivered to communities. The study probed the implementation of the IDP with a view of establishing the implications it has on the potential of municipalities to deliver services. Literature suggests that employees who understand the vision, mission, and deliverable objectives are likely to ensure their implementation (Hohnen & Potts, 2007; International Facility Management Association, 2009). It is for this reason that the study commenced by interrogating the municipal employee's understanding of the IDP. The results are therefore summarised below.

Figure 1: Knowledge of the IDP



Source: Author

4.2 Municipal Employee’s Knowledge of the IDP

Service delivery can be improved in municipal areas when the IDP is well comprehended and understood by all the employees of a municipality. Because the IDP serves as a business plan (Madzivhandila & Asha, 2012) and a strategic instrument (Maphunye & Mafunisa, 2008), the objectives and services to be delivered must be inculcated in all municipal activities through management planning processes. In this section, respondents were asked as to whether they understand what the IDPs of their respective municipalities are all about.

Figure 1 above indicates that there is no aggregate outright frequency in relation to the employee’s knowledge and understanding of the IDP as an instrument for effective service delivery. However, the trends in Greater Giyani Local Municipality indicate to some extent the employee’s understanding of the IDP. For example, the municipality recorded 71% agree and 7% undecided. Generally, a total of all municipalities recorded a total of 7% strongly agree, 35% agree, 22% undecided, 30% disagree and 6% strongly disagree. Based on Figure 1 and the information above, it can be concluded that the respondents in this study do not have ‘intensive’ understanding and knowledge of the IDP as a tool for accelerated service delivery. For example, Greater Tzaneen Local Municipality recorded 11% strongly agree, 37% agree, 26% undecided, 21% disagree and 5% strongly disagree while Greater Letaba Local Municipality recorded 16% strongly agree, 33% agree, 22% undecided, 22% disagree and 5% strongly disagree. Mopani District Municipality recorded a total of 31% undecided, 54% disagree and 15% strongly disagree. It can thus be concluded that respondents only possess basic knowledge of the IDP and thus fail to implement its objectives into deliverables. In a supplementary interview, one of the employees attached to Human Resource Development (HRD) at the Greater Giyani Local Municipality indicated that:

‘I only know that there is a document called the IDP, but what it is for is unclear. The document is just passed through our division for some inputs which are normally the repetition of the previous IDPs’.

It was interesting to learn that one member of the spatial planning at Mopani District Municipality acknowledged the importance of the IDP and its imperative significance on improving service delivery. The respondent stated that:

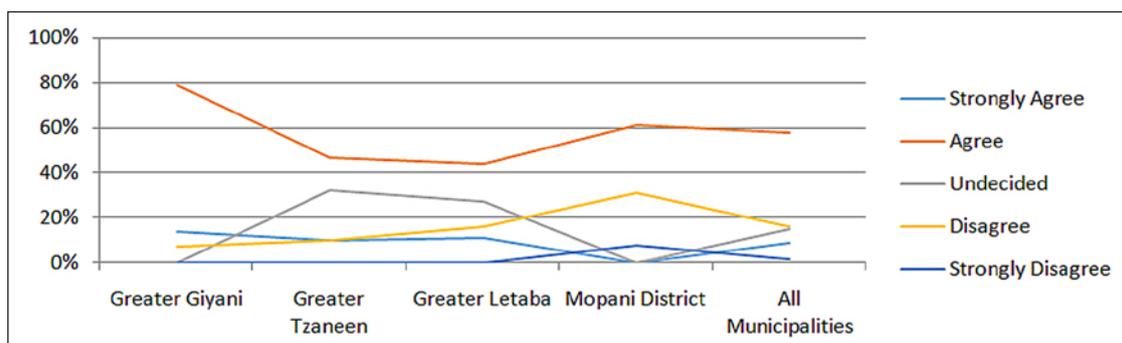
‘A strategic document as important as the IDP should not only be the business of senior management employees but also to all municipal employees including the cleaners and other general employees if its strategic objectives are to be turned into services’.

Knowledge and understanding of the IDP is very crucial if service deliverables incorporated within it are to be achieved or at least delivered to municipal communities. With the analysis provided above, it is clear that employees cannot efficiently and effectively implement the contents of a plan they do not understand. Hence, low levels of satisfaction in terms of service delivery in the sampled municipalities.

4.3 IDP Implementation Improves Service Delivery

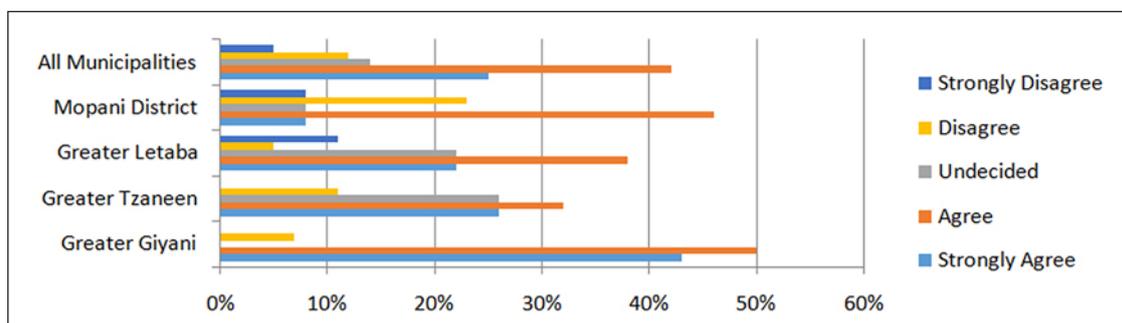
Empirical studies conducted (Ngubane, 2005; Skosana, 2007; Dzulisa, 2013) revealed that enhanced service delivery in municipalities is critical and the IDP serve as a catalyst for efficient and effective planning processes that result into deliverables. Clearly, there is an undisputable link between the IDP and service delivery. This is so because objectives of the IDP become services to communities once they are carried out. All municipal services to be delivered are incorporated within the IDP and thus it serves as a

Figure 2: IDP Implementation Improves Service Delivery



Source: Author

Figure 3: Successful Implementation of the IDP



Source: Author

management planning tool for enhancing service delivery. However, short-term deliverables can be reviewed during the IDP review process thus affecting the delivery of other municipal services. This paper probed the improvement of service delivery through the use and implementation of the IDP.

Figure 2 above indicates that there is a general agreement that the IDP has the potential to improve service delivery. This is evidenced by all municipalities recording 9% strongly agree and 58% agreeing that indeed effective implementation of the IDP and deliverables enhance service delivery. The frequencies however varied from municipality to municipality. For example, Greater Giyani Local Municipality had high frequencies of strongly agree and agree as it recorded 14% and 79% respectively. Although there might be a general agreement that the IDP has the potential to improve service delivery, other respondents have shown a different view with some of them undecided while others disagreed. For instance, Greater Tzaneen Local Municipality recorded 32% undecided and 10% disagree, while Greater Letaba Local Municipality recorded 27% undecided and 16% disagree. The high rates of responses being undecided can sometimes be attributed to people not wanting to disclose the state of municipal service

delivery or not entirely sure whether the improvements can be attributed to the use of the IDP. Literature (see Mathebula, 2014) suggest some of the service delivery challenges confronting South African municipalities which are also not alien to municipalities selected as a case study in this paper. If municipal residents are not satisfied about the state of service delivery, they usually protest to the local authorities demanding better services (Morudu & Halsall, 2017). Such instances can only be negated through the implementation of IDPs and consequently improved service delivery (Institute for Security Studies, 2009).

4.4 Municipalities are Successful in Implementing the IDP

The success of the IDP as literature has shown will mean the improvement of service delivery as all and most services incorporated within it will be delivered to communities. According to Phago (2009), appropriate implementation of the IDP in a municipal environment ensures acceleration of service delivery. This paper probed the successful implementation of the IDP in the selected municipalities. The aim was to solicit data on the successful implementation as it relates to the acceleration of municipal services.

Figure 3 on the previous page indicates that there is a general consensus on the successful apposite implementation of the IDP and its potential to enhance service delivery. Generally, the total for all municipalities recorded 25% strongly agree, 42% agree, 14% undecided, 12% disagree and 5% strongly disagree. However, there is an anomaly in the findings where some respondents are of the view that the IDP has not been successfully implemented in their municipalities. For example, Mopani District Municipality recorded totals of 8% strongly agree, 46% agree, 8% undecided, 23% disagree and 8% strongly disagree. Based on Figure 3 and the information above, it can be ascertained that although the implementation of the IDP is successful in local municipalities, the district municipality is still lagging behind. This finding may be alluded to the fact that South African district municipalities are responsible for executing larger projects such as water provision. This is a major concern as this will also dent the potential for local municipalities to effectively deliver other basic services.

4.5 Challenges Confronting the Municipality in the Implementation Process

There are numerous challenges inhibiting municipalities to successfully implement the IDP and subsequently enhance service delivery (*cf* Figure 3). The paper probed some of the common challenges confronting municipalities to hasten the delivery of services and particularly basic services through the implementation of the IDP, and identified challenges related to financial, structural and organisational, support, infrastructure and expert support.

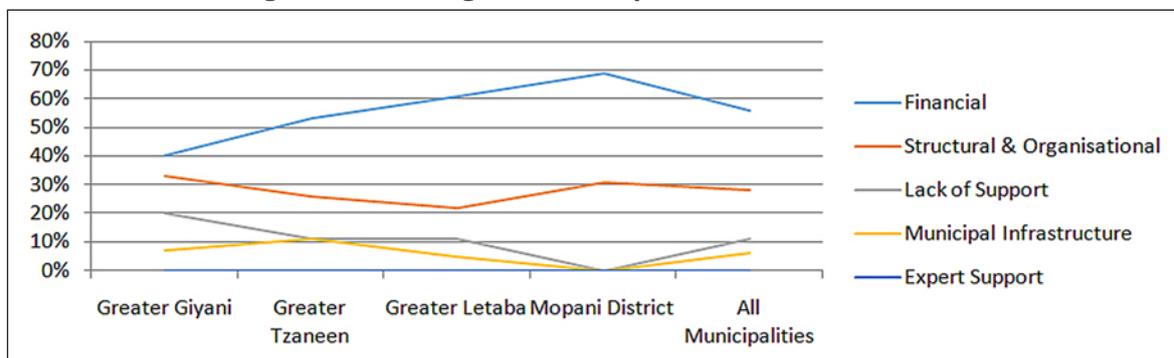
Figure 4 indicates that municipalities in this study have major financial backlogs. Generally, all municipalities recorded a total of 56% financial challenges, 28% structural and organisational challenges, 11%

expert support. Expert support refers to advisory and research institutions including universities. The IDP would not be able to thrive and deliver services in municipalities that are embattled by financial constraints. Furthermore, financial resources are crucial in supporting the delivery of service objectives as incorporated through the IDP. Mopani District Municipality recorded the highest percentage (69%) on financial challenges as a major backlog inhibiting the implementation of the IDP. Financial challenges do not only hinder the implementation of the IDP. On a data collection visit to the Mopani District Municipality (29 January 2015), municipal officials were not in their offices as they had to attend a meeting in Tzaneen concerning the non-payment and late payment of their salaries. This is a clear indication that municipalities are embattled in financial backlogs and this has negative consequences in the delivery of services. However, there is consensus among municipalities that the state of municipal infrastructure is satisfying. This can work in favour of the speedy delivery of services.

4.6 External Stakeholders Support in Relation to the Development and Implementation of the IDP

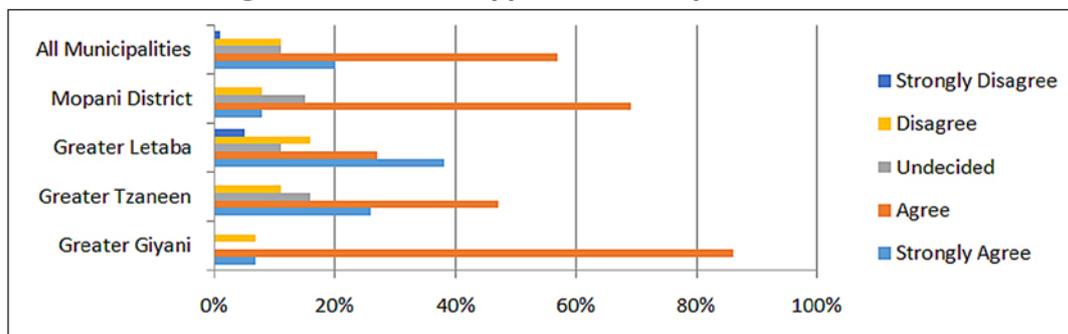
External support in the development, formulation and implementation of the IDP refers to support other than that of the stakeholders of the IDP process. Soliciting different views particularly in the implementation of the IDP is imperative in ensuring that different dimensions on how IDPs are implemented elsewhere in South African municipalities are taken into consideration. However, a majority of South African municipalities are heavily reliant on the services of external service providers to undertake the formulation and implementation of IDPs. This paper probed the involvement and support of

Figure 4: Challenges in the Implementation of the IDP



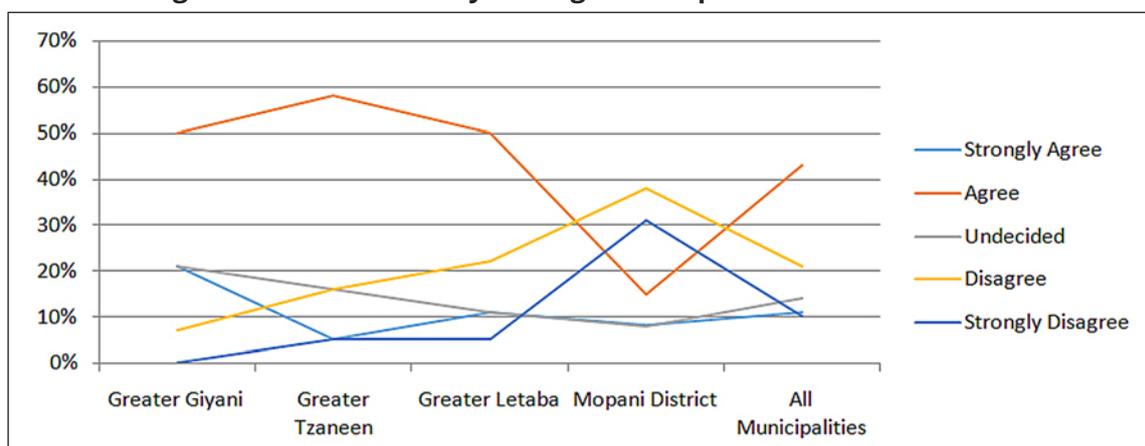
Source: Author

Figure 5: External Support in IDP Implementation



Source: Author

Figure 6: Service Delivery Through the Implementation of the IDP



Source: Author

external stakeholders in the development and implementation of the IDP.

Figure 5 above indicates that there is a general agreement that municipalities receive external support in the development and implementation of the IDP. All municipalities recorded a total of 20% strongly agree, 57% agree, 11% undecided, 11% disagree and 1% strongly disagree. The findings however are not outright where there is some imbalance between the frequencies. For example, Greater Letaba Local Municipality recorded a total of 38% strongly agree, 27% agree, 11% undecided, 16% disagree and 5% strongly disagree. On the basis of the information indicated above, it can be ascertained that municipalities receive external support in the development and the implementation of the IDP. Service delivery can IDP improve through the inputs of external stakeholders. However, the utilisation of external service providers such as consultants in the development and implementation of the IDP can have adverse effects on the service delivery because the needs of communities will not be taken into account thus negating the principles of

management planning. According to Litman (2013), those principles are comprehensiveness, efficiency, inclusiveness, informative, integration, logic and transparency. This points out to the fact that the municipal community concerned must have a voice in every decision making process of the IDP including implementation if services are to be delivered according to their developmental needs.

4.7 Implementation of Services Incorporated Within the IDP

Municipalities have service delivery objectives that are incorporated within the IDP which serve as a planning tool for accelerating the delivery of such services. Every time that a municipality is to deliver services to communities, reference should be made to the IDP which serves as a guideline and a business plan of the municipality (Phago, 2009). The success of the IDP as a delivery machinery would be on the basis in which it is able to deliver all the services incorporated in it. This paper probed the implementation and the delivery of services incorporated in the IDP to test it as a mechanism that serves to improve service delivery.

Figure 6 on the previous page indicates that municipalities are delivering services to communities through the use of the IDP with a total of all municipalities recording 11% strongly agree, 43% agree, 14% undecided, 21% disagree and 10% strongly disagree. There is an anomaly in the findings which proves that although local municipalities are delivering services to communities through the IDP Mopani District Municipality is still behind. For example, the Municipality recorded totals of 8% strongly agree, 15% agree, 8% undecided, 38% disagree and 31% strongly disagree. This finding clearly indicates that the district municipality is dismally failing to implement and deliver services as incorporated in the IDP. It can thus be concluded that the Mopani District Municipality lacks capacity to use the IDP to deliver services and address service delivery backlogs confronting the district such as water shortages.

4.8 Gaps in the IDP and Service Delivery

At times, municipalities experience phenomenal gaps in the IDP and its implementation in relation to service delivery. The paper probed the IDP and the gaps that exist in the implementation and how it impacts on service delivery. This could be done by probing the sub-themes and determining the phenomenal gaps, the IDP and how it addresses service delivery challenges, the state of municipal service delivery, the implementation of service incorporated in the IDP (Mathebula, 2016).

4.9 Phenomenal Gaps Existent in the Implementation of the IDP

Municipalities at times fail to implement IDPs and deliver all the services incorporated within due to challenges not foreseen during the formulation and

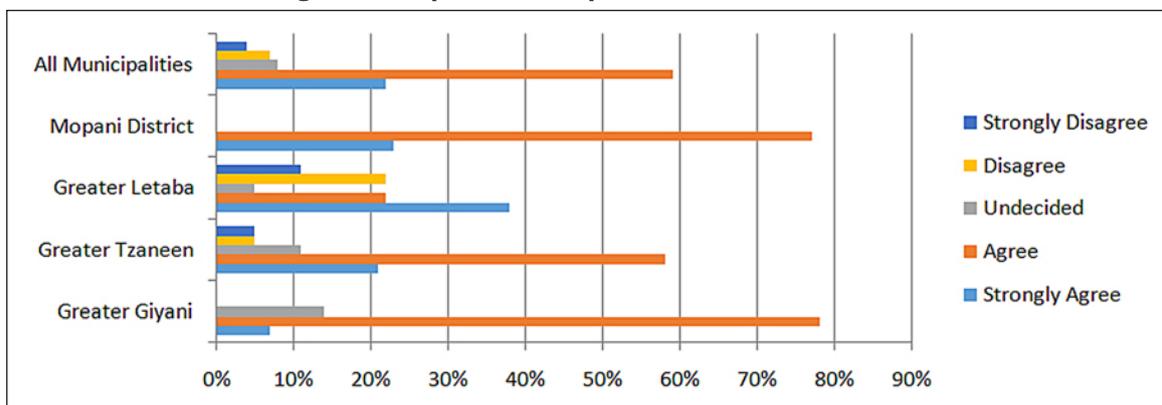
integrated development planning process. These gaps and challenges prevent the delivery and the acceleration of municipal services thus failing the IDP implementation. Although these gaps were not identified by the respondents at the time of data collection, the paper probed their impact in the implementation of the IDP.

Figure 7 indicates that there are phenomenal gaps that exist in the implementation of the IDP, thus affecting the capacity of municipalities in enhancing service delivery. Generally, all municipalities recorded a total of 22% strongly agree, 59% agree, 8% undecided, 7% disagree and 5% strongly disagree. Greater Letaba Local Municipality showed a slightly different trend and recorded 38% strongly agree, 22% agree, 5% undecided, 22% disagree and 11% strongly disagree. This finding might be because the municipality does not experience major phenomenal gaps in the implementation of the IDP and its relation to service delivery enhancement when compared with other municipalities. It can therefore be concluded that phenomenal gaps in the implementation of the IDPs in municipalities affect the state of service delivery and the attempt to hasten it. This however, can be taken further in trying to identify the phenomenal gaps so that the implementation can be managed taking into consideration the challenges existing (see Figure 4).

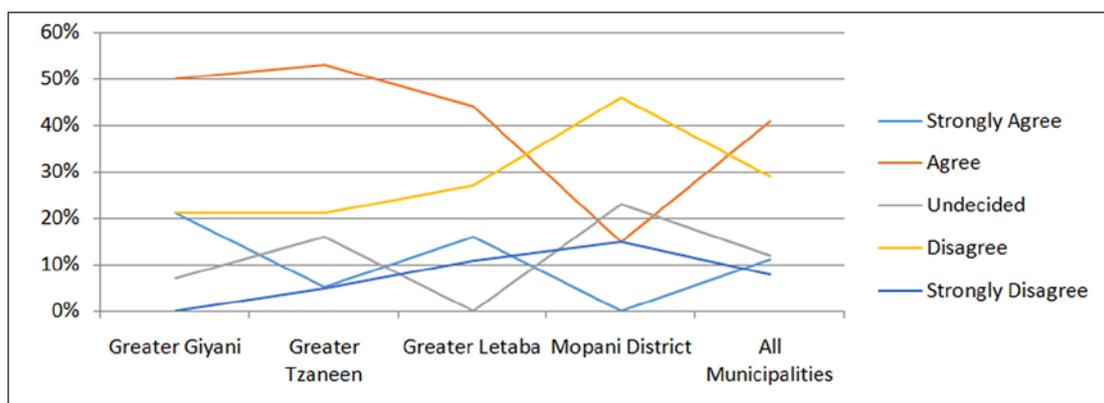
4.10 Accurate Implementation of Strategies and Objectives Outlined in the IDP

In terms of the IDPs of all the municipalities selected in this study, there are major service delivery backlogs particularly with regard to basic services such as refuse removal, water and sanitation. However, municipalities prioritise the delivery of such services

Figure 7: Gaps in the Implementation of the IDP



Source: Author

Figure 8: Accurate Implementation of the IDP

Source: Author

as they are mentioned as objectives to be delivered through the IDP which is also a strategic tool. After assessing the municipal existing situation, the municipality must formulate intervention strategies that will be used to address service delivery challenges identified in the analysis phase. This paper probed the precise implementation of strategies and objectives for addressing service delivery challenges in municipal communities.

Figure 8 above indicates that strategic objectives listed in the IDP as deliverables are accurately implemented and delivered to municipal communities with all municipalities recording a total of 11% strongly agree, 41% agree, 12% undecided, 29% disagree and 8% strongly disagree. However, the distribution of frequency across local municipalities indicates that there are respondents who are of the view that strategic objectives are not entirely accurately implemented for the purposes of correcting service delivery challenges. Responses from Mopani District Municipality represents a view that strategic objectives are not accurately implemented, thus the IDP fails to correct service delivery challenges. For instance, the municipality recorded a total of 0% strongly agree, 15% agree, 23% undecided, 46% disagree and 15% strongly disagree. It can therefore be concluded that failure to implement strategic objectives of the IDP have adverse effects on an attempt to address service delivery challenges within municipalities.

5. Conclusion and Recommendations

The aim of this paper was to analyse the relationship between the IDP implementation and service delivery. The results found that most municipal employees do not have an understanding of the IDP and how it is implemented. Lack of knowledge

about the IDP by municipal employees can hinder the attempt to accelerate service delivery as the plan has to be adopted as a management planning tool with deliverable objectives to be carried out by all employees. To this end, the paper recommends training, workshops, and education about municipal planning tools to be offered to municipal officials. This will also ensure capacity-building and the improvement in implementing service deliverable consequently. Selected municipalities also have a challenge of engaging in management planning processes in the formulation and the implementation of the IDP. This has a tendency of resulting in the planning process with predetermined service delivery objectives other than those to be implemented in terms of the needs of the citizenry. The paper further found that financial, structural and organizational support in the implementation of the IDP are a major challenge for municipalities thus resulting in municipalities failing to implement all the services as incorporated in the IDP. To this end, the paper recommends that municipal finances be managed by qualified officials who will also be subjected to public accountability. Accountability structures in municipalities should also be punitive instead of corrective. It was also interesting to learn that the state of service delivery in municipalities is unsatisfactory while the IDP has not proven to be successful in that regard for the past five years of implementation. In this vein the paper recommends for the implementation of IDP that is subjected to strict compliance by other organs such as the South African Local Government Association (SALGA), whereby municipalities are restricted to outsourcing the IDP processes, particularly the implementation phase.

Unless there is appropriate implementation of the IDP, service delivery backlogs that exist in municipalities

will not be addressed. Findings in this study reveal that IDPs are not properly, efficiently and effectively implemented to carry out and deliver services as intended. The paper concludes that there is a need for top management in municipalities to take responsibility to institutionalize the culture of management planning in the implementation of the IDP in municipalities with a view of improving service delivery.

References

- Craythorne, D.L. 2006. *Municipal Administration: The Handbook*. Formset: Cape Town.
- Dlulisa, L. 2013. Evaluating the credibility of the Integrated Development Plan as a service delivery instrument in Randfontein Local Municipality. Masters Dissertation submitted to the Stellenbosch University.
- Hohnen, P. & Potts, J. 2007. Corporate social responsibility and implementation guide for business. Available at: http://www.iisd.org/pdf/2007/csr_guide.pdf. Accessed on 6 December 2016.
- Institute for Security Studies. 2009. The reasons behind service delivery protests in South Africa. Available at: <http://www.polity.org.za/article/the-reasons-behind-service-delivery-protests-in-south-africa-2009-08-05>. Accessed on 16 October 2017.
- International Facility Management Association. 2009. Strategic Facility Planning: A White Paper. Available at: https://www.ifma.org/docs/default-source/knowledge-base/sfp_whitepaper.pdf. Accessed on 6 December 2016.
- Litman, T. 2013. Planning principles and practices. *Victoria Transport Policy Institute*. Available at: <http://www.vtpi.org/planning.pdf>. Accessed on 12 February 2016.
- Madzivhandila, T.S. & Asha, A.A. 2012. Integrated Development Planning process and service delivery challenges for South Africa's local municipalities. *Journal of Public Administration*, 47(1.1):369-378.
- Mathebula, N. 2014. Service delivery in local government through socio-economic programmes: successes and failures of the Comprehensive Rural Development Programme (CRDP). *Mediterranean Journal of Social Sciences*, 5(20):132-140.
- Mathebula, N.E. 2016. Assessment of the Integrated Development Plan as a management planning tool for effective service delivery: a case of selected municipalities in Mopani District Municipality. Masters Dissertation submitted to the University of Limpopo.
- Mathebula, N.E., Nkuna, N.W. & Sebola, M.P. 2016. Integrated Development Plan for improved service delivery: A comparative study of municipalities within the Mopani District Municipality, Limpopo Province. *International Journal of Business and Management Studies*, 8(1):70-85.
- Morudu, H.D. & Halsall, J. 2017. Service delivery protests in South African municipalities: an exploration using principal component regression and 2013 data. *Cogent Social Sciences*, 3(1):1-15.
- Ncanywa, T. & Getye, S. 2016. Micro-credit finance and unemployment in South Africa. *International Journal of Economics and Finance Studies*, 8(2):107-116.
- Ngubane, M.B. 2005. An evaluation of service delivery at eNdon-dakusuka Local Municipality. Masters Dissertation submitted to the University of Zululand.
- Skosana, V.R.P. 2007. A critical evaluation of the link between integrated development planning and the budget at Emfuleni Local Municipality. Masters Dissertation submitted to the North-West Municipality.

The Praxis of Leadership Styles on Employee Productivity: A Case of the Greater Sekhukhune District Municipality

W Majebele

University of Limpopo, South Africa

Abstract: The aim of this study was to investigate the relationship between leadership styles and employee productivity in the Greater Sekhukhune District Municipality, Limpopo Province (South Africa). The study adopted mixed methods in which data was collected through interviews, questionnaires, and document analysis. The study revealed that various leadership styles must be used in an organisation rather than being stagnant in order to address employee productivity or lack thereof. This is important because a leadership style employed by the leader can impact the employees either positively or negatively in regard to performing according to organisational objectives. The findings also revealed that it is important for leaders to involve employees in the decision-making as it assist in bringing about commitment as well as motivating and inspiring employees.

Keywords: Employee productivity, Leadership, Leadership styles, Situational Leadership

1. Introduction

The concept and definition of leadership and leadership styles can differ from one person or situation to another. The word leadership has been used in various aspects of human endeavour such as politics, businesses, academia, and in the social realm. Literature suggests that types of leadership styles imposed on employees can have an impact on their productivity in various settings (Voon, Lo, Ngui & Ayob, 2011; Paracha, Qamar, Mirza, Hassan & Waqas, 2012; Mosadeghrad, 2013; Iqbal, Anwar & Haider, 2015). The study of leadership began to gain momentum at the turn of the 20th century with the trait-based perspective which saw the determining of history through the lens of exceptional individuals (Day & Antonakis, 2012). Thus, scholars in this field focused on identifying robust individual differences in personality traits that were thought to be associated with effective leadership (Day & Antonakis, 2012). According to Yahaya, Osman, Mohammed, Gibrilla, and Issah (2014), the trait approach theory argues that leaders have certain personalities, social and physical characteristics, which influence whether the person acts as a leader or just a mere manager. It can therefore be argued that abilities such as "intelligence, knowledge and expertise, dominance, self-confidence, high energy, tolerance for stress, integrity and maturity are inborn in leaders" (Yahaya, Osman, Mohammed, Gibrilla & Issah, 2014). It is against this background that public sector organisations in South Africa are endeavouring to overcome the challenge of under-performance in most disciplines of their operations

which might be as a result of leadership qualities. As a result, they continue to receive constant criticism for poor service delivery, internal wrangles, inefficient bureaucracy, financial mismanagement, corruption and poor corporate governance (Mathebula, 2014). Management scholars (Castro, Perinan & Bueno, 2008; Ghafoor, Qureshi, Khan & Hijazi, 2011) have argued that effective leadership acts through empowering employees to engage on improved work outcomes. The purpose of conducting this research was to determine the types of leadership styles with a view of assessing how different styles affect the performance of employees using the Greater Sekhukhune District Municipality as a case study. In doing so, the study probed various leadership styles from the municipality and subsequently how they are able to perform under a particular style as adopted and applied by the leaders.

2. Literature Review

Leadership refers to the ability to persuade others to enthusiastically and diligently pursue the project or organisational mission and/or objective. "While leadership depends on depth of conviction and the power emanating therefrom, there must also be the ability to share that conviction with others, the ability to make purpose articulate" (Hickman & Sorenson, 2014). On this note, Bhatti, Maitlo, Shaikh, Hashmi and Shaikh (2012), define leadership style as the pattern of behaviour engaged in by the leader when dealing with employees which is a manner and approach of providing direction, implementing

plans, and motivating people. It is important that a leadership style should portray the collaboration between leaders and employees as this will assist in improving productivity and efficiency of employees. It can be augured that the type of leadership styles utilised can affect the employees by either inspiring or discouraging them which can in return have an impact on their levels of performance and can increase or decrease productivity. Employees are regarded as the labour force of any organisation and therefore it is up to them to transfer the vision, objectives and goals of the organisation into reality. In simple terms, it is their duty to carry out the required objectives of the organisation with the help of their leader. Functions of a leader are many and varied, depending upon the basic problem with which a group must deal and the type of leadership style in action (Timmins, 2008; Morgeson, DeRue & Karam, 2010; Chuang, 2013). Leaders who believe and demonstrate that the labour force is the greatest asset of any institution are likely to command them with utmost respect and therefore channelling them towards organisational success. These are leaders who build the richly diverse organisation with powerful representation at every level, on all teams, in all groups, on all boards, in all management, and in all visual materials. The leadership style that a leader uses play a pivotal role in the satisfaction of employees with their job and how they are rewarded for performing well to keep them motivated. A leadership style that connects positively with the perceptions of employees on their jobs, can lead to employees being satisfied and can result in them enjoying tasks at hand (Martins & Coetzee, 2007; Mosadeghrad & Ferdosi, 2013).

2.1 A Synopsis of Leadership Theories

The leadership theories of the last century have their base in industrial organisations and society (Kumar, Adhish & Deoki, 2014). The theories have provided significant knowledge which has facilitated current and future theory development. However, no schools of leadership have emerged out of the immense reservoir of data and analysis about leadership (Bloomfield, Barnes & Huyse, 2003; Mulford, 2003; UNHCR, 2015). This is true partly because scholars have worked in separate disciplines and sub disciplines in quest of different questions and problems. However, society is on the edge of an intellectual breakthrough in leadership theory (Cullen, Willburn, Chrobot-Mason & Palus, 2014). Theories of leadership attempt to explain

the factors involved either in the emergence of leadership or in the nature of leadership and its consequences. The focus of leadership training and practical preparation must be grounded in theory and in the concepts, ideas, and conclusion that have been researched and used by leaders across a variety of settings. Therefore, theories such as the trait approach theory, behaviour approach theory, contingency approach theory, and situational approach theory of leadership are important in understanding leadership styles.

2.1.1 Trait Approach theory

The Trait Approach arose from the "Great Man" theory as a way of identifying the key characteristics of successful leaders. Through the trait approach theory, various leadership qualities are employed, selected and installed into those in leadership positions (Bolden, Gosling, Marturano & Dennison, 2003; Morgeson *et al.*, 2010). This approach was common in the military and is still used as a set of criteria to select candidates for commissions (Kumar *et al.*, 2014). Whereas Yahaya, Osma, Mohammed and Gibrilla (2014) state that the idea behind this school of thought is that effective leaders share common traits. It effectively assumes that leaders are born, not made. Attempts to identify the traits of effective leaders have focused on three main areas according to Turner and Muller (2005); "the abilities traits demonstrate hard management skills, personality traits on the other hand addresses issues such as self-confidence and emotional variables and the physical appearance which include size and appearance" (Masood *et al.*, 2006: 12). This approach is subsequently discussed.

2.1.2 Behavioural Approach

From the late 1940s onwards, the focus of leadership research shifted from leader traits to leader behaviour. Researchers were particularly interested in identifying leader behaviour that enhanced the effectiveness of subordinates (Chuang, 2013). With that shift in research, the former common opinion that leaders with the right qualities have to be selected changed into the opinion that, knowing the effective leadership behaviour, leaders can be trained to become successful (Bryman, 1992). Leadership behaviour is an empirically observable influence attempt that varies according to the situation, whereas a leadership style denotes a long-term, situational invariant behavioural pattern (Masood, Dani, Burns & Backhouse, 2006). From the point of view of the subordinate, leadership is

experienced as a 'style'. Ideal types of leadership styles are, however, only heuristics for the generation of hypotheses. According to Yahaya *et al.* (2014), the outcomes of the attribute studies were unconvincing. Traits, amongst other things, are hard to measure. It was not easy for instance to measure traits such as integrity, diligence, honesty or loyalty. To avert this situation, another approach in the study of leadership had to be found; the behavioural school. It supposed that effective leaders espouse certain styles or behaviour. It assumes, in effect, that effective leaders can be made.

2.1.3 Contingency Approach

The contingency theory concentrates on the effectiveness of the leader, which is based on the individual's leadership style and the situations one tends to favour (Mosadeghrad & Ferdosi, 2013). The main proposition in contingency approaches is that the effectiveness of a given leadership style is contingent on the situation, implying that certain leader behaviour will be effective in some situations but not in others (Ghafoor *et al.*, 2011). One example of such a contingency theory focuses on criteria to determine whether or not a leader should involve subordinates in different kinds of decision-making. The effectiveness of decision procedures depends on aspects of the situation, including the amount of relevant information held by a leader and co-workers, the likelihood that co-workers will accept an autocratic decision and the extent to which the decision problem is unstructured (Yahaya *et al.*, 2014).

2.2 Viability of Various Leadership Styles

Effective leadership styles are achievable by using mixtures of styles as situations arise. Each leader has to choose a style that suit his or her personality and that best represents the values of the institution he/she is leading. In all, a leader has to be transparent with all daily dealings, communicates effectively, be honest with staff members, showing an unbending integrity while at the same time be knowledgeable or skilful about the tasks at hand and be easy to follow. Productivity of an employee is boosted when they are encouraged, motivated and positively appraised. According to Iqbal *et al.* (2015), the various leadership styles have different impacts on the productivity and empowerment of employees. One kind of style may be supportive of some of the employees while it may be a barrier for other employees. A wise leader is able to choose an effective style which will cater for all his or her

employees, and which will assist in the productivity of employees in an institution. Depending on the leader concerned, various leadership styles can be adopted and applied in various organisational setting. The following section of the paper briefly interrogates authoritarian, democratic or participative, Laissez Faire, transactional, transformational, charismatic and situational leadership.

2.2.1 Authoritarian Leadership

Ogunola, Kalejaiye and Abrifor (2013) define autocratic leadership as the one in which the leader retains as much power and decision-making as possible. It is often considered to be the classical approach. The premise of the autocratic leadership style is the belief that in most cases the worker cannot make a contribution to their own work, and that even if they could, they would not. Authoritarian leaders provide clear expectations for what needs to be done, when it should be done, and how it should be done (Iqbal *et al.*, 2015). In simple terms, autocratic leaders give orders. There is also a clear separation between the leader and the followers. Authoritarian leaders formulate judgments autonomously with little or no input from others. Decision-making in authoritarian leadership is less inventive. However, employees need to feel a sense of belonging to the tasks they have been assigned to do as this might not be a good idea for leaders to deny junior workers to make a contribution to their own work as this will decrease the level of job satisfaction and productivity. According to Ogunola *et al.* (2013:3715) autocratic leaders attempt to simplify work to gain maximum control.

2.2.2 Participative Leadership or Democratic Leadership

Participative leadership is a style that involves all members of a team to identify goals and develop procedures or strategies to achieve those goals (Martins & Coetzee, 2007; UNHCR, 2015). In most cases participative leadership style is associated with democratic leadership style. From this perspective, participative leadership is a leadership style that depends to a great deal on the leader working as a facilitator (Cullen *et al.*, 2014). A democratic leader does not give his followers orders but motivates them to be able to do their job on their own without being told what to do. "Democratic leaders tend to invite other members of the team to contribute to the decision-making process, although they are the ones to make the final decision" (Yahaya *et al.*, 2014). Hence, it increases job satisfaction through

the involvement of others and helps to develop people's skills. Employees would also feel in control of their own destiny and be motivated to work hard by more than just a financial reward. This approach could, however, take longer, but often with a better end result. Democratic or participative leadership is most suitable when working as a team and when quality is more important than speed to market or productivity (Yahaya *et al.*, 2014:5).

2.2.3 Laissez-Faire

Timmins (2008:15), views Laissez-Faire as a type of leadership that holds that individuals are motivated by internal forces and should be left alone to complete work. The leader provides no direction or facilitation. This type is absent when needed, avoids making decisions, and delays responding to important questions and urgent matters. According to Sabuttey, Nkuah and Awal (2013), Laissez-Faire leaders avoid attempting to influence their subordinates and shirk supervisory duties. They get too busy on their desks dealing with paperwork and avoid situations that preclude any possibility of confrontation with followers or subordinates. They leave too much responsibility with subordinates, set no clear goals, and do not help their group to make decisions. They refrain from offending subordinates and therefore tend to put a blind eye on the issues since their main aim is to please everybody by being good to everyone. Murari (2015) argues that the Laissez-Faire leadership is common, but it is unrealistic and immature way to encounter rapidly growing quality, innovation and effectiveness. Those leaders are leaning to entrust responsibility and authority and not in empowering but to run away from responsibility.

2.2.4 Transactional Leadership

Paracha, Qamar, Mirza, Inam-ul-Hasan and Waqas (2012) define transactional leadership as an exchange between followers and leaders desired outcomes by fulfilling the leader's interest and followers' expectations which involves promises or commitments embedded by respect and trust. Timmins (2008) also views transactional leadership as the leader's ability towards identification of follower's needs and aspirations and clearly demonstrates the ways to fulfil these needs in exchange for performance of followers. Timmins (2008:17) states that transactional leadership begins with the idea that team members agree to obey their leader. Transactional leadership serves as the pathway to contingent reinforcement whereby the

leader and follower agree on the necessary path to achieve the reward or avert punishment. Timmins (2008:17) further argues that this leadership style demonstrates behavioural patterns associated with constructive and corrective transactions. Similarly, to Obiwuru, Okwu, Akpa and Nwankwere (2011:104), transactional leaders display both constructive and corrective behaviour. Constructive behaviour entails contingent reward while corrective dimension imbibes management by exception, i.e. similarly to what mother Teresa meant for the health sector.

2.2.5 Transformational Leadership

The difference between transformational and transactional leadership lies in the way of motivating others. Transformational leader's behaviour originates in the personal values and beliefs of the leader and motivates subordinates to do more than expected. Chuang (2013) views transformational leadership as a process where one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality. "Transformational leaders are true leaders who inspire their employees constantly with a shared vision of the future" (Obiwuru *et al.*, 2011). While this leader's enthusiasm is often passed on to the team, he or she may need to be supported by "detail people". Hence, in many organisations both transactional and transformational leadership are needed. Transactional leaders ensure that routine work is done reliably, while transformational leaders look after initiatives that add new value. Transformational leaders are those that have integrity, sets clearly defined goals, communicates vision with subordinates, sets a good example, presumes the best from employees, encourages, inspires and supports, acknowledge good work, provides inspiring work and helps people see beyond their self-interests and focus more on team interests and needs (Yahaya *et al.*, 2014:6). Taylor (2009) is of the opinion that transformational leadership focuses on the empowerment and development of follower potential in attaining long term goals.

2.2.6 Charismatic Leadership

Max Weber's work in defining charisma led to him categorizing charisma as an untraditional form of influence where the leader possesses exceptional qualities as perceived by his or her followers. The Former President of South Africa, Dr Rolihlahla Nelson Mandela is a perfect example of a leader who possessed exceptional qualities that the world continues

to draw inspiration from. Charismatic leadership is a style that is recognisable but may be perceived with less tangibility than other leadership styles. This reality is likely due to the difficulty associated with directly defining charisma in an individual when only examining the individual (Kelloway, Barling, Kelley, Comtois & Gatién, 2003). The leadership behaviour of charismatic leaders makes their followers believe that they have extraordinary leadership abilities. The key characteristics of charismatic leaders are that they have vision and articulation and are willing to take risks (Robbins, Judge, Odendal, & Roodt, 2009:323). According Kelloway *et al.* (2003), charismatic leaders communicate with clear vision and express language that is emotionally appealing to the needs and values of their followers. According to Murari (2015), follower attribution of charismatic qualities to a leader is jointly determined by the leader's behaviour, expertise, and aspects of the situation.

2.2.7 Situational Leadership

Situational leadership evolved from "task-oriented" to focus on leadership that is about the people (McClesky, 2014:118). The concept was developed in 1969 by Paul Hersey (Esther, 2011). Situational leadership principally focuses on the role of the follower as a leadership style "changes according to the follower's knowledge and skills in a given situation (Esther, 2011). Situational leadership advocates for the fact that "there is no one best way of leadership since effectiveness depends on the situation" (Mujtaba & Sungkhawan, 2009). This leadership style is viewed as the most effective style as the leader has an effective impact on the follower's development and managing change in varying circumstances (Lynch, 2015). It can be drawn from this observation that a situational leader has the potential to marshal followers towards the realisation of organisational objectives. This leadership style is critical in that policy and service delivery objectives in a municipality as reflected in the Integrated Development Plan may be come achievable. This is so because, objectives can be altered depending on the municipal citizenry's needs during the Integrated Development Plan review process which is carried out on annual basis.

2.3 The Impact of Leadership Styles on Employee Productivity

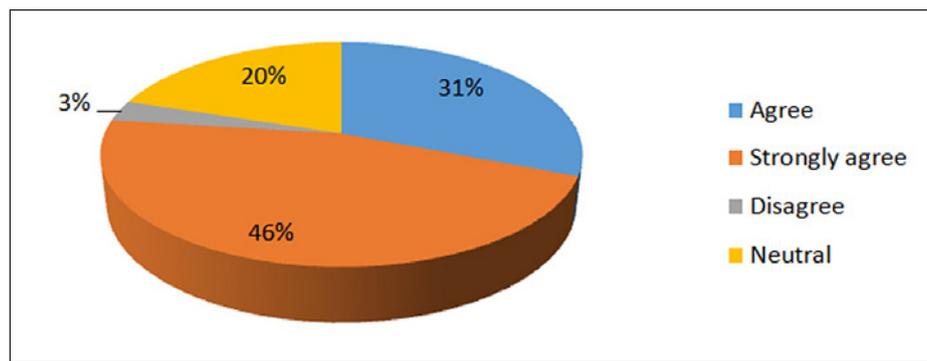
According to Yahaya *et al.* (2014), "productivity is the relationship between the amount of one or more inputs and the amount of outputs from a clearly identified process". The most common measure is labour

productivity which is the amount of labour input (such as labour hours of employees) per physical unit of measured outputs (Iqbal *et al.*, 2015). Another measure is materials productivity in which the amount of output is measured against the amount of physical materials input. Yet, another measure of productivity is termed total productivity (Bloomfield *et al.*, 2003). Total-factor productivity is the ratio of output to all inputs and not just labour. In other words, total-factor productivity includes all the factors of production. According to McColl-Kennedy and Anderson (2002), leadership undeniably affects organisational performance; in particular, employee productivity and organisational commitment as affected by leadership behaviours. The style of the leader is considered to be particularly important in achieving organisational goals. It can therefore be argued that with practical reality and experience consistently demonstrating the benefits of transformational leadership style over the more traditional forms such as transactional leadership in terms of achieving organisational goals, there is a clear linkage between the impetus that leadership style possesses on employee productivity. Leaders apart from their actions must inspire, should empower employees to make certain decisions and keep processes running smoothly and effectively. They also need to constantly keep them abreast with the current affairs and situations (Yahaya *et al.*, 2014). For institutions to achieve a higher level of productivity depends on the effectiveness of the leader and the type of leadership style they impose on subordinates. However, the leader's style alone cannot be responsible for the performance of workers nor for the attainment of organisational goals. Workers' perceptions of their leaders' style and their feelings about their ability to perform and achieve goals are important determinants. Furthermore, employees' perception of their relationship with their manager and in particular the level of support they receive from their manager would seem to influence productivity (McColl-Kennedy & Anderson, 2002). Leadership style in an organisation is one of the factors that play significant role in enhancing or retarding the interest of employees and commitment of the individuals in the organisation. Thus, Murari (2015) emphasises the need for a manager to find his leadership style and use it to the best interest and in achieving set objectives.

3. Research Methods

This paper is conceptual in nature but however uses preliminary findings to support the literature

Figure 1: Effectiveness of Different Leadership Styles



Source: Author

reviewed. According to Creswell, Klassen, Clark and Smith (2010:4), mixed methods can be defined as a research approach or methodology focusing on research questions that call for real-life contextual understandings, multi-level perspectives by utilising multiple methods for rigorous quantitative research assessing magnitude and frequency of constructs and rigorous qualitative research exploring the meaning and understanding of constructs. Having adopted mixed methods, the study used both judgmental or purposive sampling techniques which were applied only to municipal leaders and random sampling technique which was used when collecting data from the municipal employees. Mixed methods allows a researcher to capitalise on the weakness by one method and therefore complements the results which are both qualitative and quantitative. Judgmental or purposive sampling technique is used where the researcher selects units to be sampled based on their knowledge and professional judgment. Individuals that were sampled included the Municipal Manager, Head of Departments and subordinates. The random method of sampling was used to extract information from the Municipal Manager, the Head of Departments and their subordinates including political office bearers. This method randomly selects employees to obtain information from larger quantities of people. The total sample size in this study constituted of 35 officials and 5 political leaders of the Greater Sekhukhune District Municipality. In this regard, data was collected using interviews and questionnaires while document analysis was used to supplement primary data.

4. Findings and Analysis

Having adopted a purposive sampling strategy to select participants, the paper provides both quantitative and qualitative data collected from respondents.

4.1 Quantitative Data

Such data was collected to probe the effectiveness of different leadership styles, the relationship between leadership styles and productivity and sticking to one leadership style or rotating.

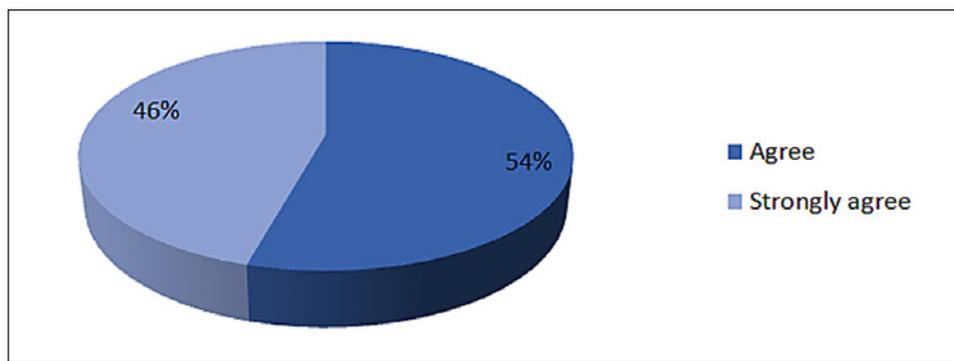
4.1.1 The Effectiveness of Different Leadership Styles

This section of the study sought to probe whether the use of various leadership styles in a same institutional setting can be effective or not. The study found that the use of different leadership styles are considered to be effective in most organisations as they aid in resolving challenges in different situations. The following is a summary of the findings on the effectiveness of different leadership styles.

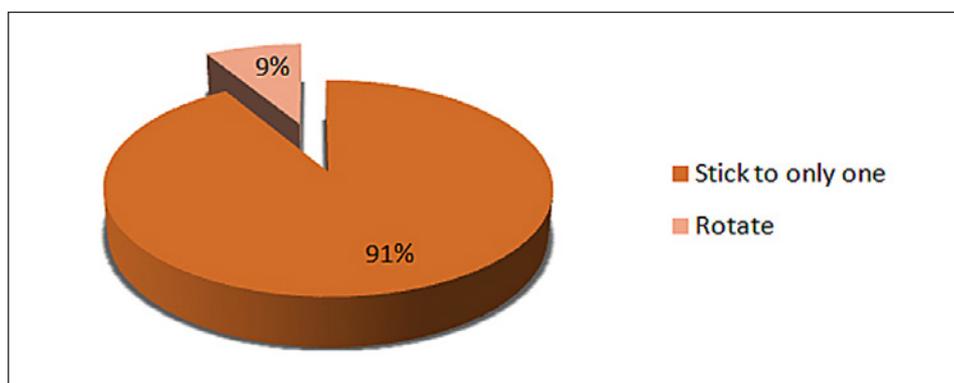
Figure 1 illustrates the results for the effectiveness of different leadership styles. Thirty-one percent of the study sample in the Sekhukhune District Municipality agreed that different leadership styles are effective, while most of the employees strongly agreed (46%) that indeed the use of different leadership styles is effective. Only 3% of the sample disagreed while 20% were neutral. This implies that leaders in the municipality and arguably in other municipalities use different styles of leadership in various situations as such a need arises. It was then concluded that the adoption and use of various leadership styles can aid the performance of employees rather than using a single style.

4.1.2 The Relationship Between Leadership Styles and Productivity

Leadership styles can have either negative or positive impact on the productivity of employees. It is always important for a leader to have a clear understanding of how a leadership style works and how

Figure 2: Impact of Leadership Styles on Productivity

Source: Author

Figure 3: Sticking to One Leadership Style and Rotation

Source: Author

it can affect employees. This section of the study probed the impact of different leadership styles on employee productivity as summarised below.

Figure 2 illustrates the impact of leadership styles on productivity. The majority of employees (54%) agreed that indeed leadership styles have an impact on the productivity of employees, while 46% of the sample strongly agreed. This suggests that leadership styles discussed in the literature can influence both negatively and positively on the employees. This means that leadership styles motivate and increase the level of productivity or they can either demotivate employees in a way that they cannot achieve the required levels of productivity.

4.1.3 Sticking to One Leadership Style or Rotating

There are always challenges that leaders are facing in the day to day running of municipalities. It is therefore important that a leader adopts a collection of leadership styles that can assist to resolve issues depending on the situation. The findings for whether a leader should stick to a single leadership style or rotate are summarised in Figure 3. The majority of the

sample (91%) believes that a leader must rotate, while only 9% of the sample believes a leader must stick to a single leadership style. This implies that a leader must be situational so as to accommodate employees at all levels and circumstances.

4.2 Qualitative Data

The quantitative data probed the variables such as effects of leadership styles on productivity, Current leadership style and outputs produced, the role of employees in assisting leaders in choosing leadership styles, involvement of employees in decision-making processes to improve productivity, better productivity in the day-to-day running of the municipality, the impact of a leadership style on the productivity of the whole organisation, whether a leader uses authoritarian, participative, laissez-faire, transactional, transformational, charismatic, and servant leadership; the leadership style used by respondents leader.

4.2.1 The Effects of Leadership Styles on Productivity

The question as to what effect leadership style has on productivity resulted in mixed reactions from the

respondents. Observations to some of the answers triggered the interest of the main aim of the study. Other respondents insinuated that:

"different leadership styles can have both negative and positive effect on productivity depending on which style is adopted. For instance, the authoritarian leadership style can have a positive effect to employees who require close supervision. This is so as employees are likely to feel commanded by the leader and therefore respond by producing the required outputs. The reason is that autocratic leaders have all the decision-making authority and employees might feel pressurised and their right for participating in decisions is minimal and this can cause a drop in productivity".

Another respondent states that:

"a leadership style condones and motivate good and quality productivity".

These responses point out that indeed leadership and various leadership styles have an impact on employees' productivity.

4.2.2 Current Leadership Style and Outputs Produced

Productivity in an organisation is determined by the style of leadership employed (Chuang, 2013). As quoted by one of the respondents:

"yes, the current leadership is effective enough because employees have the right to make decisions where necessary, they are not excluded from the decision-making processes".

Another respondent simply stated that the current leadership; *"it is hands on"*. In the light of these responses it becomes clear that the leadership style adopted in the municipality has the capability to bring better productivity. The effectiveness of a leadership style can result into smooth functioning and therefore it is up to leaders and the workers to ensure that the leadership style is implemented and executed correctly.

4.2.3 The Role of Employees in Assisting Leaders in Choosing Leadership Styles

In attempting to respond to the question, one of the respondents mentioned that; for subordinates to be involved in deciding the appropriate leadership style assists not only on employee's productivity but

also on strengthening relations between leaders and their subordinates. One respondent stated that:

"yes, it must be a collective leadership style, because it allows employees to contribute in making decisions and compliance".

Employees feel that they belong and are valued if they are involved in decision-making processes that affect their jobs. This also creates commitment and on behalf of the employees in carrying out their duties. Though employees should be given the platform to assist a leader, there must be principles and rules that guide them on how to decrease the level of indiscipline and lack of respect towards the leader.

One respondent disagreed with the others and held that it is inappropriate and rather impractical particularly in government where subordinates are not expected to bring innovation. Another respondent stated that:

"it is appropriate to assist a leader to choose his or her leadership style; because the style will have an effect on the level of productivity of employees therefore they should be given an opportunity to decide the style that will work for both the leader and themselves".

4.2.4 Involvement of Employees in Decision-Making Processes Improve Productivity?

In responding to this question one of the respondents said:

"yes, because involving employees in making decisions makes them feel appreciated and have a sense of ownership and be committed to their jobs".

Another respondent had this to say:

"yes, because employees are able to decide what can help in order to improve their performance and subsequently increases productivity".

From these responses it can be deduced that the involvement of employees in decision-making implies that the leader is willing to listen and understand the ideas and experiences of employees, and also gives them an opportunity to present their grievances. This contributes to fewer misunderstandings and more understanding of goals which therefore have the potential of improving productivity.

4.2.5 Better Productivity in the Day-To-Day Running of the Municipality Achieved Through Leadership?

One respondent stated that:

"yes it brought changes, such that the Sekhukhune District Municipality has obtained an unqualified audit opinion".

Another respondent said:

"yes, because everyone feels accepted and enjoying their jobs, because of the participative style used in the municipality and it increases productivity and has also contributed to an effective employee relations".

Another response was that:

"yes, today's leadership style is a democratic style, in which everyone is free to participate".

Furthermore it was stated that:

"yes, because it also allows everyone to participate and also constructively criticise for the purpose of building".

The responses of the participants imply that the leadership style used brought changes in the municipality by increasing productivity as well as making the employees of the Greater Sekhukhune District Municipality feel involved in the everyday running of the municipality. The use and success of the leadership styles in this municipality is effective in that it has the potential to produce unqualified audit as expressed by the Auditor-General.

4.2.6 Impact that a Leadership Style has on the Productivity of the Whole Organisation

A leadership style on its own cannot be effective; it is therefore the duty of both a leader and the follower to strategically implement it to ensure that it brings good results. In responding to the question posed above one respondent stated that:

"leadership style that an organisation use can either have a positive or negative impact on productivity of the organisation".

One participant said that; *"it must be a positive one"*. It is believed that a positive leadership style can contribute in bringing more productivity in the

organisation. A positive leadership style is one in which employees are motivated and inspired to do well to achieve the goals of the municipality.

4.2.7 Whether a Leader Uses Authoritarian, Participative, Laissez-Faire, Transactional, Transformational, Charismatic, and Servant Leadership

For this question one respondent had to say this:

"participative, transformational, transactional and servant leadership style".

Another respondent chose the participative leadership style. One of the respondents stated that *"both the democratic and authoritarian"*. As it has been mentioned earlier that different leadership styles are used for different situations, and it is also advisable that a leader should adopt more than one style. This is demonstrated by the respondents in the Greater Sekhukhune District Municipality whereby more than two leadership styles are adopted and it is believed they are used to aid in different circumstances. A participative or democratic leadership style is the one that allows employees to make contributions in decision-making processes and the leader values the inputs of the subordinates as well as boosting the employees' morale. In most cases a leader uses both the transformational and transactional leadership style interchangeably. However, the transformational leadership is one that motivates and enriches productivity through communication, and smaller tasks are assigned smaller to the workforce to ensure success. Among other styles of leadership is the servant leadership that provides support to the workforce without expecting to be acknowledged. In most instances employees are likely to want this type of a leader but the problem with this is that it is demotivating because every time employees become too relaxed and fails to give adequate attention to organisational goals.

5. Conclusion and Recommendations

The aim of this paper was to investigate the impact of leadership styles on employee productivity in the Greater Sekhukhune District Municipality, Limpopo Province (South Africa). This paper on the basis of the literature review and preliminary primary data gathered from both interviews and questionnaires has indeed establish that leadership styles, depending on the situation that a leader finds himself in, have an impact on employee performance and productivity.

This finding has a far-reaching implication on leadership and leadership styles as it would suggest that the productivity of employees can well be defined by leaders and their qualities in steering the workforce. Although different leadership styles are utilised in different directorates of the Sekhukhune District Municipality, employees must always be consulted in decision-making processes. The reason for this is that resources responsible for the articulation and realisation of organisational objectives. It must however be noted that different leaders tend to utilise leadership styles deemed effective to them.

References

- Bhatti, N., Maitlo, G.M., Shaikh, N., Muhammad, A., Hashmi, M.A. & Shaikh, F.M. 2012. The impact of autocratic and democratic leadership style on job satisfaction. *International Business Research*, 5(2):192-201.
- Bloomfield, D., Barnes, T. & Huyse, L. 2003. Reconciliation after Violent Conflict, a Handbook. *International Institute for Democracy and Electoral Assistance*. Stockholm: Sweden.
- Bolden, R., Gosling, J., Marturano, A. & Dennison, P. 2003. A Review of Leadership Theory and Competency Frameworks. University of Exeter: Centre for Leadership Studies.
- Bryman, A. 1992. *Charisma and Leadership of Organisations*. London: Sage.
- Burns, J.M. 1978. *Leadership*. New York: Harper & Row.
- Castro, C.B., Perinan, M.V. & Bueno, J.C. 2008. Transformational leadership and followers' attitudes: the mediating role of psychological empowerment. *The International Journal of Human Resource Management*, 19(10):1842-1863.
- Chuang, S.F. 2013. Essential skills for leadership effectiveness in diverse workplace development. *Online Journal for Workforce Education and Development*, 6(1):1-24.
- Creswell, J.W., Klassen, A.C., Clark, V.L.P. & Smith, K.C. 2010. Best Practices for Mixed Methods Research in the Health Sciences. Available at: https://obssr.od.nih.gov/mixed_methods_research/pdf/Best_Practices_for_Mixed_Methods_Research.pdf. Accessed on 13 October 2015.
- Cullen, K., Willburn, P., Chrobot-Mason, D. & Palus, C. 2014. *Networks: how collective leadership really works*. Centre for Creative Leadership.
- Day, D.V. & Antonakis, J. 2012. *The Nature of Leadership*. SAGE Publications: London.
- Esther, M.W.A.I. 2011. *Creating effective leaders through situational leadership approach*. Bachelor's Thesis Submitted for the Degree Program in Facility Management, Tourism, catering and Domestic Services, JAMK University of Applied Sciences.
- Ghafoor, A., Qureshi, T.M., Khan, M.A. & Hijazi, S.T. 2011. Transformational leadership, employee engagement and performance: mediating effect of psychological ownership. *African Journal of Business Management*, 5(17):7391-7403.
- Gibrilla, I. & Issah, E. 2014. Assessing the effects of leadership styles on staff productivity in Tamale Polytechnic, Ghana. *International Journal of Economics, Commerce and Management*, 2(9):1-23.
- Hickman, G.R. & Sorenson, G.J. 2014. *The Power of Invisible Leadership: how a Compelling Common Purpose Inspires Exceptional Leadership*. SAGE Publications: London.
- Iqbal, N., Anwar, S. & Haider, N. 2015. Effects of leadership style on employee performance. *Arabian Journal of Business and Management Review*, 5(5):145-151.
- Kelloway, K.E., Barling, J., Kelley, E., Comtois, J. & Gatien, B. 2003. Remote transformational leadership. *Leadership & Organizational Development Journal*, 24(3):163-171.
- Kumar, S., Adhish, V.S. & Deoki, N. 2014. Making sense of theories of leadership for capacity building. *Indian Journal of Community Medicine*, 39(2):82-86.
- Lynch, B. 2015. Partnering for performance in situational leadership: a person-centred leadership approach. *International Practice Development Journal*, 5(5):1-10.
- Margeson, M.F.P., DeRue, D.S. & Karam, E.P. 2010. Leadership in teams: a functional approach to understanding leadership structures and processes. *Journal of Management*, 36(1):5-39.
- Martins, N. & Coetzee, M. 2007. Organisational culture, employee satisfaction, perceived leader emotional competency and personality type: an exploratory study in a South African engineering company. *South African Journal of Human Resource Management*, 5(2):20-32.
- Masood, S.A., Dani, S.S., Burns, N.D. & Backhouse, C.J. 2006. Transformational leadership and organisational culture: the situational strength perspective. Available at: <http://cmappublic.ihmc.us/rid=1GSCTGM8W-24YMP5F-Q6Q/transformational%20leadership%20org%20culture.pdf>. Accessed on 25 July 2018.
- Mathebula, N. 2014. Service delivery in local government through socio-economic programmes: successes and failures of the Comprehensive Rural Development Programme (CRDP). *Mediterranean Journal of Social Sciences*, 5(20):132-140.
- McClesky, J.A. 2014. Situational, transformational, and transactional leadership and leadership development. *Journal of Business Studies Quarterly*, 5(4):117-130.
- McColl-Kennedy, J.R. & Anderson, R.D. 2002. Impact of leadership style and emotions on subordinate performance. *The Leadership Quarterly*, (13):545-559.
- Mosadeghrad, A.M. 2013. Occupational stress and turnover intention; implications for nursing management. *International Journal of Health Policy and Management*, 1(2):169-176.
- Mosadeghrad, A.M. & Ferdosi, M. 2013. Leadership, job satisfaction and organizational commitment in health sector: proposing and testing a model. *Material Socio Medica*, 25(2):121-126.
- Mujtaba, B.G. & Sungkhawan, J. 2009. Situational leadership and diversity management coaching skills. *Journal of Diversity Management*, 4(1):1-12.

- Mulford, B. 2003. School leaders: changing roles and impact on teacher and school effectiveness. *A Paper Commissioned by the Education and Training Policy Division, OECD, for the Activity, Attracting, Developing and Retaining Effective Teachers*. April 2003. Available at: <http://oecd.org/edu/schoo;/2635399.pdf>. Accessed on 8 August 2018.
- Murari, K. 2015. Impact of Leadership Styles on Employee Empowerment. Partridge: Mumbai.
- Obiwuru, T.C., Okwu, A.T., Akpa, V.O. & Nwankwere, I.A. 2011. Effects of leadership style on organizational performance: a survey of selected small scale enterprises in Ikosi Ketu Council Development area of Lagos State, Nigeria. *Australian Journal of Business and Management Research*, 1(7):100-111.
- Ogunola, A.A., Kalejaiye, P.O. & Abrifor, C.A. 2013. Management style as a correlate of job performance of employees of selected Nigerian brewing industries. *African Journal of Business Management*, 7(36):3714-3722.
- Paracha, M.U., Qamar, A., Mirza, A., Inam-ul-Hasan & Waqas, H. 2002. Impact of leadership style (transformational and transactional leadership) on employee performance and mediating role of job satisfaction. Study of private school (educator) in Pakistan. *Global Journal of Management and Business Research*, 12(4):54-64.
- Robbins, S.P., Judge, T.A., Odendal, A. & Roodt, G. 2009. *Organisational Behaviour: Global and South African Perspectives*. Cape Town: Pearson Education.
- Sabuttey, G.T., Nkuah, J.K. & Awal, S.M. 2013. Enhancing productivity in tertiary institutions in Ghana: an assessment of the leadership factor. *International Journal of Business and Management Review*, 1(3):188-214.
- Timmins, E.M. 2008. *Leadership Characteristics of Human Resource Professionals: Factors that Influence Leadership Style*. Capella University.
- Turner, R. & Muller, R. 2005. The project manager's leadership style as a successful factor on projects; a literature review. Available at: https://www.kth.se/polopoly_fs/1.217936!/Menu/general/column-content/attachment/Turner_M%C3%BCller_2005.pdf. Accessed on 25 July 2018.
- UNHCR, 2015. Beyond Humanitarian Assistance? UNHCR and the Response in Syria Refugees in Jordan and Lebanon, January 2013-April 2014. Available at: <http://unhcr.org/5551f5c59.pdf>. Accessed on 10 August 2018.
- Voon, M.L., Lo, M.C., Ngui, K.S. & Ayob, N.B. 2011. The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. *International Journal of Business, Management and Social Sciences*, 2(1):24-32.
- Yahaya, A., Osman, I., Mohammed, A.F., Gibrilla, I. & Issah, E. 2014. Assessing the effects of leadership styles on staff productivity in tamale polytechnic, Ghana. *International Journal of Economics, Commerce and Management*, 11(9):1-21.
- Zacharatos, A., Barling, J. & Kelloway, E.K. 2000. Development and effects of transformational leadership in adolescents. *The Leadership Quarterly*, 11(2):211-226.

Assessing the Inclusion of Climate Change Strategies in the Integrated Transport Plans of South African Metropolitan Municipalities

MM Mashamaite

University of South Africa, South Africa

Abstract: Transport contributes to Green House Gases (GHG) emissions, which in turn aggravates the climate events and lead to global warming. Climate change has become a universal problem. In view of this problem, content analysis research method was utilised to establish whether all the South African metropolitan municipalities includes climate change considerations in their transport planning procedures. The Integrated Transport Plans (ITP) of eight metropolitan municipalities were analysed. The analysis revealed that out of the eight metropolitans, three have not yet mainstreamed climate change considerations into their planning, particularly the mitigation actions and strategies to minimise the effects of climate change in the transport sector. The other five municipalities have mainstreamed climate consideration into their ITPs with special attention on GHG emission mitigation. The assumption drawn is if climate change is strategically and systematically included in the transport planning, the GHG emissions from the transport sector could be curbed and the effects and impact be significantly minimised if the considerations are well implemented. The paper recommends that municipalities should mainstream climate change into transport planning in responding to its economical, efficient and cost effective manner in order to minimise the vulnerability of the road transport sector to the impacts of climate change. This can be realised through adaptive capacity building and creating acclimate change resilient road transport sector. The paper then presents the recommendations on how better to mainstream climate change into transport planning.

Keywords: Climate change, Mainstream, Mitigation, Transport, Transport planning

1. Introduction

Climate change is an environmental problem that is critical and difficult to manage (Totty 2009; Ajewole, Ongunlade & Adewumi, 2010). It is now a global knowledge and agreement that climate change is happening, however the impact of climate change on transport sector faces uncertainties such as the adequacy of the scale of existing climate models to transport planning (IPCC, 2013; IEA, 2011). In responding to climate change, the South African government has launched the National Climate Change Response White Paper in 2011. The response white paper indicates the principles and strategies that the country will employ in addressing climate change issues (Department of Environmental Affairs, 2011). In South Africa, the Department of Environmental Affairs (DEA) is vested with the responsibility of facilitating and addressing climate change issues. Government departments and municipalities are struggling to address the challenges climate change pose to them. Municipalities are the closest institutions to develop and implement appropriate mitigation strategies for their geographical location. Municipalities are expected to draw an integrated

transport plans, outlining how they plan for their transport and challenges thereof. It is on this basis that this paper seeks to analyse the inclusion of mitigation actions and climate change considerations in the South African metropolitan municipalities since climate change is a growing challenge with negative consequences.

Revi (2008:209) attests that there is a need to incorporate climate change and its potential effects and impact into policy-making and planning on range of scale including all spheres of government. This paper supports Revi's sentiments and calls for mainstreaming of climate change into transport planning in all municipalities in order to address climate change challenges that may disturb the operation of the transportation systems. This paper provides a conceptual framework, the concept of climate change, its impact on transport sector, the influence of transport sector on climate change, the planning process of transport in South Africa, and the proposed mainstreaming of climate change into the transport planning paying special attention into South African transport planning procedure.

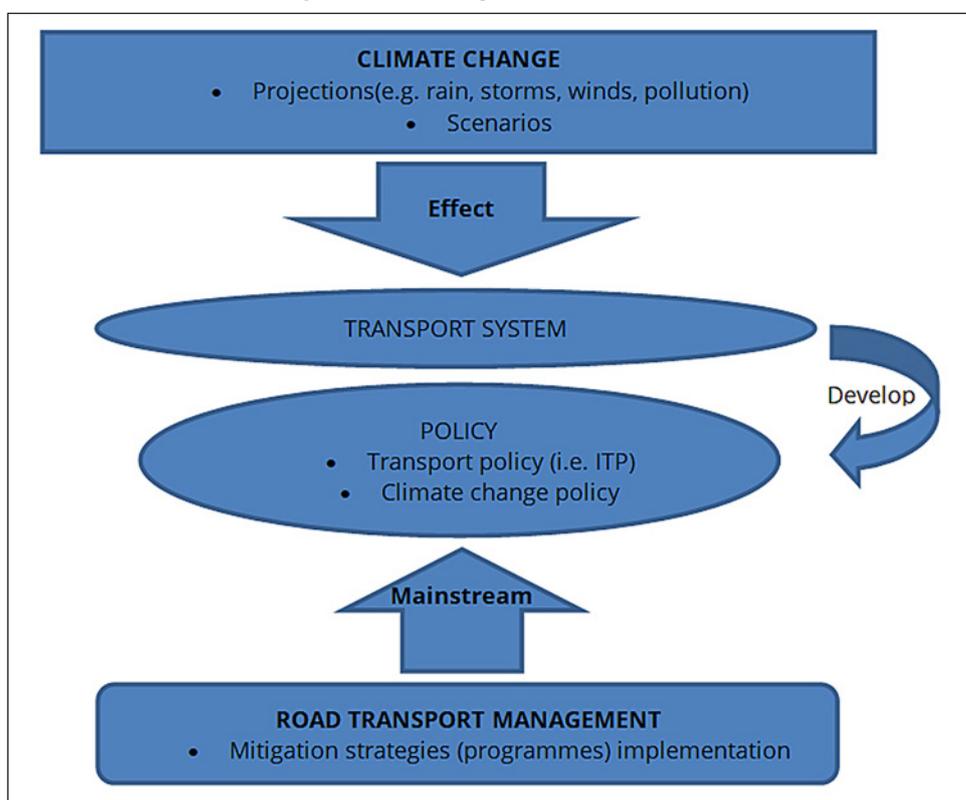
2. Conceptual Framework

Given the seriousness of climate change and the impact it has on the transport sector; mitigation actions have to be considered from a broad framework of transport planning. Therefore, assessing all various sectors and variables that may affect or influence the system operation is necessary. This paper developed a conceptual framework illustrating how climate events affect the transport system and operations. The sector has existing policies and plans, the framework then demonstrates that there is a need to mainstream mitigation actions into these policies in order to address climate change challenges within the sector.

The adopted conceptual framework in Figure 1 illustrates that transport and climate change events have an influence on the road transport system, as well as on climate scenarios and projections (anticipated-expectations). If the current road transport system state differs from the anticipated or expected state, then policy should be adapted accordingly. This paper uses this conceptual framework to study the inclusion of climate change strategies in the Integrated Transport Plans

(ITPs) of the South African metropolitans. In studying the efforts of municipalities in including climate change considerations into integrated transport planning, literature review and the ITPs of the eight South African metropolitan municipalities were reviewed. In order to understand the essence of including climate change considerations or mitigation actions into transport planning, it is crucial to understand the impact of climate change impact on the transport sector. The theoretical framework of this paper is on two concepts vulnerability of municipalities to climate change particularly the transport sector and the mitigation actions that should be included in the municipal's ITPs. Vulnerability is the physical elements and socio-economic conditions that determine the responsiveness to changes in climate (Miller *et al*, 2010). Climate change is happening and there is no more a debate over the existence of climate change, hence the United Nations Development Programme (UNDP) urges governments to act now immediately in order to minimise the severance of the impact of climate change. Since there is a global consensus on the existence of climate change, municipalities have to assist their communities to mitigate the effects of climate change.

Figure 1: Conceptual Framework



Source: Author

3. The Transport Planning in South Africa

The purpose of the transportation planning is to mitigate the problems caused by increase in urban population and the rapid growth of motor vehicle ownership as well as the usage while simultaneously using the full range of transport modes available for traveling. Transport planning aims at reducing the inefficiencies of the transport network and systems such as congestions, accidents and traffic delays. At the operational level transport planning is concerned with technical issues related to traffic estimation and network planning. The impact of climate change such as increase in intense precipitation events, floods, and droughts have hardly been taken into consideration when planning for transport systems and operations. The choice of a transportation system is the most important developmental decision that a metropolitan region takes and planners need to use this tool to shape the physical urban environment.

South African transport planning system has received numerous critiques in literature; amongst the critiques is the vehicle centric method of transport planning. This method largely neglects public and non-motorised modes of transport. The South African White Paper on National Transport Policy, 1996 emphasises the improvement options for both modes. The planning process should integrate all modes of transport and also improve integration of transport planning with land use. The South African transport planning is faced with old numerous challenges. Davies *et al.* (1995) identified the following challenges within the transportation planning to this date the challenges still persist such as the importance of walking is sometimes overlooked, there is poor interaction of public and private transport models and lack of qualified professionals to do the planning.

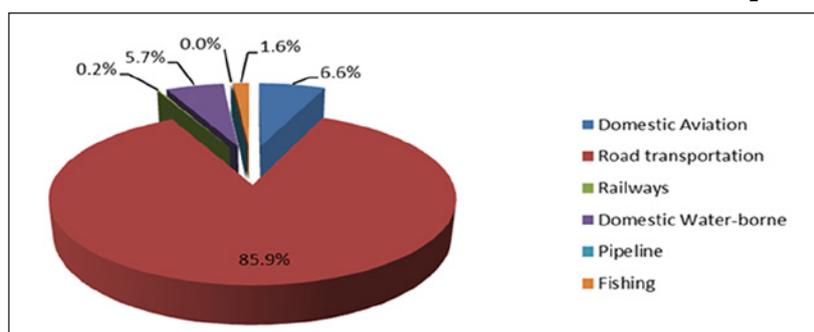
Bickford (2013) argues that the transport planning has largely continued in a business as usual fashion through much of the apartheid era. According to Walters's (2014) analysis of each mode and its operations, the challenge is policy and planning of each is done in silos. Thus, the creation of challenges for the integration of systems. It is clear from literature that transport-planning process in South Africa is not as integrated as it should be and the process is faced with inherited challenges as well. Climate change then becomes an additional challenge that threatens the planning process further, since all

modes are affected by the impact of climate change. Therefore, integrating climate change in planning becomes a necessity.

4. Climate Change and its Impact on the Transport Sector

Developing countries have a challenging task of reducing their vulnerability to climate change as part of the sustainable development agenda (Revi, 2008:211). Climate change is a growing economic and political concern due to its impact on economic growth and the livelihoods of the people. Hence, DEA (2010) attest that climate change undermines the government's efforts to alleviate poverty and provide environmental health. South Africa is vulnerable to climate change and is expected that this will affect the South African air quality as a result of changes in temperatures and rainfall patterns (Mitigation report, 2014). The impact of climate change varies within the different modes and their associated infrastructure. Within the road transportation, paved roads are affected differently by cold and hot weather. When it is extremely hot, the paved roads soften and require resurfacing with materials that are more durable (Schwanen, Banister & Anable, 2011:998). While in cold conditions, the base and paved surfaces are damaged. Bridges are prone to flood incidents, requiring new constructions with upgraded design specification, consequently financial costs rise. Rail on the other hand, its beds are likely to be influenced and damaged by increased rainfall and flooding, thus undermining the stability of railways (Mills & Audrey, 2002). The flooding and droughts force maritime transportation to utilise smaller vessels for inland shipping. Increase flooding and storm raise the costs of shipping and forces ships to use longer routes that are not prone to storm. Storm may result in delayed and cancelled air transportation. The world is experiencing floods, droughts and unprecedented weather conditions that are disastrous and have significant impact on the transport sector. Some of the impacts include infrastructure damages and traffic accidents.

In addressing climate change impact through mainstreaming it in the planning process, the transport sector will have range of benefits, such as improved air quality, increased road safety, reduced noise from traffic and other social and economic benefits. Jaroszweski (2012:326) is concerned that researchers overlook the fact that climate change will also affect the transport sector through a change in the

Figure 2: Sources Contribution of GHG Emissions (CO₂e)

Source: DEA (2014)

frequency and intensity of hazardous and disruptive weather events. Clearly, the vulnerability of transport sector to climate change is already evident on factors such as infrastructure damages, traffic delays and road accidents are some of the consequent results of climate change impact.

5. The Influence of Transport on Climate Change

The demand for transport has grown to be an integral part of day to day living for South Africans. Urban landscape is shaped by the transport demand. South African transport sector contributed 13% of the country's total GHG emissions in 2010 (DEA, 2014), and 86% of it comes from the combustion of liquid fossil fuels. The South African transport sector is faced with the apartheid legacy of spatial planning, whereby urban development is displaced and distorted, unequal human settlement patterns that resulted in people staying far from workplace and having to travel long distances. The established travel patterns have significant negative impact on climate change. Hence, Dixon (2009:208) attest that in future the impact of transport on the land resources, water quality, air quality and biodiversity will increase rapidly. Within the transport sector, road transport is the major contributor to CO₂ emissions. According to DEA (2014) in 2010 road transport accounted for 91.2% of total transport GHG emissions. The road transport sector heavily relies on fossil fuel for operations hence the significant contribution to the GHG emissions. Figure 2 indicates the GHG emissions per mode of transport in South Africa.

Aviation is one of the smaller contributors of GHG emissions in the South African transportation sector. It accounts for only 6.6 % of the total transport GHG emissions (Mitigation report,

2014). The mitigation report (2014) indicates that maritime transport is also amongst the smaller contributors of emissions within the sector. This is because the nature of operation of the South African maritime. Its operations are mainly outside the South African boundaries. All these modes are directly and indirectly affecting climate change through their operation mechanisms that are on various time scales. According to Skei *et al.* (2009) these mechanisms create warming of the globe. As clearly indicated in Figure 2, road transportation is the major contributor to the emissions due to its nature of operation and its reliance on fossil fuel. The figure shows road transport accounts for 85.9% while air and others are responsible for only 14.1 percent. Growing urbanisation and demand for mobility are amongst the world's challenges and indirectly influence climate change. Motorisation because of urbanisation, affordability and availability of vehicles is expected to rapidly grow at an unprecedented rate. This growth will massively contribute to air pollution, road traffic accidents and congestion, resulting in GHG emissions increase.

Ribeiro & Kobayashi (2007:329) argue that the growth of passenger vehicle in terms of its size, weight and power increases transport energy use and carbon emissions. The vehicle technology has notably improved but the improvement is on size and power than on fuel efficiency, which would be more beneficial to the governments and their citizens. According to the United States Environmental Protection Agency (2011) if power and size of the vehicles are not increased or rather are decreased then fuel consumption will decrease thus carbon emissions will be reduced. Currently the situation is the opposite of the agency's opinion, the size and power of vehicles are increased and the fuel consumption is very high as result the emissions are increasing.

The road transport plays a pivotal role in energy use and emissions of GHG globally. IPCC (2013) reports that road transport accounts for over a third quarter of the global GHG emissions, private cars and freight trucks being the main contributors. The road transport sector as indicated before is reliant on oil-based fuel consequently the CO₂ emissions from the sector is proportional to its energy use. Well-designed road transport policies and infrastructure can reduce risks associated with climate change such as air pollution and traffic injuries. Under the "Business as Usual" scenario global transport energy use is projected to grow by 80% till the year 2030 with parallel rise of emissions, while the number of vehicles is projected to triple by 2050.

6. Link Between Climate Change and Road Transport

The relationship between road transportation and climate change is a growing concern because, as mentioned above, scientific evidence on climate change continues to support the connection between anthropogenic activities and global warming. Greenhouse gas concentrations continue to rise at a rate of more than two parts per million each year (Stern, 2006:2). Transportation is crucial in creating wealth and quality life, enabling interaction socially through the movement of goods, services and people. It also has negative effects such as pollution, congestion and accidents. All sectors as well as communities depend on a well-functioning transport sector as a means of movement. Road transport and climate change is a cyclic phenomenon. Road transport system is affected by the extreme climate events, while the road transport operational systems contribute to global warming which in turn aggravate the extreme climate events. Weather conditions have an impact on the operation of the road transport sector, therefore understanding this cyclical link is important in order to develop a policy framework that would accommodate this link. Climate factors directly affect the planning, design, construction and maintenance of road transportation infrastructure in several ways; and indirectly affect the demand for transportation services (Mills & Andrey, 2002:77-88). Climate change further influences road transport systems, and the influence has cost implications. Clearly, the vulnerability of transport sector to climate change is already evident with factors such as infrastructure damage, traffic delays and road accidents are some of the consequent results of climate change impact.

According to the Department of Environment Affairs and Tourism (From here on referred to as DEAT) (2007), the South African government regards climate change as the greatest threat to sustainable development. It has an impact on prospects for sustainable development. South Africa's increased economic development leads to an increased urbanisation and motorisation (Lalthapersa-Pillay & Udjo, 2014:873), which results in more people buying cars. The majority of motorised transport relies on the availability of fuel, being almost completely dependent on oil that is non-renewable source of energy (IPCC, 2007; Oswald, 2011:56), thus increasing the GHG emissions. As more people buy and drive cars daily in South Africa to meet their independent mobility needs, less people will walk, cycle or use public transport (Moss, 2015:1). The increase in cars leads to traffic congestion, pressure for road space and a reduced availability of parking. The pressure put on the road surface together with weather events lead to damaged road infrastructures that may lead to an increase in accidents (Dikgang, 2013:4). This adds to difficulties of providing reliable, safe and efficient public transport as well as safe facilities for pedestrians and cyclists.

Therefore, the pursuit of independence on the car usage has actually led to people dependent on their cars to meet their travelling needs. The transport system is the pillar of South Africa's socio-economic activities as it enables the movement of people and products. In the climate change context, the sector is a rapidly growing source of GHG emissions and the significant mitigation benefits can be found in the sector (the National Climate Change Response White Paper (NCCRWP) 2011). The response white paper indicates that through the mitigation processes there are co-benefits to be realised such as improved air quality, reduction of time between trips, decrease in accident rates and increase in productions.

7. Research Methodology

This paper applied an in-depth content analysis research method for analysing the content of ITPs of eight South African metropolitan municipalities. The municipalities are Buffalo City in East London, City of Cape Town, Ekurhuleni Metropolitan Municipality in East Rand, City of eThekweni in Durban, City of Johannesburg, Mangaung Municipality in Bloemfontein, Nelson Mandela Metropolitan Municipality in Port Elizabeth and

Table 1: Inclusion of Climate Change Information in Integrated Transport Plans in their Own Terminology

Metropolitan Municipality	Climate change content
Buffalo	<ul style="list-style-type: none"> • Reduction of carbon footprint. • Promotion of Non-motorised Transport (NMT)
Cape Town	<ul style="list-style-type: none"> • Reduction of carbon footprint. • Addressing road traffic congestion. • Purchasing of alternative fuel vehicle. • Bus Rapid transit
City of Johannesburg	<ul style="list-style-type: none"> • Reduction of carbon footprint • Addressing road traffic congestion. • Purchasing of alternative fuel vehicle. • Bus Rapid transit • Improving public transport. • Land use and spatial planning
City of Tshwane	<ul style="list-style-type: none"> • Reduction of carbon footprint. • Vulnerability to climate change. • Addressing road traffic congestion. • Purchasing of alternative fuel vehicle. • Bus Rapid transit • Improving public transport. • Land use and spatial planning. • Public awareness.
Ekurhuleni	<ul style="list-style-type: none"> • Vulnerability to climate change. • Mitigation projects. • Greenhouse gas emissions policy development and implementation. • Minimising vehicle emissions.
eThekweni	<ul style="list-style-type: none"> • The emission contribution to climate change. • Non-motorised transport. • Usage of public transport. • Usage of cleaner fuels. • Shift from road to rail for freight transportation.
Mangaung	No recent ITP
Nelson Mandela	No inclusion of climate change content

Source: Author

City of Tshwane in Pretoria. A page-to-page analysis of the latest ITP of each municipality was done. Integrated Transport Plan is a five-year plan that municipalities are required to plan in terms of the National Land Transport Act (2009). Content analysis is a qualitative study of qualitative data (Zhang, 2009). In analysing data, certain frequent concepts and words were counted to develop themes and keywords. The concepts and words include greenhouse gases, mitigation, climate change, carbon print, CO₂ and emissions. The purpose of the analysis was to assess the inclusion of climate change considerations and mitigation actions in the ITPs of the selected municipalities. This was an attempt to answer the question of "to what extent do the South African metropolitan municipalities include climate change considerations and mitigation actions into their Integrated Transport Plans?" Municipalities have a responsibility to respond to climate change, and they are better positioned to do so as they are closer to the communities, whom experience the impact of climate change.

According to Pasquini *et al.* (2013) municipalities are closest institutions to plan and implement mitigation actions suitable for geographical and social context in which they are located. This paper chose to metropolitans as case study because they are big in terms of their density and have greater economic activities, furthermore, they are more prone to climate change due to the activities taking place in their jurisdiction.

8. Findings and Discussions

The aim of studying and analysing the eight metropolitan municipalities' ITPs was to assess the extent that the municipalities mainstream mitigation actions and climate considerations into their ITPs. Table 1 illustrates the extent that the selected municipalities include mitigation actions and climate change considerations in their ITPs. The municipalities in the table are in an alphabetical order, not in any way related to their extent of inclusion of climate change strategies in their ITPs.

The analysis has revealed the similarities and differences amongst the municipalities in explicitly addressing climate change. One common thing is that most municipalities have set out some of their mitigation projects in their ITPs. The mitigation strategies listed have some similarities; other municipalities have more strategies than others do. Four metropolitans have indicated their intention to reduce the carbon print. The promotion of the non-motorised transport is the popular strategy amongst the municipalities. Improvement of public transport is another strategy that metropolitans have put forth. The three municipalities, City of Tshwane, City of Johannesburg and City of Cape Town have implemented the Bus Rapid Transport (BRT) system as a measure to improve public transport, reduce congestion and GHG emission reduction strategy. The BRT buses are 100% compressed natural gas powered, as a result, eliminating the carbon emissions that are a health risk.

Of the few differences established out of the eight municipalities only one has indicated intention to address climate change issues with a formal policy intervention. The Ekurhuleni metropolitan municipality has indicated that it will develop and implement a greenhouse gas emissions policy. Policy development as far as climate change is concerned has been a global problem. Climate change can pose danger and a threat to human being and welfare and therefore governments have had trouble in developing an integrated and comprehensive policy to manage climate change. The effects of climate change can only be resolved through new policy frameworks. Without policy interventions, the annual traffic growth will surpass the projected reductions of emissions; therefore, CO₂ emissions will increase rapidly. In responding to climate change, new policy frameworks are often developed. In terms of the future predictions of climate change and its impact, there is a consensus amongst scientists that with the available policies on mitigation, GHG emissions will grow to the next century (IPCC, 2001; Agrawal, 2005; IPCC, 2007; Agrawal, 2008). In order to address climate change effectively, integration of policies on climate change with other sectoral policies should be increased across all levels of government. Therefore, the Ekurhuleni has addressed an issue signalled in the literature.

The City of Tshwane municipality is the only metropolitan that clearly indicated how vulnerable the transport sector is to climate change. Ekurhuleni

only indicated that it is vulnerable to climate change but did not indicate the extent of the vulnerability. The drawn conclusion is that most South African metropolitan municipalities do not conduct a vulnerability study for road transport network of their areas of jurisdiction. Komen (2016:40) indicates that the degree of vulnerability to climate change is based on the projections of changes in mean temperatures and precipitation, extreme events and climate variability. There is a connection between vulnerability incidents, risks, serviceability and reliability. Thus, conducting a vulnerability study for road transport network is essential in order to have a clear indication of the extent of exposure the road network is to climate change. EThekuni has indicated its plan to shift the freight transportation from road to rail. This strategy is in line with the national plan. The national Department of Transport has shared its plans of moving freight transportation from road to rail (DoT, 2013). Rail transport has more potential to provide a cost effective freight transport. This modal shift will make the economy more efficient as rail will provide access for freight movements at the same time provide an environmentally sustainable transport solution.

The Mangaung metropolitan does not have a recent ITP, but in their latest (2017-2020) Built Environment Performance Plan (BEPP) they have indicated that their ITP is in the process of compilation. However, the BEPP was analysed for interest sake. In the BEPP, in as much as it is an environmental plan, surprisingly climate change considerations were not taken into account. Climate change issues are not addressed in the plan. On the other hand, there is the Nelson Mandela metropolitan. The municipality's recent ITP does not take into account the climate change consideration. There is no mentioning of climate change in the entire ITP document. From the analysis, it is clear that the two municipalities' transport planners need training, upskilling and education on climate change and how to mainstream climate change into ITPs. Mainstreaming climate change into ITPs is crucial for establishing effective action (Bulkeley *et al.*, 2009). Thus, municipalities need development of human resource capacity in order to effectively address climate change issues.

9. Including Climate Change Mitigations in Transport Planning

According to Mickwitz *et al.* (2009:3), climate change mainstreaming means incorporating climate change

mitigation and adaptation aims into all phases of policymaking and other sectors. However, Lebel *et al.* (2012) state that mainstreaming entails the integration of adaptation to climate change into development planning. Therefore, mainstreaming in this paper refers to the process of revising and expanding existing transport plans to include climate change mitigations in order to ensure long-term viability and sustainability of transportation sector. Mainstreaming can help ensure that transport plans are not odd to current and future climate risks. Mainstreaming can also ensure that policy conflicts are avoided and transport vulnerability to climate change is reduced (Lebel *et al.*, 2012). Mainstreaming climate change into transport planning will be more effective and financially sound rather than managing mitigations and planning transport separately. Agrawala and Van Aalst (2008:87) attest that it is cost effective to consider climate change in planning earlier rather than later. They further argue that it is easier to start mainstreaming than to create new plans.

Mainstreaming climate change into transport planning can help mitigate GHG emissions through the reduction of vehicle travel distance and congestions. This can be possible through the integrated transport planning and compact. This paper argues that the mainstreaming of climate change into transport planning and the implementation thereof should take place in a vertical coordination. Meaning, all provincial departments of transport and their agencies should be involved. This will expand their roles from just service providers to active developments agents, furthermore, enhancing the response to climate change with capacity. According to DEA (2010), provincial departments can play crucial role in responding to climate change by integrating the mitigation and adaptation measures into development, spatial and integrated transport plans. However, the provincial departments will need support from national government to respond effectively to climate change. The National Climate Change Response White Paper (2011) also emphasizes the role of national government in supporting the other two spheres of government in responding to climate change as a constitutional mandate.

The National Climate Change Response White Paper (2011) specifies that government departments and enterprises should ensure that they align the policies, legislations and plans with the National Climate Change Response. The white paper further identifies

integrated planning as a priority. Therefore, mitigation actions must be built into transport planning tools and public transport programmes. Parramon-Gurney & Gilder (2012) attest that mainstreaming climate change can play a crucial role in handling climate change issues and challenges. Furthermore, the department must relate climate change considerations and existing challenges in an adaptive, progressive and flexible manner in order to ensure effective mainstreaming process. The existing statutory planning tools should be utilised when mainstreaming climate change rather than bringing new tools that may add challenges.

Transport planning aims at improving road, rail, pedestrians and bicycles connections and infrastructure. However, if climate change is mainstreamed into transport planning there are potential features to be realised. This paper identified three features; firstly, the weak transport network links that are prone to climate change such as bridges and road subject to flooding will be identified and improved. Secondly, emergency transportation networks are identified and designated. For instance the roads and transport links that can be used during disastrous events caused by climate change. Lastly, enhance mitigation actions by reducing traffic congestion and prioritising non-motorised transport.

Enhanced transport planning process and new mechanism are needed to address the potential climate impact. Thus, adding climate change as a distinct planning factor. According to Schmidt and Meyer (2009) planning processes consist of various best practices across the world. In order to apply best practice in mainstreaming climate change into transport planning climate change should be incorporated in the vision, goals, trends, challenges, strategies, improvement projects and performance measures.

10. Conclusion and Recommendations

This paper analysed in depth the content of the ITPs of the eight South African metropolitan municipalities and the analyses revealed that the municipalities do incorporate the climate change strategies in their ITPs but not sufficiently. The other municipalities just indicate that climate change is a threat and they need to plan for transport in a way that it caters for climate change but do not share the planning or indicate their strategies. The conclusion drawn is these municipalities have challenges such as lack of expert

capacity to undertake the planning activity, limited financial resources and competitive resources and needs as a result sidelining medium- to long-term planning as opposed to short-term planning.

Given the findings above on the inclusion of climate change in the ITPs of the metropolitans, this paper has few recommendations for enhancing the inclusion of the climate change strategies in the ITPs of municipalities. The current ITPs of South African metropolitan municipalities do not adequately cover climate change considerations and mitigation actions. Therefore, the paper recommends that the municipalities should expand the coverage of climate change considerations and mitigation actions. There are inadequacies of competencies in the planning particularly in including climate change in the planning process of transport. Therefore, training and upskilling opportunities should be offered to the officials in the municipalities. The officials should acquire skills to plan for transport through the prism of climate change. Of outmost importance the officials should have a crystal understanding of the impact of the climate change and the responses thereof. Over and above all, conducting vulnerability study for road network is important. This will assist the planners to plan for appropriate mitigation actions required to minimise the magnitude of the impact of climate change on the road transport and its infrastructure.

References

- Agrawala, S. Ed. 2005. *Bridge over Troubled Waters: Linking Climate Change and Development*. OECD: Paris.
- Agrawala, A. 2008. The Role of Local Institutions in Adaptation to Climate Change. Washington, D.C.: The World Bank. Available at: <http://www.icarus.info/wp.../agrawal-adaptationinstitutions-livelihoods.pdf>. Accessed on 14 July 2017.
- Agrawala, S. & van Aalst, M. 2008. Adapting development cooperation to adapt to climate change. *Climate Policy*, (8):183-93.
- Ayinde, O.E., Ajewole, O.O., Ogunlade, I. & Adewumi, M.O. 2010. Empirical analysis of agricultural production and climate change: a case study of Nigeria. *Journal of Sustainable Development in Africa*, 12(12):275-283.
- Bickford, G. 2013. South African Cities Network: Literature review on public transport and mobility in municipalities. South African Cities Network.
- Brunner, P., Eickemeier, B., Kriemann, J., Savolainen, S., Schlömer, C., von Stechow, T. Zwickel and J.C. Minx (eds.). Cambridge University Press. Cambridge: New York.
- Department of Environmental Affairs. 2010. *Second National Communication on Climate Change*. Pretoria: South African National Biodiversity Institute.
- Department of Environmental Affairs. 2011. *Defining South Africa's Peak, Plateau and Decline Greenhouse Gas Emission Trajectory*. Pretoria: Department of Environmental Affairs.
- Dikgang, J. 2013. Passenger modal shift: From road to rail – the Gautrain NAMA case. Department of Transport, Republic of South Africa. Available at: [www.transport2020.org /file/Jacob-dikgang-ppt.pdf](http://www.transport2020.org/file/Jacob-dikgang-ppt.pdf). Accessed on 14 July 2017.
- Dixon, M. 2009. Climate change politics and civil engineering profession. *Proceedings of ICE- Municipal Engineer*, 162(4):207-210.
- Department of Transport (DoT). 2013. National Road Based Public Transformation Plan: A negotiated approach, presentation to the Annual General Meeting of the Southern African Bus Operators Association, University of Johannesburg, 30 May.
- IEA. 2011. *World Energy Outlook 2011: Energy for All*. Paris: International Energy Agency.
- IPCC. 2001. *Climate Change 2001: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Third Assessment Report of the Intergovernmental Panel on Climate Change*, J.J. McCarthy, O.F. Canziani, N.A. Leary, D.J. Dokken and K.S. White. Eds. Cambridge: Cambridge University Press.
- IPCC. 2007. *Transport and its infrastructure. In Climate Change 2007: Mitigation. Contribution of Working Group III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, B. Metz, O.R. Davidson, P.R. Bosch, R. Dave, L.A. Meyer (eds). Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA. Available at: http://www.ipcc.ch/pdf/assessment-report/ar4/wg3/ar4-wg3-chapter_5.pdf
- IPCC. 2013. *Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*, Intergovernmental Panel on Climate Change, Cambridge University Press, Cambridge, the United Kingdom and New York. Available at: <http://www.ipcc.ch/report/ar5/wg1>.
- IPCC. 2014. *Climate Change 2014: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge University Press, Cambridge, USA. Available at: <http://www.ipcc.ch/report/ar5/wg2>.
- Jaroszweski, D. 2012. The impacts of climate change on the national freight sector. In Ryley, T. and Chapman, L. (2012) (eds.) *Transport and Sustainability*. Emerald Publishing.
- Komen, D.K. 2016. Impact of climate on health: A specific focus on malaria in South Africa's Limpopo province. Pretoria: University of Pretoria.
- Lalthapersad-Pillay, P. & Udjo, E. 2014. The implications of climate change for Africa's economic development. *Journal of Economic and Financial*, 7(3):871-888.
- Lebel, L., Li, L., Krittasudthacheewa, C. et al. 2012. *Mainstreaming climate change adaptation into development planning*. Bangkok: Adaptation Knowledge Platform and Stockholm Environment Institute.

- Mickwitz, P., Aix, F., Beck, S., Carss, D., Ferrand, N., Görg, C., Jensen, A., Kivimaa, P., Kuhlicke, C., Kuindersma, W., Máñez, M., Melanen, M., Monni, S., Branth Pedersen, A., Reinert, H., van Bommel, S. 2009. "Climate Policy Integration, Coherence and Governance, PEER Report." Helsinki, Partnership for European Environmental Research.
- Miller, F., Osbahr, H., Boyd, E., Thomall, F., Bharwani, S., Ziervogel, G. *et al.* 2010. Resilience and vulnerability: Complimentary or conflicting concepts? *Ecology and Society*, 5(13):11.
- Mills, B. & Andrey, J. Climate Change and Transportation: Potential Interactions and Impacts. Available at: <http://2climate.dot.gov/documents/workshop1002/mills.pdf>.
- Mitigation of Climate Change Report. 2014. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. Edenhofer, O., R. Pichs-Madruga, Y. Sokona, E. Farahani, S. Kadner, K. Seyboth, A. Adler, I. Baum, S.
- Moss, S. 2015. End of the car age: how cities are outgrowing the automobile. Available at: <http://www.theguardian.com/cities/2015/apr/28/end-of-the-car-age-howcities-outgrew-the-automobile> on 22.11.2015. Accessed on 14 July 2017.
- Mukonza, C. & Mukonza, R.M. 2014. An analysis of responses to climate change by local government in South Africa: A case of Capricorn district Municipality. *International Journal of African Renaissance Studies – Multi-, Inter and Transdisciplinarity*, 9(2):173-196.
- Oswald, M. 2011. Development of a Decision Support Tool for Transportation Adaptation Practices in Response to Climate Change. Unpublished Doctoral thesis. Newark: University of Delaware.
- Parramon-Gurney, M. & Gilder, A. 2012. Inside stories on climate compatible development: Climate & Development Knowledge Network.
- Pasquini, L., Ziervogel, G., Cowling, R.M. & Shearing, C. 2013. What enables local governments to mainstream climate change adaptation? Lessons learned from two municipal case studies in the Western Cape, South Africa. *Clim Dev* 2013. doi: 10.1080/17565529.2014.886994.
- Revi, A. 2008. Climate change risk: an adaptation and mitigation agenda for Indian cities. *Environment and Urbanisation*, 20(1):207-229.
- Schmidt, N. & Meyer, M. 2009. *Incorporating Climate Change Considerations into Transportation Planning*. TRB 2009 Annual Meeting. Washington D.C. CD-ROM.
- Schwanen, T., Banister, D. & Anable, J. 2011. Scientific research about climate change mitigation in transport: a critical review. *Transportation Research Part A: Policy and Practice*, 45(10):993-1006.
- Skeie, R.B., Fuglestedt, J.S., Berntsen, T., Lund, M.T. & Myhre, G. 2009. Global temperature change from the transport sectors: Historical development and future scenarios. *Atmospheric Environment*, (43):6260-6270.
- Stern N. 2006. *The Economics of Climate Change (The Stern Review)*, report for the Cabinet Office – HM Treasury, Cambridge: Cambridge University press.
- The South African White Paper on National Transport Policy, 1996. Pretoria: Government printers.
- Totty, M. 2009. *What Global Warming?* New York: The Wall Street Journal.
- Walters, J. 2014. Public transport policy implementation in South Africa: *Quo vadis?* *Journal of Transport and Supply Chain Management*, 8(1):134.
- Zhang, Y. & Wildemuth, B.M. Qualitative analysis of content. In Wildemuth, B (ed.). *Applications of Social Research Methods to Questions in Information and Library Science*. 2009. Available at: http://www.ils.unc.edu/~yanz/Content_analysis.pdf. Accessed on 14 July 2017.

Audit Committee Effectiveness in the South African Provincial Treasuries: Regular Meetings and Commitments

KN Motubatse and M Mashele

Tshwane University of Technology, South Africa

Abstract: Considering annual reports of the municipalities and their audit committee reporting about the state of municipal governance, this study aims to investigate the effect of factors associated with the audit committee effectiveness in the South African Provincial Treasuries. Data for the nine provincial treasuries are employed in the analysis, collected from 2015 to 2017. A Chi Square P-Values was employed to determine if the P-value test results have some significant relationship or not. The results indicate that the regular meetings and commitments are significantly associated with the audit committee effectiveness, while the financial experience is not leveraging the effectiveness. These results are consisted with the literature and the nature of the expectations of audit committees formally outlined in the charter by National Treasury.

Keywords: Annual Reports, Audit Committee, Commitments, Financial Experience, Provincial Treasuries, Regular Meetings

1. Introduction

Little research has been done in the area of factors associated with the audit committee effectiveness in the South African public sector. Although, some published works on the audit committees in the public sector have paid attention to audit committees and accountability (Van der Nest *et al.*, 2008); audit committee responsibilities and disclosure practices (Marx, 2009), little is known about how the audit committee effectiveness are determined. Audit committees in the South African municipalities are still grappling the challenges of adherence to their mandate as outlined in the charter.

While research on audit committee effectiveness in South African public sector have largely focused on perception and accountability (Van der Nest *et al.*, 2008); a number of factors associated with the effectiveness of audit committees in the municipalities have not yet been dealt with comprehensively in existing literature. Drawing on both Public Financial Management and the Municipal Finance Management Act institutions, this study examines the determinants of audit committee effectiveness in the South African municipalities based on regular meetings, commitments, and skills. In addition, this study reports on the effectiveness of audit committees in the South African provincial treasuries. In more specific sense, an active audit committee is important because it indicates the commitment to the issues of interest because of the reports it release (Bhasin, 2015). In commenting to this sentiment, Christensen

et al. (2015) state that the number of meetings per year undertaken by the board committees is used as a representation for board commitment. Thus, the organisations need to create an environment that will harness commitment and support (Odoyo *et al.*, 2014). Tanyi and Smith (2014) also note that the audit committee roles are vital to the functioning of the audit committee and that their over commitment affects audit committee oversight and the firm's financial reporting quality. Notwithstanding the fact that a time commitment is a concern to audit committee members (Kachelmeier *et al.*, 2016). Thus, while indicators of audit committee members' ineffectiveness can arise from financial reporting failures such as restatements and material control weaknesses and from individual audit committee member characteristics such as over commitment to too many boards or questionable independence from management, the former category is likely to be more visible and more likely to threaten perceived legitimacy from an institutional-theoretic perspective (Kachelmeier *et al.*, 2016). Therefore, there should be sufficient time between the audit committee meeting to discuss any work arising out of reporting and the reviewing minutes, following up actions and developing matters for information, recommendation or decision, within timeframes for financial reporting, other committee meetings and members' schedules (Hidayah *et al.*, 2018; Surbakti *et al.*, 2017; Alzeban & Sawan, 2015).

Audit committee effectiveness is not about compliance on review of financial reporting, internal control and risk management systems, internal and external

audit processes, but to processes and activities surrounding audit committee meetings play a key role in configuring meanings of effectiveness (Gendron & Bédard, 2006). McMullen and Raghunandan (1996) state that audit committee effectiveness can be enhanced by direct communication between auditors and audit committees. At the other side of the spectrum, Qasim (2018) used various factors such as independence of audit committees' members, number of meetings, financial expertise, and size of the committee to examine the audit committee effectiveness and found that the most important character of audit committee effectiveness is the independence of audit committee members. The research literature highlights many areas of ineffectiveness of audit committees. These include lack of commitment, poor meeting attendance (Kachelmeier *et al.*, 2016) and failure to engage at the right level of skill on financial reporting (Chang *et al.*, 2013). The effectiveness of audit committee in the public sector is aiming at enhancing governance transparency and accountability in the public sector. Failing to address these issues has been shown to have significant consequences for effective audit committee. Hence, the characteristics of effective audit committee are appropriated with technical skills (Chen and Komal, 2018), commitment (Ishak, 2016) and attendance of frequent meetings (Hidayah *et al.*, 2018). The remainder of this study is organised as follows; the review of relevant literature, methodology, analysis and results, recommendations and conclusion.

2. Literature Review

2.1 Regular Meetings

Although there is a vast literature on audit committee effectiveness, prior research has not considered how the regular meetings of the audit committee might affect their effectiveness in the municipalities. Instead, prior research focused on audit committee's role in the public sector. Using data from a survey of chief internal auditors from UK-listed companies on the frequency of meetings between the audit committee and interaction with internal audit, Alzeban and Sawan (2015) find that frequent meetings between the AC and the internal auditors are significantly positively and associated with the AC effectiveness. Surbakti *et al.* (2017) examine the impact of audit committee expertise, meeting and meeting attendance on the earnings quality of companies and found that audit committee members' meeting attendance is positively associated with the

earnings quality. On the other hand, Sharma *et al.* (2009) examine the determinants of the frequency of audit committee meetings in a voluntary governance system in New Zealand. They found that the audit committee meeting frequency is positively associated with the size of the audit committee and the level of institutional and managerial ownership. They also document that financial expertise and board independence are positively associated with meeting frequency when the risk of financial misreporting is higher. Greco (2011) also investigate the determinants of board and audit committee meeting frequency based on the empirical evidence provided by a sample of Italian listed companies and found that the board and the audit committee meeting frequency is negatively associated to insider ownership and positively associated to the proportion of independent directors on the board.

Hidayah *et al.* (2018) examine the effect of gender and expertise of the AC on the AC meeting frequency. Using a logistic regression analysis based on the sample of 180 listed companies in Indonesia, the study showed that there is no significant relationship between AC expertise and the AC meeting frequency. Their study also document that there is no correlation between the AC expertise and gender on AC meetings. Chariri and Januarti (2017) note that mixed results on the effect of audit committee effectiveness may have risen because of others studies did not consider the factors such as independence of the audit committee and reports. Hence, their study also finds that the audit committee expertise and frequency of audit committee meetings positively influenced the level of integrated reports. Their study was based on data gathered from integrated reports of manufacturing companies listed on the Johannesburg Stock Exchanges.

2.2 Commitments

Ishak (2016) emphasises that the frequently meeting among the members of audit committee is a commitment in their jobs. Carcello *et al.* (2002) had studied the disclosures in audit committee charters and reports by examining a random sample of 150 proxy statements filed in Spring 2001 and found that what the audit committees say they are doing in their reports differs from what their charters say the committee should be doing. Therefore, these results indicate either more active audit committees in such companies, or a greater commitment to audit committee disclosure in such companies. Unfortunately, the increasing time

commitments required of audit committee members may be discouraging many corporate managers from accepting audit committee appointments (Knapp, 1987). Krishnamoorthy *et al.* (2002) investigated the audit committee effectiveness and financial reporting quality based on the implications for auditor independence. Their study reveals that the audit committee's financial literacy, expertise, independence and strong commitment were identified as important characters which give the audit committee enough power to confront important issues. Notwithstanding the fact that Setiany *et al.* (2017) compared the audit committee characteristics which consisted of the size of audit committees, education background of audit committees members, independency of audit committees members, time commitment of audit committees members, number of audit committees meetings, and tenure of audit committees members. Their findings showed that the education background of audit committees' members, time commitment of audit committee members, number of audit committees meetings are insignificant.

2.3 Skills

Madi *et al.* (2017) state that the audit committee and skill represents the talents to rely on their work in overseeing the financial reporting. Anafiah *et al.* (2017) also purport that the audit committee should have a range of required skills, experience, knowledge and professional qualifications. Although the soft skill criteria such as communication skills and personal characteristics are not emphasised, Lee (2017) emphasises that such skills would intensify their oversight responsibilities over financial reporting, risk management and governance of organisations. On the other hand, Bedard *et al.* (2004) investigated whether the expertise, independence, and activities of a firm's audit committee have an effect on the quality of its publicly released financial information. Their study finds that aggressive earnings management is negatively associated with the financial and governance expertise of audit committee members, with indicators of independence, and with the presence of a clear mandate defining the responsibilities of the committee. Similarly, Ghafran and Yasmin (2018) also found that the experiential and monitoring expertise of audit committee chairs have a significant negative association with the delay in the financial reporting. As a result, the literature has found mixed evidence. For example, Chen and Komal (2018) examined financial experts' monitoring on audit committees of financial reporting quality and their results show that

audit committee financial expertise has a positive relationship with earnings quality and that accounting financial experts have a stronger relationship with earnings quality than non-accounting financial experts. Therefore, one reason for such a positive relationship may be attributed to the fact that the skill is a function of experience performance of service, while knowledge is a function of qualification. Garba and Mohamed (2018) also found that the audit committee financial expertise have a significant positive influence on financial health of the institutions. Consequently, it is important for the audit committee to be suitable qualified and have the necessary skill, and they should collectively as a committee be able to deliver on their duties and function, with performance being measured reliably and specific based on the skill and qualification. To this end, when the organisations appoint the audit committees they should be able to prove that the such audit committee has an acceptable level of qualifications to be able to have knowledge on the nature of the organization and its strategic objectives. Also ensure that the skills of organizational performance on the other hand can be measured and linked to audit committee functions and delivery of duties.

3. Research Methods

Data description includes 36 observations based on Provincial Treasuries annual reports in the South Africa's nine provinces. The years from 2013 to 2016 were selected. Therefore, this study intends to investigate the determinants of factors associated with the audit committee effectiveness in the South African Provincial Treasuries. Data for the nine provincial treasuries are employed in the analysis, collected from 2013/14 to 2016/17. In particular, it investigates the factors such as regular meetings, commitments and skills of the audit committees in the South African public sector. In order to investigate the effectiveness of the audit committees, the following limitations were considered: the data were gathered from the provincial treasuries annual reports and were analysed for the 2013/14 to 2016/17. Having outlined the relevant literature of the paper, the methodology adopted in this research was the quantitative one, which is based on the collection of data from annual reports in all nine provinces of the provincial treasuries. In South Africa, it is a requirement for all public organisations to disclose their financial and non-financial information in the annual reports, which publishes all the financial reports and financial statements.

Table 1: Set of Data Observed

Provincial Treasuries	Freq.	Percent	Cum.
Eastern Cape	4	11.11	11.11
Free State	4	11.11	22.22
Gauteng	4	11.11	33.33
KwaZulu-Natal	4	11.11	44.44
Limpopo	4	11.11	55.56
Mpumalanga	4	11.11	66.67
North West	4	11.11	77.78
Northern Cape	4	11.11	88.89
Western Cape	4	11.11	100.00
Total	36	100.00	

Source: Authors

Table 2: Frequency Table for the Year 2013

Commitments	Meetings		Total
	No	Yes	
No	4	0	4
	100.00	0.00	100.00
Yes	8	24	32
	25.00	75.00	100.00
Total	12	24	36
	33.33	66.67	100.00
Pearson chi2(1) = 9.0000 Pr = 0.003			

Source: Authors

4. Analysis and Results

According to Whitley and Ball (2001) the first step in any analysis is to describe and summarize the data. Table 1 shows how the data was observed over four (4) years period and the frequency level in all nine provincial treasuries. Frequency tables are used as a way of summarising a set of data. The data was pulled out of the annual reports which have been prepared in accordance with the guidelines on the annual report as issued by National Treasury, with all disclosure requirements and submitted full financial information in their financial reports. This data set was accessible through the internet.

Table 2 shows that the two most important relationship between audit committee commitments and regular meetings attendance. In general, Pearson's chi-square test was used to test for association between two categorical variables. The association was declared significant if the p-value was found to be less than 0.05. Included in the dataset are the variables commitments and regular meetings. These associations are summarised in Table 2.

Regular meetings organised and commitments or attendance are significantly associated ($P = 0.003$). That is, the proportion of the no's to the proportion of the yes's is significantly different in the levels of commitment. Therefore, it is concluded that there is statistically significant evidence of associations in audit committee commitments and attendance of regular meetings in the Provincial Treasuries.

After assessing associations using categorical data analysis, the results in Table 3 and 4 on the following page show that from 2013/14 to 2014/15 there is no significant evidence of associations in the audit committee commitments and meeting attendance. Therefore, these results indicate the Chi Square of ($P = 0.236$) in 2013 and ($P = 0.134$) in 2014. However, there is a positive association at the P-value of 0.047 in 2016.

On the flip side, when the variable of skills is used on the Chi-squared test using tabulate skills, row Chi2 commitment and regular meetings, the results show that the audit committees who have no skills are more likely to affect the effectiveness of the

Table 3: Frequency Table for the Year 2014

Commitments	Regular Meetings		Total
	No	Yes	
No	1	0	1
	100.00	0.00	100.00
Yes	3	5	8
	37.50	62.50	100.00
Total	4	5	9
	44.44	55.56	100.00
Pearson chi2(1) = 1.4063 Pr = 0.236			

Source: Authors

Table 4: Frequency Table for the Year 2015

Commitments	Regular Meetings		Total
	No	Yes	
No	1	0	1
	100.00	0.00	100.00
Yes	2	6	8
	25.00	75.00	100.00
Total	3	6	9
	33.33	66.67	100.00
Pearson chi2(1) = 2.2500 Pr = 0.134			

Source: Authors

Table 5: Frequency Table for the Year 2016

Commitments	Regular Meetings		Total
	No	Yes	
No	1	0	1
	100.00	0.00	100.00
Yes	1	7	8
	12.50	87.50	100.00
Total	2	7	9
	22.22	77.78	100.00
Pearson chi2(1) = 3.9375 Pr = 0.047			

Source: Authors

Table 6: Frequency Table - when the skills is NO

Commitments	Regular Meetings		Total
	No	Yes	
No	2	0	1
	100.00	0.00	100.00
Yes	1	6	7
	14.29	87.50	100.00
Total	3	6	9
	33.33	66.67	100.00
Pearson chi2(1) = 5.1429 Pr = 0.023			

Source: Authors

Table 7: Frequency Table - when the skills is YES

Commitments	Regular Meetings		Total
	No	Yes	
No	2	0	2
	100.00	0.00	100.00
Yes	7	18	25
	28.00	72.00	100.00
Total	9	18	27
	33.33	66.67	100.00
Pearson chi2(1) = 4.3200 Pr = 0.038			

Source: Authors

audit committees in the South African Provincial Treasuries than those who have (85.71% compared with 72%). The correlations between the two variables skills and regular meetings attendance can be found using the correlate command.

In Table 7, there is an association between skills and regular meetings attendance of audit committees in the Provincial Treasuries. The p -value indicates that these variables are dependent of each other and that there is a statistically significant relationship between the categorical variables at ($Pr = 0.023$; $Pr = 0.038$).

5. Conclusion and Recommendations

Regular meetings and commitments of audit committee are very important to factors to assessment the contribution of the audit committee and also to consider the audit committee charter and the responsibilities they are expected to fulfil. As this paper has demonstrated through the literature review that there is no single best was to determine the effectiveness of the audit committee. This paper used the effectiveness is the ability to achieve stated goals. Thus, it is a multifaceted concept, which is used to measure the responsibilities of the audit committee in terms the charter and the best practice with which the audit committee are comfortable, providing feedback and reporting, taking timely, corrective action if or when required. The analysis illustrates that there is no panacea or single determinant for measuring the audit committee effectiveness. Rather, this paper has looked at the small aspects such as regular meetings, commitments and skills of the audit committees. Another implication of this paper is that if the audit committees lack of technical competencies they cannot prompt relevant questions from management. And the questions therefore becomes,

where the members of the audit committee take appointment for their personal advancement, while they do not have public interest at heart and also have insufficient time to read audit packs, it may as well render them ineffective, which results in no meaningful contributions. Given the discussion of the results, it can be concluded that the audit committee members are busy with other commitments (for example, a member may be a chief executive officer in other organisations or serving in more than three audit committees elsewhere), and a result would not have enough time to prepare for the audit committee meetings.

References

- Alzeban, A. & Sawan, N. 2015. The impact of audit committee characteristics on the implementation of internal audit recommendations. *Journal of International Accounting, Auditing and Taxation*, (24):61-71.
- Anafiah, V.A., Diyanty, V. & Wardhani, R. 2017. The Effect of Controlling Shareholders and Corporate Governance on Audit Quality. *Jurnal Akuntansi dan Keuangan Indonesia*, 14(1):1-19.
- Bedard, J., Chtourou, S.M. & Courteau, L. 2004. The effect of audit committee expertise, independence, and activity on aggressive earnings management. *Auditing: A Journal of Practice & Theory*, 23(2):13-35
- Bhasin, M.L. 2015. Audit Committee Scenario & Trends: Evidence from an Asian Country. *European Journal of Business and Social Sciences*, 1(11):1-23.
- Carcello, J.V., Hermanson, D.R. & Neal, T.L. 2002. Disclosures in audit committee charters and reports. *Accounting Horizons*, 16(4):291-304.
- Chang, H., Chen, X. & Zhou, N. 2013. Determinants and consequences of audit committee effectiveness: Evidence from China. *Working paper*.
- Chariri, A. & Januarti, I. 2017. Audit Committee Characteristics and Integrated Reporting: Empirical Study of Companies Listed on the Johannesburg Stock Exchange. *European Research Studies Journal*, 20(4B):305-318.

- Chen, S. & Komal, B. 2018. Audit committee financial expertise and earnings quality: A meta-analysis. *Journal of Business Research*, (84):253-270.
- Christensen, J., Kent, P., Routledge, J. & Stewart, J. 2015. Do corporate governance recommendations improve the performance and accountability of small listed companies? *Accounting & Finance*, 55(1):133-164.
- Garba, S. & Mohamed, M.B. 2018. Audit Committee and Going-Concern in Nigerian Financial Institutions. *International Journal of Innovative Research and Development*, 7(1).
- Gendron, Y. & Bédard, J. 2006. On the constitution of audit committee effectiveness. *Accounting, Organizations and Society*, (31):211-239.
- Ghafran, C. & Yasmin, S. 2018. Audit committee chair and financial reporting timeliness: A focus on financial, experiential and monitoring expertise. *International Journal of Auditing*, 22(1):13-24.
- Greco, G. 2011. Determinants of board and audit committee meeting frequency: Evidence from Italian companies. *Managerial Auditing Journal*, 26(3):208-229.
- Hidayah, R., Sukirman, A.W. & Mahmud, A. 2018. The Determinants of Audit Committee Meeting Frequency in Indonesia. *The Social Sciences*, 13(1):53-56.
- Ishak, S. 2016. Going-Concern Audit Report: The Role of Audit Committee and Risk Management Committee. *International Information Institute (Tokyo). Information*, 19(6A), 1837-1843.
- Kachelmeier, S.J., Rasmussen, S.J. & Schmidt, J.J. 2016. When do ineffective audit committee members experience turnover? *Contemporary Accounting Research*, 33(1):228-260.
- Knapp, M.C. 1987. An empirical study of audit committee support for auditors involved in technical disputes with client management. *Accounting Review*, 578-588.
- Krishnamoorthy, G., Wright, A. & Cohen, J. 2002. Audit committee effectiveness and financial reporting quality: Implications for auditor independence. *Australian Accounting Review*, 12(28):3-13.
- Lee, S.S. 2017. *Audit Committee Expectations on the Effectiveness of the Internal Audit Function: A Malaysian Perspective*. Unpublished Doctoral thesis. Curtin University.
- Madi, H. K., Ishak, Z. & Manaf, N.A.A.M.A. 2017. Audit Committee Characteristics and Voluntary Disclosure: Evidence from Malaysian Listed Firms. *Terengganu International Finance and Economics Journal*, 3(1):14-21.
- Marx, B. 2009. An analysis of audit committee responsibilities and disclosure practices at large listed companies in South Africa. *South African Journal of Accounting Research*, 23(1): 31-44.
- McMullen, D.A. & Raghunandan, K. 1996. Enhancing audit committee effectiveness. *Journal of Accountancy*, 182(2):79-79.
- Odoyo, F.S., Omwono, G.A. & Okinyi, N.O. 2014. An Analysis of the Role of Internal Audit in Implementing Risk Management - A Study of State Corporations in Kenya. *International Journal of Business and Social Science*, 5(6):169-176.
- Qasim, A. 2018. Audit committee effectiveness: reflections from the UAE. *International Journal of Economics and Business Research*, 15(1):87-107.
- Setiany, E., Hartoko, S., Suhardjanto, D. & Honggowati, S. 2017. Audit Committee Characteristics and Voluntary Financial Disclosure. *Review of Integrative Business and Economics Research*, 6(3):239-253.
- Sharma, V., Naiker, V. & Lee, B. 2009. Determinants of audit committee meeting frequency: Evidence from a voluntary governance system. *Accounting Horizons*, 23(3):245-263.
- Surbakti, L.P., Shaari, H.B. & Bamahros, H.M.A. 2017. Effect of Audit Committee Expertise and Meeting on Earnings Quality in Indonesian Listed Companies: A Conceptual Approach. *Journal of Accounting and Finance in Emerging Economies*, 3(1):47-54.
- Tanyi, P.N. & Smith, D.B. 2014. Busyness, expertise, and financial reporting quality of audit committee chairs and financial experts. *Auditing: A Journal of Practice & Theory*, 34(2): 59-89.
- Van der Nest, D.P., Thornhill, C. & De Jager, J. 2008. Audit committees and accountability in the South African public sector. *Journal of Public Administration*, 43(4):545-558.
- Whitley, E. & Ball, J. 2001. Statistics review 1: Presenting and summarising data. *Critical Care*, 6(1):66-71.

Challenges Faced by Sekhukhune District Municipality in Limpopo Province in Terms of Spending Municipal Infrastructure Grant Funds

MP Tjebana*

Department of Cooperative Governance and Traditional Affairs, South Africa

MF Rachidi

University of Limpopo, South Africa

Abstract: This article is based on a study that was prompted by the initiative of the cabinet of the South African government when they introduced the Municipal Infrastructure Grant (MIG) in the year 2003. MIG was introduced as a new conditional grant for municipal infrastructure funding arrangement replacing all capital funding projects that were in existence. It was envisaged that the MIG programme would assist in providing all South African citizens with, at least, basic level of service by the year 2013. This set goal was not achieved by the year 2013, hence the service delivery protests that took place in Sekhukhune villages such as Ga-Mampuru and Ga-Mashabela, under the jurisdiction of Sekhukhune District Municipality (SDM), Limpopo Province. Despite the above-mentioned challenges of service protests, Sekhukhune District Municipality is one of the municipalities that continue to under-spend their MIG allocations on an annual basis. The aim of the study was to investigate the challenges faced by the SDM in terms of spending MIG funds to render effective services. Semi-structured interviews and self-administered questionnaires were used to collect data from the participants. The study found that the SDM is staffed with the right people with the minimum required qualifications and years of experience in most sections, except in the development and planning section; personnel training is not adequately done; there is political interference on administrative matters which result in the protracted procurement processes. The following recommendations are made: that members of staff without the requisite skills be engaged in training and development programmes; interference on administrative matters cease; there should be consequences for non-compliance on the utilisation of MIG funds; and that consultative meetings be held prior and post the approval of the IDP.

Keywords: Integrated Development Plan, Municipal Infrastructure Grant, Service delivery, Service delivery protest

1. Introduction

Since 1994, the South African government has shown a sustained commitment to reducing backlogs in municipal infrastructure in order to redress inequalities of the past. Budget allocations have grown significantly over the years and there have been great strides in providing housing, electricity, water and sanitation. In spite of this large budget allocation for municipal infrastructure and services, there are still backlogs. Dissatisfaction with the infrastructural backlogs often results in tensions between communities and municipalities on the one hand, and between municipal officials and politicians on the other hand (DBSA, 2008:122). According to Smith and Da Lomba (2008:01), infrastructure is considered to be an important element of any economy, facilitating the production and

access of goods and services. Infrastructure, if undeveloped, has largely come to be understood as being able to comprise public transport systems, airports, public educational facilities, water supply and water resources, wastewater management, solid waste treatment and disposal, electric power generation and transmission, health facilities, telecommunications and hazardous waste management systems.

Infrastructure plays an important role in the social and economic development of any community. Smith and Da Lomba (2008:01) indicate that social and economic development of communities largely depend on the nature and usage of available infrastructure. Areas without access to effective infrastructure are inevitably characterised by high levels of poverty. The dilapidated condition of municipal infrastructure in South Africa, characterised by

* The Author is a Masters student at the Turfloop Graduate School of Leadership

huge backlogs in infrastructure development and maintenance especially in rural areas, is a disturbing element in the country's ability to ensure effective service provision to all communities. South Africa suffers from a disparate distribution of infrastructure which ranges from established and maintained urban and industrial areas to the challenges such as aging infrastructure which prevail in most rural municipalities. According to the National Council of Provinces (NCOP) Report (2012:14), the majority of rural municipalities showed poor performance in terms of ensuring that the allocated MIG funds were spent. Many of the water treatment facilities and water schemes were very old and not adequately maintained.

The Limpopo provincial municipalities struggle to spend the MIG funds meant for provision of services such as water and roads amid a vast backlog of infrastructure development and/or maintenance. According to the Section 47 Report on municipal performance for the financial year 2013/2014, a total of R538 127 000 of MIG funds was returned to the National Treasury in the 2012/2013 financial year because municipalities failed to spend these allocated funds. None of the 25 local, and five district municipalities received a clean audit opinion for the 2012/13 financial year. Twelve of the municipalities, including Polokwane Local Municipality, the largest council in the province in terms of budget allocations, received disclaimers or adverse audit opinions. Municipalities in Limpopo experience the common challenge of under-spending of MIG funds. However, the infrastructure is still faced with backlogs. Limpopo is one of the least urbanised provinces with the majority of the population living in rural areas. The aggregate municipal expenditure in Limpopo averaged 5.2% of the country's municipal expenditure and per capita spending was below the average for most municipalities. Despite progress made with regard to the provision of basic services to communities, sanitation backlogs had increased in Mopani, Capricorn and Sekhukhune Districts from 2001 to 2011. Backlogs for refuse removal had also increased in four districts between 2001 and 2011, although a decrease had been reported for the Waterberg District Municipality. Backlogs for electricity had decreased in all districts (National Treasury Report to NCOP sitting, 2015:13).

About R755 million in grants had been rolled over from financial year 2012/13 to 2013/2013/2014

(National Treasury Report to NCOP sitting, 2015:14). Over R529.7 million of the Municipal Infrastructure Grant (MIG) to Limpopo had been stopped for substantial under-spending, in compliance with Section 17 of the Division of Revenue Act (DORA) No. 2 of 2013. MIG funding had been stopped in Mopani District Municipality, Aganang, Thabazimbi, Lephhalale, Modimolle, Mogalakwena, Fetakgomo and Sekhukhune municipalities (National Treasury, 2015:6). However, the Financial and Fiscal Commission (FFC) chairperson's report to the NCOP on the analysis of the situation in Limpopo indicated that the situation had been deteriorating consistently from 2008 to 2014. The rolling out of infrastructure services and access to services in the province had decreased. There was an obvious need to rehabilitate the infrastructure projects implementation to avoid backlogs. Withdrawing money from municipalities without addressing the challenges that contributed to the withdrawal did not help (FFC Report, 2015:12). Some community members within Sekhukhune District Municipality (SDM) villages have to travel for a distance of one to two kilometres to fetch water for washing and drinking while funds that are supposed to put water infrastructure in place get rolled over to subsequent financial years due to under-expenditure of those funds (SDM Executive Mayor Budget Speech, 2014:8). It was, therefore, imperative for this study to be conducted to find out challenges that contribute to under-expenditure of these allocated MIG funds by the SDM. This paper intends to investigate the challenges faced by SDM in utilising the budget allocated MIG funds and examine the percentage of the allocated funds that was not spent from the year 2009-2015.

2. Literature Review

2.1 The South African Local Government Infrastructure Funding Model

In the past, infrastructure grants were uncoordinated, fragmented and managed by different departments. This defeated the purpose of a cost-effective and integrated service delivery. Municipalities were often not in control of infrastructure projects within their jurisdiction. Further, projects were handed over to municipalities without resources for the maintenance and operation of the infrastructure. In 1994, the South African democratically elected government inherited one of the world's most inequitable accesses to basic services that existed between rural and urban communities. Prior to 1994, rural

people were living without access to basic services such as water, electricity, road and sanitation facilities. These communities were characterised by poor economic development because the existing environmental infrastructure services were unable to attract sufficient local and international investments (MIG Booklet, 2004:5). The post-1994 South African government established a number of policies and strategies within and among all spheres of government to provide guidelines for the overall provision of basic service delivery to rural communities. Fundamental frameworks and principles that have informed this operation are the Constitution of the Republic of South Africa, Act no 108 of 1996, the Reconstruction and Development Programme and the National Spatial Development Perspectives, which embrace the concept of provision of basic services to all in order to improve the quality of life of the people of South Africa and to stimulate local economic development. The Constitution of the Republic of South Africa, Act No 108 of 1996 is the supreme law of the country. The constitution aims to protect the human rights and promote democratic governance. Section 40 of the constitution deals with the establishment of three spheres of government that are distinctive, interrelated and interdependent. The spheres are National, Provincial and Local governments. In terms of the constitution, municipalities as part of local governance are mandated to govern, provide services to local communities and to promote social and economic development. For rural development to be achieved, land is one of the key factors that need to be available. The Development Facilitation Act (DFA), No 67 of 1995 lays down general principles that govern land development. Following this act "development of land in urban and rural areas so as to promote the speedy provision and development of land for residential, small-scale farming or other needs and uses; to promote security of tenure while ensuring that end-user finance in the form of subsidies and loans becomes available as early as possible during the land development process; and to provide for matters connected therewith" (DFA, 1995:1).

The Municipal Finance Management Act (MFMA) No. 56 of 2003 deals with the national and provincial allocations of funds to municipalities. The act states that "in order to provide predictability and certainty about the sources and levels of intergovernmental funding of municipalities, the accounting officer of a national or provincial department and the accounting authority of a national or provincial

public entity responsible for the transfer of any proposed allocations to a municipality, must by no later than 20 January of each year notify the national treasury or the relevant provincial treasury, as may be appropriate, of all proposed allocations, and the projected amounts of those allocations, to be transferred to each municipality during each of the next three years" (MFMA, 2003:54). The Integrated Development Plan (IDP) is a five-year plan which municipalities are required to draft to determine the developmental needs of their area of jurisdiction. The projects, in the IDP, are linked to the municipality's budget. Sections 21, 57 and 69 of the MFMA require municipalities to review their IDPs and budgets every year. Proper planning and implementation of infrastructure projects will help a great deal in rehabilitating and developing municipal infrastructure in South Africa. The Municipal Infrastructure Grant's approach is that all basic infrastructure grants are integrated into one, with infrastructure planning done by municipalities themselves and playing a central role in co-ordinating development activities and funding allocations linked to Integrated Development Plans (IDPs) (Department of Provincial and Local Government, 2007).

In order for municipalities to fulfil their mandate for service delivery, cabinet introduced the Municipal Infrastructure Grant (MIG) as the new infrastructure programme that is aimed at providing all South Africans with at least a basic level of service by the year 2013 through the provision of grant finance aimed at covering the capital cost of basic infrastructure for the poor. The intention of providing municipalities with MIG financing was to eliminate infrastructure backlogs (The Support Programme for Accelerated Infrastructure Development (SPAID) Report, 2009). The MIG programme was introduced as a new infrastructure funding arrangement to municipalities replacing all the capital projects that were in existence before. The infrastructure programmes that were in existence prior to the MIG programme were uncoordinated, fragmented and managed by different institutions. This lack of coordination led to difficulties in accountability and administration of projects.

The MIG is the important funding machinery for all municipal basic services that include electricity, roads, recreation facilities, housing, water and sanitation. The MIG is allocated to municipalities with the main purpose of eradicating infrastructure backlogs

for the poor people, as well as for supporting and promoting microenterprises and social institutions. The conditions that regulate how the MIG should be utilised are enshrined in the Division of Revenue Act (DoRA). However, the MIG fund appears on the budget of the municipalities and the eventual decision of how the fund will be utilised rests with the municipality. "This fund is administered by the Department of Cooperative Government and Traditional Affairs (CoGTA)" (Muller & Kleyhans, 2017:7).

The vision of the MIG programme was to provide all South Africans with at least a basic level of service through the provision of grant finance aimed at covering the capital cost of basic infrastructure for the poor (MIG Booklet, 2004:4). However, since the inception of the MIG programme in South Africa, municipalities have been experiencing challenges with regard to the administration, implementation and actual spending of the allocated funds under the programme. The rationale behind the introduction of the MIG programme was to make sure that all the experienced challenges such as incoordination of projects, departments working in silos and municipalities not being in control of projects within their areas of jurisdiction, are dealt with (MIG Booklet, 2004:5).

The key principles underpinning the design of MIG contained in the National MIG Management Unit Programme Management Processes and Procedures (2006:01) are as follows:

- Focus on infrastructure required for a basic level of service: this means that the MIG is not supposed to be utilised for any other programmes, except for providing basic infrastructure service delivery.
- Targeting the poor: the MIG programme is aimed at improving infrastructure for the poor in order for services to reach them.
- Maximising economic benefits: management of the programme must ensure maximisation of the local economic spin-off through infrastructure provision.
- Equity in the allocation and use of funds: The distribution criteria must ensure equitable access of such funds for the purpose of uniform progress in closing infrastructure gaps.
- Decentralisation of spending authority within national standards: the prioritisation of municipal infrastructure spending, such as the identification, selection and approval of projects, is best undertaken at municipal level, provided that firstly, the operating finance and management arrangements are in place; secondly, a degree of national and provincial influence over capital spending, expressed through clear norms, standards and conditions must be retained, and lastly, the grant must promote sound management practices.
- Efficient use of funds: Funding must be used to provide the greatest possible improvement in access to basic services at the lowest possible cost. This implies that there should be an appropriate selection of service levels; the mechanism to disburse funds should be simple and easy to monitor; and the outcomes of municipal spending should be easy to evaluate
- Reinforcing local, provincial and national development objectives, i.e. the funding mechanism must be consistent with the planning process of all spheres of government; nodal municipalities associated with urban renewal strategy and the integrated sustainable rural development programme must receive proportionally greater allocations of funding; spatial interpretation must be promoted; emphasis should be placed on the selection of appropriate service levels.
- Predictability and transparency: Funds should be provided to individual municipalities on a three-year basis consistent with medium term budgeting practice, with minimal in year changes that are based only on clearly defined conditions. It is also essential for municipalities and other stakeholders to understand how funds are distributed.

As outlined in the MIG Booklet (2004:4), in addition to these principles, the objectives of the MIG programme are to:

- fully subsidise the capital costs of providing basic services to poor households;
- distribute funding for municipal infrastructure in an equitable, transparent and efficient manner, which support a co-ordinated approach to local development and maximises developmental outcomes;

- assist in enhancing the developmental capacity of municipalities through supporting multi-year planning and budgeting systems; and
- provide a mechanism for the co-ordinated pursuit of national policy priorities with regard to basic municipal infrastructure programmes to avoid the duplication and inefficiency of fragmented grants.

The MIG Programme has resulted in the new approach which requires that all infrastructure grants integrate into one, programmes are co-ordinated structures, funding allocation should be linked to IDPs, and communities should participate in identifying projects (MIG booklet, 2004:4).

For the purposes of proper coordination of the MIG programme, Cabinet established the Municipal Infrastructure Task Team, wherein all national departments dealing with infrastructure participate. Cooperative Governance and Traditional Affairs (CoGTA) established MIG Management Units that deal with the support to municipalities through assisting them to establish effective Project Management Units (PMUs) and monitoring performance through regular audits and evaluations which are undertaken at regular intervals. The guide to the establishment of PMUs requires municipalities to identify competent staff to perform programme management functions. CoGTA should be informed of the human resources allocated to perform project management before the implementation of infrastructure projects. The guide goes further to give municipalities an option to utilise their existing personnel to perform project management functions. This option opened a loophole for the PMUs to be easily manipulated by the management of the municipalities as they are their employers. The objective views of PMUs get suppressed by the hierarchical bottlenecks imposed by their employers/managers (MISA Annual Report, 2013:24). The role and responsibilities of the MIG Management Unit in South Africa are to implement policy relating to infrastructure delivery; set up the MIG national fund administration system; ensure the establishment of project management and monitoring capacity within municipalities; monitor the use of MIG funds; operate the national MIG infrastructure system; audit the local programmes to ensure compliance; ensure that evaluation of local programmes take place and prepare reports for the Municipal Infrastructure Task Team and for the provincial and national government departments (DPLG, 2007). Unfortunately, with all the management and coordination processes put in

place by the Cabinet and CoGTA, there are municipalities that are still performing poorly with regard to spending MIG. The 2011-2012 MIG Annual Report shows that Sekhukhune District Municipality (SDM) has not been able to adequately spend its MIG allocation. This municipality is one of the municipalities which have consistently had rollovers of the MIG allocations, while its communities continuously protest and complain about lack of service delivery.

2.2 Challenges Faced by Municipalities on the Implementation of Municipal Infrastructure Grant Programmes

Different reports and researchers have documented some of the challenges that some municipalities face in their endeavour to utilise MIGs to render services within their municipalities. The following are some of the identified challenges:

Long Procurement Processes: Lack of understanding of supply chain management procedures and lack of commitment to set processes and timelines often result in delays. In addition, bid evaluation committees and bid adjudication committees do not meet regularly, thereby negatively impacting on decision-making processes and delaying project initiation and implementation (Limpopo Municipal Performance Report for 2012/2013). Bureaucratic bottlenecks can also delay supply chain processes where employees take time trying to comply (SPAID Report, 2009).

High turnover rates and lack of requisite skills and/or experience: The high turnover rate of key financial and accounting positions, technical staff, as well as project managers, in various municipalities has resulted in poor financial performance of some of those municipalities, either overspending or underspending of allocated monies. Unfortunately, these key employees end up either not replaced or replaced with less qualified, less experienced officials. This practice has a negative effect on service delivery and spending of allocated MIGs (CoGTA 2012/2013 Annual Report, 2013).

Poor or lack of stakeholder consultation: It is important that, for particularly infrastructure programmes and projects to be sustainable, the communities and stakeholders must be consulted right from the planning phase, through implementation until their completion. Chapter 4 of the Municipal Systems Act (MSA) No 32 of 2000 requires municipalities to

consult the communities when setting their priorities, developing their plans and allocating resources to priorities. Municipalities must get inputs from communities on what they think of the services they are receiving and any changes in the needs and expectations of the community. Municipalities that do not implement public participation as an integral part of planning usually experience community protests (National Treasury Report, 2015,16).

Other challenges include: poor planning, especially long-term planning; lack of cooperation and coordination of services amongst sub-departments within municipalities; political intervention resulting quite often in implementing projects that were not planned or delaying procurement of service providers; late registration of projects that can also be linked to poor planning; the use of MIG funds for other operations like paying salaries or municipalities using MIG funds for the implementation of unregistered projects; high turnover rate of employees resulting in challenges of human resource capacity that goes with loss of institutional memory (SPAID Report, 2009; Limpopo Province Report of 2013/14 Financial Year).

The Ministry of CoGTA conducted the diagnosis in the Local Government Turnaround Strategy (LGTS), which was adopted by Cabinet in 2009. The diagnosis identified problems such as poor planning related to procurement processes and non-filling of critical positions such as chief finance officers and technical directors, as some of the major contributory factors to under spending of MIGs. After identifying challenges, the portfolio on LGTS then prioritised financial management, governance and infrastructure development as areas that need to be given attention. It is in this regard that the MISA was created with the primary aim of assisting municipalities with infrastructure planning. Before the creation of MISA, it was common for some technically insolvent municipalities to use capital grants for operational expenditure. This has seen the MIG, for instance, being used to pay for salaries instead of infrastructure projects. MISA was enlisted to assist with the challenges faced although the turn-around is not yet evident in some, if not most, municipalities (CoGTA 2012/2013 Annual Report, 2013:22).

In short, the MIG is a streamlined funding programme with a strong capital base. It recognises the need to manage infrastructure over its life cycle. It also factors in the need to operate and maintain

infrastructure assets and the need for these assets to be periodically rehabilitated. It again considers the need for sufficient management capacity within a municipality and provides for a project management unit and capacity building initiatives. It is, therefore, very unfortunate to realise that MIG funds are not spent or utilised effectively despite the backlog in infrastructure development and maintenance. Challenges of spending and utilising MIG funds, that is, poor planning related to procurement processes, inability to fill critical posts with best candidates and reprioritisation of infrastructure projects by the council during the middle of financial year are still prevalent, impacting on adequate service delivery.

3. Research Methods

This study followed a qualitative research approach. According to Leedy and Ormrod (2014) all qualitative approaches have two things in common. Firstly, they focus on phenomena that occur in natural settings, that is, in the "real world". Secondly, they involve capturing and studying the complexity of those phenomena. A qualitative approach was appropriate as the study collected in-depth information from the participants to describe the challenges faced when spending allocated MIG funds to render effective services. Marlow and Boone (2005:25) further highlight that a qualitative approach involves collecting data that involve non-numerical examination of phenomena which use words instead of numbers. Participants in this research were municipal employees, i.e. councillors, COGHSTA MIG officials and ward committee members. The total sample size for this research was 22 participants as follows: the executive mayor, the municipal manager, the strategic manager for development planning, the chief financial officer, two councillors who are members of the mayoral committee, the manager of the MIG division, two officers based in the MIG division, three officers in development planning, three officials based in the finance section, two ward councillors each from Elias Motswaledi and Ephraim Mogale Local Municipalities, two COGHSTA officials responsible for SDM in MIG administration, and three members of ward committees.

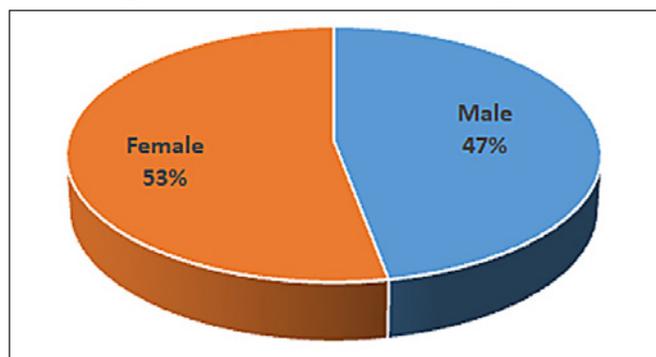
The Sekhukhune District Municipality is located in the South Eastern part of the Limpopo Province, 100 km from Polokwane, the capital city of the province. This is a category C municipality, with jurisdiction over five category B local municipalities. The SDM's category was changed from B to C after the amendments to

Table 1: Age of the Participants in Years

Age	Frequency	Percentage
Below 35	4	23.5
36 – 40	4	23.5
41 – 44	4	23.5
45 and above	5	29.4
Total	17	100.0

Source: Authors

Figure 1: Gender of the Participants



Source: Authors

the Municipal Structures Act 117 of 1998, through the Municipal Structures Amendment Act 27 of 2000. The SDM represents 1.2 million populations with about 220 000 households. The municipality represents fragmented medium density settlements which make service provision challenging and costly. Poverty and unemployment are common characteristics of this area. The area also has high levels of illiteracy it is predominantly rural and 95% of the residents are Sepedi speaking (Smith & Da Lambo, 2008:4). The data collection was effected through the group semi structured interviews with the use of a designed interview schedule as well as document analyses. Recording of data was done in the form of notes taken during interview sessions. The researcher used the SDM's itinerary of meetings to set up the dates for group interviews. Data collection was also through analysis of the following documents: the SDM's IDPs (2010-2015), Executive Mayor's Budget Speech 2012/2013, COGTA Annual Report, and the 2013/2014 Limpopo Municipal Performance Report (Section 47). A thematic data analysis approach was used, in which data were categorised, based on themes. According to Patton (2002:452), thematic analysis is a historical a conventional practice in qualitative research which involves searching through data to identify any recurrent patterns. A theme is a cluster of linked categories conveying similar meanings which usually emerge

through the inductive analytic process which characterises the qualitative paradigm (Patton, 2002: 452). Data analysis, in this study, also entailed descriptive information about the biographical information of participants using Microsoft Excel.

4. Research Findings

4.1 Biographical Information

The research results present firstly the biographical information of the participants, followed secondly by the information from the document analyses on trends of MIG expenditure by both the Limpopo Province and the SDM, and lastly by the challenges faced in spending MIG funds.

4.1.1 Age of the Participants

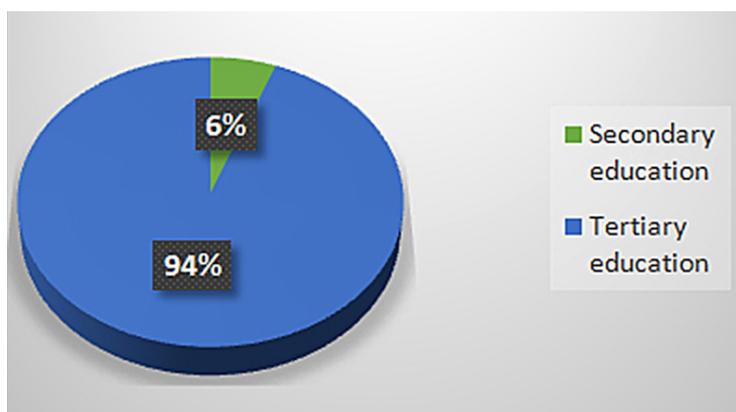
The age ranges of the participants were evenly distributed, that is, of almost equal percentages in the age categories that were used for the study as shown in Table 1 above.

4.1.2 Gender of the Participants

Figure 1 above depicts the gender of participants. The figure shows that female participants constituted 53 percent of the sample, while male participants constituted 47 percent, a fact that is pleasing in terms of gender equity targets.

Figure 2: Positions of the Participants

Source: Authors

Figure 3: Educational Status of Participants

Source: Authors

4.1.3 Work Positions of the Participants

This research targeted municipal officials and CoGHSTA officials who administer MIG in SDM on a daily basis, as well as the councillors responsible for infrastructure and financial management. This was mainly due to the fact that these officials were in a position to be able to give a clear picture of the situation with regard to their experiences in administration and management of MIGs. Over 11.2% of the participants were deputy managers, 17.6% were managers and 29.4% were strategic managers. Political Officer refers to the political office bearer of the municipality, meaning councillor. The category of other refers to the members of the ward committees. Figure 2 above shows the positions held by the participants.

4.1.4 Educational Status of the Participants

Figure 3 above presents the educational status of the participants. From Figure 3 it can be seen that the majority of participants who were involved in the current study and who are in management positions in the SDM, have tertiary education, which includes post-matric diplomas, degrees and post-graduate degrees. This suggests that qualifications may not be a challenge in the SDM.

4.1.5 Occupation of the Participants

This study targeted officials based in Development and Planning, and finance sections within the municipality. Table 2 on the following page shows sections from which various department participants come.

4.2 Trends in Spending MIG Funds

The study started with document analysis to check the allocated funds versus the funds that were utilised to render services. The results are presented firstly for the MIG expenditure trends in Limpopo Province (Figure 4) followed by the trend for the SDM (Table 4). Figure 4 on the next page shows the performance of municipalities in Limpopo on the spending of MIG funds from the financial year 2010/2011 to 2012/2013. Information in Figure 4 suggests an increase in the amount of MIG funds that were not spent in the province. The same trend of increasing underspending is seen for the SDM. This suggests that over the years, instead of increasing the utilisation of the allocated budget to render services, the municipality spent less from their budget. This underspending may, on the one hand, indicate

Table 2: Occupations of Participants

Occupation	Frequency	Percentage
Project management	3	17.7
Administrative head of the municipality	1	5.9
Development and planning	5	29.5
Financial management of the municipality	3	17.7
Councillorship/ public representative	3	17.7
Administering MIG projects	2	11.8
Total	17	100

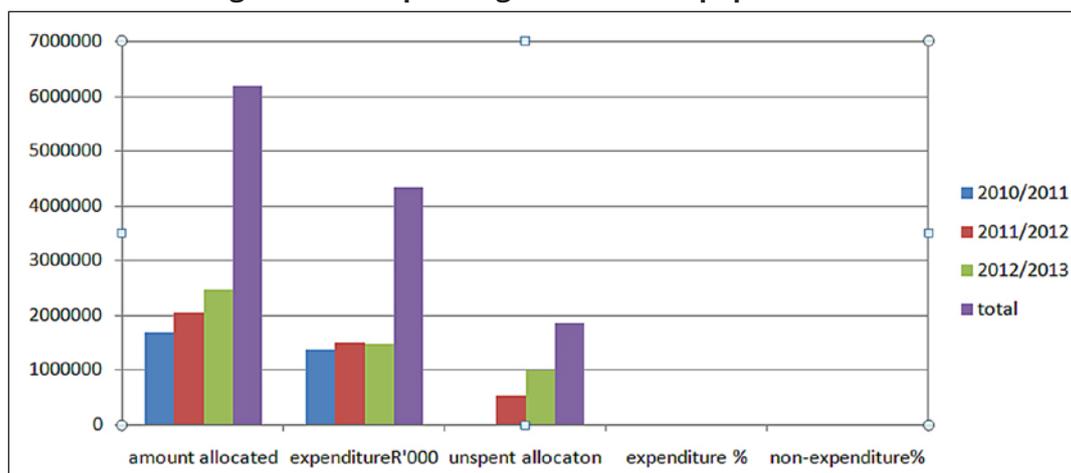
Source: Authors

Table 3: MIG Spending Trends in Limpopo Province from 2010- 2013

Financial Year	2010/2011	2011/2012	2012/2013	Total
Amount Allocated (in Rand)	1 688 104	2 030 302	2 462 883	6 181 289
Expenditure (in Rand)	1 358 280	1 499 236	1 479 424	4 336 940
Unspent Allocation (in Rand)	329 824	531 066	983 459	1 844 349
Expenditure (in %)	80	74	60	70
Non-Expenditure (in %)	20	26	40	30

Source: Authors

Figure 4: MIG Spending Trends in Limpopo Province



Source: Authors

better efficiency while rendering services. However, on the other hand, the underspending may have had a negative effect on either the number of community projects completed or the quality of such projects.

The Limpopo Province Section 47 Report of 2013/14 financial year attributed the non-expenditure on MIG funds by municipalities to the delay with regard to procurement of service providers; late registration of projects; the use of MIG funds for operations other than the infrastructure projects and using MIG funds for the implementation of unregistered projects. It should be noted that the MIG funds utilised for unregistered projects are recorded as unspent.

Table 4 on the next page shows that overall the SDM did not spend R636 730.00 of the R2 074 561.00, which was returned to the National Treasury. The unspent amount makes 30.7% of the total allocated budget for the period of five years. The under-spending may have had an effect on overall service delivery in the municipality.

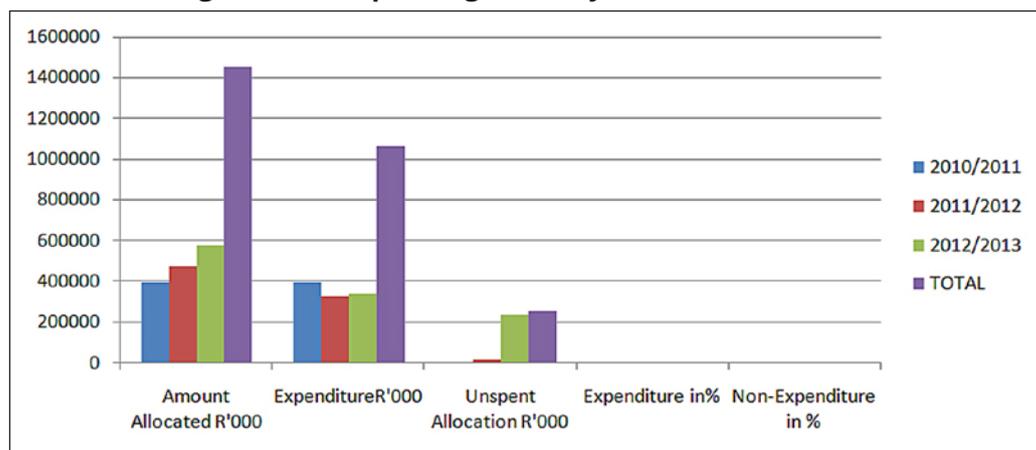
5. Challenges Faced by the Municipality in Utilising MIG Funds

Challenges faced by municipalities in utilising MIG funds are many and include among others the following: poor planning, establishment of Project

Table 4: The SDM MIG Allocations as Against Expenditure

Year of Allocation	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Amount Allocated (in Rand)	396 000	476 993	578 623	341 825	281 120
Expenditure (in Rand)	393 671	326 054	340 862	252 071	125 173
Unspent Allocation	2 332	150 840	237 761	89 754	155 947
Expenditure (in %)	99	68	59	74	45
Under-Expenditure (in %)	1	32	41	26	55

Source: Authors

Figure 5: MIG Spending Trend by SDM From 2010-2013

Source: Authors

Management Unit, human resource challenges, protracted procurement processes, inadequate communication and community participation during IDP processes, political interference, utilisation of MIG for unregistered projects and lack of proper monitoring and evaluation of projects.

5.1 Poor Planning

The interview session with especially the officers in the finance division identified poor planning as a major contributor to not being able to spend MIG funds. They reported that the poor planning was due to factors such as, staff shortage in the development and planning section specifically the project management unit (PMU) and incompetent service providers. This section, if staffed with competent people can be key in the planning, scheduling and monitoring of projects.

5.2 Establishment of Project Management Unit

The participants reported that the SDM was one of the municipalities that did not establish a project management unit (PMU) as per MIG Guidelines but opted to utilise their existing staff for project management services. Not establishing a PMU may have

implications on how easily the internal employees can be manipulated or ordered by management to do what management wants (MISA Annual Report, 2013: 24).

5.3 Human Resource Challenges

Understaffing Challenges: The staff complement of the PMU in SDM was not yet complete as envisaged by the guidelines on the formulation of MIG project management units in municipalities. The PMU did not have a complete staff complement. For financially related matters and communications issues, the unit depends on the finance and communication divisions of the municipality. This took away the specialty element of the MIG programme. The situation was exacerbated by the poaching of officials by the category A municipality. For instance, one of the participants stated that:

"We are victims of poaching of our developed employees by Ekurhuleni and Tshwane Metros".

Results of the Study: These results show that the staff members who are employed by the SDM, although understaffed, possess the right skills with the minimum required qualifications and years of

working experience in most sections except in the development and planning section. So the major problem is that there are not enough personnel. Having the right personnel suggests that the municipality should be able to render services well and utilise allocated funds efficiently. However, the results of the study demonstrate differently in that there is still poor planning and implementation of projects is not carried out in time. The Organisation for Economic Co-operation and Development (OECD) Report of 2017 emphasises the need for professional skills in order for employees to render services effectively. The strategic and innovative skills are also emphasised as crucial (OECD Report, 2017).

High Staff Turnover: The participants in the study indicated that there was a high staff turnover rate, with employees in key positions leaving to more urban municipalities. The problem with staff turnover is that there is no continuity in the department that these staff members left. Appointment of new people results in delay of services as they usually need time to adapt and to know what the priorities for the municipality are (Quality of Public Administration "Toolbox", 2017)

Inadequate or Lack of Training and Development of Personnel: Project Management officials said that they had, on several occasions, raised issues of staff compliments and training with the SDM management but the response had not been satisfactory. One of the participants said:

"We raised the issue of training with the management on several occasions but they do not take us seriously".

They were hardly sent for training because they were told of budgetary constraints against such processes.

5.4 Protracted Procurement Processes

According to the participants, the process to appoint service providers took too long such that project implementation usually overlaps to the subsequent financial year. The delay was said to be due to the fact that the procurement processes such as evaluation and adjudication are usually protracted. Complicating the matter was the fact that the majority of service providers appointed failed to meet the deadlines according to the project implementation plan. According to the participants, delays are also

due to long processes of procuring contractors for the delivery of services, that is, infrastructure projects. In addition to that, the participants indicated that most of the contracted service providers do not have the proper requisite skills and/or resources implying that they take longer than they should to complete their projects.

5.5 Inadequate Communication and Community Participation During IDP Processes

Chapter four of the MSA requires the municipality to consult the community when setting its priorities, developing its plans and allocating resources. According to the participants in the study, public participation was not as effective as was expected because during the IDP review and budgeting processes many citizens do not come to community meetings even though they are invited by the municipal officials. The challenge according to the participants might be the medium of communication which the municipality uses to inform communities about the meetings. The ward committee members said that only designated stakeholders such as business, traditional leaders and Non-Governmental Organisations (NGOs) are invited through letters during the IDP review process.

Findings from the current study show that SDM adheres to the policy framework and the legislation in terms of time frames for IDP processes and the registration of infrastructure projects. However, community engagements on the IDP review processes and planning need to be improved. The SDM does not invite individual members of the community, only organised structures get access to invitations. As a result, the greater part of the community members do not know the municipal plans and the riots and conflicts are a result of what they, the community, think should be done. This can also be due to a mismatch between what the municipal officials think is a priority and what the community members feel should be prioritised. This mismatch is a problem that needs to be addressed and was also emphasised by an SPAID Report (2009) and that community participation is crucial to effective service delivery as it fosters the feeling of ownership of projects and support of implementation of such projects (Abe & Monisola, 2014; Madzivhandila & Maloka, 2014; Molaba, 2016). This issue of lack of or inadequate community participation seems to be complicated by poor communication with the community members

both in terms of prioritising projects/services to be rendered and monitoring of those projects that have been prioritised. This lack of communication implies that the community does not know what is happening hence the reported service delivery protests by community members. Researchers have emphasised the need to focus on communication and effective dissemination of information with the service recipients in order to improve the services rendered to them and as a way of sustaining development of local communities (Hernández *et al.*, 2016; Joseph, 2016; Owoye & Dahunsi, 2016; Owusu, 2014; Schiavo, 2016; Yusuf, 2011).

5.6 Political Interference

According to the participants, some of the challenges may be attributable to political interference. Researchers have shown that when politicians interfere in the administration and day-to-day business within municipalities, service delivery suffers. This interference often results in focusing on projects that were not seen as priority. There is also the problem of the power between the governed (the employees within the municipalities) and the governors (politicians) resulting in obeying the governors (Seloba, 2006; De Visser, 2010; Dlamini, 2017).

5.7 Utilisation of MIG for Unregistered Projects

Participants in this study also identified the reprioritisation of projects by council, as another factor that delays the implementation of infrastructure projects. According to the participants, political leaders sometimes change the priorities of planned projects during the course of the financial year, which undermined progress made on commitments. The change in priorities had a negative effect on the spending of MIG funds because the projects have to be implemented according to the registered projects list of a particular financial year. Municipalities are required to submit their list of planned and prioritised infrastructure projects for registration and approval to National MIG Management Unit (NMMU) before the implementation of these projects (MIG Programme Management Process and Procedures, 2006:25). The implementation of unregistered projects is not recognised by the National Treasury. Therefore, funds utilised for that particular project are regarded as unspent. This is because it would have not been used for its intended purpose. The intervention/interference by council can

also discourage the staff members who get involved in the initial planning and prioritisation of projects. This issue also links well with what De Visser (2010) refers to as the interference with administration by those who are supposed to govern. In addition, because the projects that eventually get reprioritised and implemented are essentially not the ones identified by personnel on the ground, these staff members may not be eager to see them through as well as to monitor them and their outcomes, that is, the morale and commitment of staff members may be doubtful as a result.

5.8 No Proper Monitoring and Evaluation of Projects

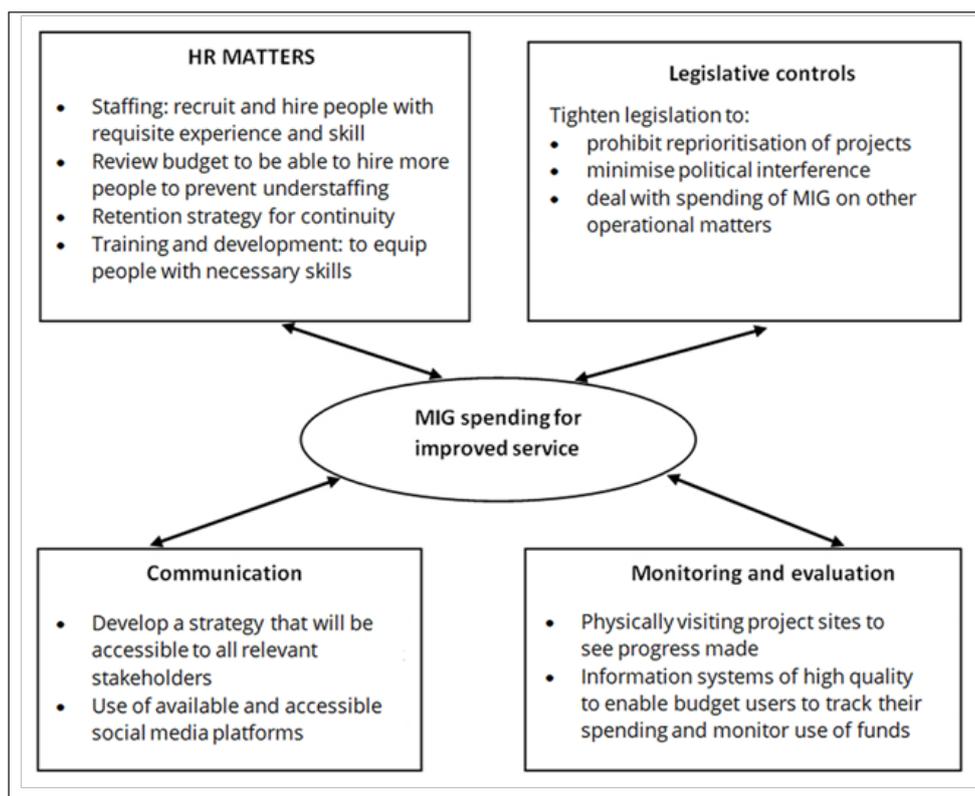
The results from the current study suggest that there are no proper monitoring and evaluation of projects. As a result, it is often difficult to know how well services have been rendered. The above-mentioned challenges are deemed to be the underlying factors that have led to SDM returning an amount of R636 730.00 to national treasury in the period of five years, from the financial year 2010/2011 to financial year 2014/2015.

6. Recommendations

The study recommends that the SDM, CoGHSTA and COGTA take action through the recruitment of competent officials and put in place the capacity development programmes, conduct legislative amendments to prohibit municipalities to conduct unwarranted reprioritisation, political leadership (councillors) should refrain from interfering in the administrative process, policy amendments to allow municipalities to appoint service providers prior to the implementation year, remedial actions to municipalities that utilise MIG for unintended purposes, public participation programme on IDP should be run prior and post the approval of IDP by the council, and direct engagement communication with members of the community. The recommendations can be represented as in Figure 6 on the following page.

Finally, future research can look into how municipalities can find a balance between the way the employees comply with the systems and safeguards of procurement and proper budget expenditure, co-ordinate the needs of the politicians and administrators, while spending allotted funds for effective service delivery.

Figure 6: MIG Spending for Effective Service Delivery



Source: Authors

References

- Abe, T. & Monisola, O.J. 2014. Citizen participation and service delivery at the Local Government Level: A Case of Ise/Orun Local Government in Ekiti State, Nigeria. *Journal of Law, Policy and Globalization*, (7):102-110.
- Carter, M. 2013. *Australian Local Government Financial Reform – A Federal Perspective*. Australia: Australian Centre of Excellence for Local Governance.
- Development Bank of Southern Africa. 2008. *Appraisal Report North West Water and Sanitation, Bridging Finance Phase 3*, South Africa. Johannesburg: Development Bank of Southern Africa.
- Denzin, N.K. & Lincoln, Y.S. 2000. *Handbook of Qualitative Research*. London: Sage Publishers.
- Department of Cooperative Governance and Traditional Affairs. 2013. *2012/2013 Annual Report*. Pretoria: Government printers.
- Department of Provincial and Local Government. 2004. *The MIG Programme*. Pretoria: Government Printers.
- De Visser, J. 2010. The political-administrative interface in South African municipalities assessing the quality of local democracies. *Commonwealth Journal of Local Governance*. (5):87-101.
- Dlamini, N.P. 2017. Intra-political infighting versus service delivery: Assessing the impact of intra-political infighting on service delivery in Umsunduzi Local Municipality. Unpublished Masters thesis. Durban: University of KwaZulu-Natal.
- Hernández, M., Cardona-Muñoz, L., Zapata, L.C., Iglesias-Acosta, J., Meléndez-Labrador, S., Guzmán, M.O., Chate, V.O., Menco, L.P., García, K.P., Narváez, A.R., Rodríguez Ortiz, R., Romero-Moreno, M., Vargas-Rosero, E., Celín, C. & Hernández Olmos, J. 2016. Community participation and communication processes in the implementation of programs of resettlement of families within the context of urban development in the city of Barranquilla (Colombia). *Salud Uninorte*, 32(3):528-543.
- Johan, D. & Marais, H.C. 1991. *Basic concepts in the methodology of the Research Social Sciences*. Pretoria: Human Sciences Research Council.
- Joseph, A.B. 2016. Effective Communication Skill as a Tool for Effective Service Delivery. A paper presented at a refresher course for secretaries, protocol officers, court registrars, process clerks and bailiffs at the National Judicial Institute, Abuja, Nigeria, on 12th May, 2016.
- Leedy, P.D. & Ormrod, J.E. 2014. *Practical Research Planning and Design*. Essex: Pearson Ed Publishers.
- Ministry of Cooperative Governance and Traditional Affairs. 2006. *National MIG Management Unit Programme Management Processes and Procedures*. Pretoria: Government printers
- Owoeye, P.O. & Dahunsi, F.T. 2014. The role of communication in effective service delivery in libraries and information centres: A case of Ekiti State University Library. *International Journal of Library and Information Sciences*, 6(5):75-87.

- Owusu, E. 2014. The role of communication in sustaining development projects: The case of Ejura Sekyedumase Municipality, Ghana. Unpublished Masters thesis. Ghana: Kwame Nkrumah University of Science and Technology.
- Quality of Public Administration "Toolbox". 2017. *Quality of Public Administration: A Toolbox for Practitioners*. European Commission. Available at: ec.europa.eu/esf/BlobServlet?docId=18587&langId=en. Accessed on 23 May 2018.
- Section 47 report. 2013/14. Limpopo Municipal Performance. Cooperative Governance Human Settlement and Traditional Affairs. Limpopo.
- Schiavo, R. 2016. The importance of community-based communication for health and social change. *Journal of Communication in Health Care*, 9(1):1-3.
- Sekhukhune District Municipality Executive Mayor Budget Speech. 2014. Groblersdal: Sekhukhune District Municipality.
- Seloba, P.P. 2006. An examination of the impact of political interference in administration with specific focus on the Department of Health and Social Development in Limpopo. Unpublished Masters thesis. Polokwane: University of Limpopo.
- Smith, G.L. & Da Lomba, F.A.C. 2008. The challenges of infrastructure development in the eastern limb of the Bushveld complex of South Africa: South Africa. The Southern African Institute of Mining and Metallurgy Narrow Vein and Reef 2008.
- South Africa. 1995. *Development Facilitation Act No. 67 of 1995*. Department of Rural and Land Reform. Pretoria: Government Printers.
- South Africa. 2000. *Municipal Systems Act No 32 of 2000*. Pretoria: Government Printers.
- South Africa. 2003. *Municipal Finance Management Act No 56 of 2003*. Pretoria: Government Printers.
- South Africa. Department of Provincial and Local Government. *Municipal Infrastructure Grant Booklet. 2004-2007*. Pretoria: Government Printers
- The Organisation for Economic Co-operation and Development (OECD) Report. 2017. Skills for a high performing civil service. Available at: www.oecd.org/gov/pem. Accessed on 30 May 2018.
- The Support Programme for Accelerated Infrastructure Development (SPAID) Report. 2009. Municipal Infrastructure Grant Baseline Study. Palmer Development Group (PDG) for SPAID.
- Yusuf, F. 2011. Effective Communication for Reference Service Delivery in Academic Libraries. Library Philosophy and Practice. Available at: <http://unllib.unl.edu/LPP/>. Accessed on 26 May 2018.

Redeeming the Splendor of Africa from its Deadly Zone: A Case of South Africa

ME Selelo and MG Manamela
University of Limpopo, South Africa

Abstract: The purpose of this paper is to conceptually analyse and assess the competency of the public servants towards redeeming the splendor of Africa in a South African context. Africa as a continent is well known about its splendor decorated by various rich resources. Surprisingly, the continent is prominent about the scourge of dire poverty. That radiate the assumption that relative majority of African countries are fronted with problems such as poverty and hunger in the midst of rich resources. That is so ironic because most of African countries have retained their power from colonial powers and other related aspects of oppression such as apartheid. Consequently, in the years of colonization, Africa did not have the power to emancipate people from slavery, hunger and poverty as well as not having the ability to materialize the existing resources, but that time is in the past. Ironically, in the current dispensation hunger and poverty is still unabated irrespective of gaining democratic power. It could be argued that perhaps public servants in the modern society are bamboozled by misusing of power. Perhaps African leaders and public servants are consumed by egotistic megalomania hence driven by self-centered approach. Evidently, there is a misusing of resources for serving self-interests by public servants. For case in point, most of government officials are perceived to be enriching themselves through corruption at the expense of the public interests. Thus, the roles, capabilities and competencies of public servants can be questionable in that regard. Hence, the conception of the paper, through literature based analysis, is to assess the competency of public servants towards redeeming the splendor of Africa. Accordingly, the paper argues that all the abominated deeds are exacerbated by inefficient and incompetence of public servants, favoritism, corruption and political patronage which are fundamentally circumventing constitutional principles and the rule of law. The paper concludes that those who are in the highest authority in government carry the responsibility to shift Africa from its peril and regain its splendor in the best interest of the electorates.

Keywords: Administration Capabilities, Africa, South Africa, Public Servants

1. Introduction

Africa as a continent is well known about its splendor decorated by various rich resources. Africa is rich in gold, diamonds, oil and many other coveted resources (Africa in Fact, 2012). However, is ironic that in the midst of such rich resources Africa has not yet managed to capitalise on its wealth despite its sluggish and promising growth of development in recent years (Africa in Fact, 2012). Africa is a continent in which relative majority of people are believed to be trapped in the chains of poverty, hunger and unemployment whilst the continent is prominent by its rich resources (Arndt, McKay & Tarp, 2016; Seleteng & Motelle, 2016; Zoogah, Peng & Woldu, 2015; Randall & Coast, 2015). Then there is an assumption that radiates the fact that relative majority of African countries are fronted with problems such as poverty, hunger and unemployment in the midst of rich resources. Therefore, a conclusion can be drawn that the aforementioned sentences provide a contradicting portrait looking at

the poverty situation and rich resources of African countries. The question is: how is it possible that people are trapped in the chains of poverty, hunger and unemployment in the presence of precious rich resources?

In the midst of such, it has been put on record that public sectors of African countries should spearhead the socio economic development challenges in order to curtail the increasing level of poverty, inequality and unemployment (Arndt *et al.*, 2016; Seleteng & Motelle, 2016). This has proved to be an exercise for the public servants since the triple challenges keep on adding up yearly. Conversely, the most pressing conundrum that African leaders and/or public servants experience today is the incompetency of administration, self-centered, misuse of power and resources and *inter alia* in various public institutions as well as the absence of sustained consistence of economic growth and job creation (Zoogah *et al.*, 2015; Kauppi & Van Raaij, 2014). Dealing with such issues could be perceived as a way of curtailing the

high level of poverty and improve living conditions; thus, it will retain the splendor of Africa. In the light of that, public servants are the relevant candidates to carry out the responsibility in that regard. On the contrary, it is not what is transpired in the 21st century, where public servants seem to be having their own agendas at an expense of the public interests. Fanon (2017) alluded that the pitfalls of consciousness in ethics and conduct by public servants is a contributing factor for tarnishing a good image of Africa. Furthermore, according to Fanon (2017), public servants today chant the slogans of independence and when questioned about their economic status of their country they are incapable of answering because they are ignorant and they leave the rest to the future. Today public servants do not view their positions as the way of serving the electorates, instead they view their positions as a status and as a way of self-enrichment (Denhardt & Denhardt, 2000).

In accordance with that, the purpose and the objectives of the paper are to analyze and assess the competitiveness of the public servants towards redeeming the splendor of Africa using South Africa as a case. The paper analyzes and assesses the issues of corruption in Africa; however, South Africa context has been taken into account and cognizance due to the recent scandals and acts of corruption that has been prominent globally. For example, the issue of state capture, acts of corruption by the public officials, just to mention the few. The reason for considering South Africa as a case study, is the fact that South Africa's developmental state is perceived to be a better off looking at other African countries. Hence, it is believed that other African countries look up to South Africa for their developmental purposes and success (Makgalancheche, 2008). Thus, the paper seeks to argue that public servants have an obligation to remove Africa from its deadly zone.

2. Re-Visiting What Worked and What Did Not Work

Africa is rich in gold, diamonds, oil and many other coveted resources (Africa in Fact, 2012). With the fact that Africa is teeming with oil, diamonds, gas, platinum, gold and other minerals, Africa remains the world's poorest continent (Africa in Fact, 2012). With such rich resources, Africa has not yet managed to capitalize on its wealth; for case in point, infrastructure is underdeveloped, people languish in poverty, hunger and unemployment rate hiking (Africa in Fact, 2012). Furthermore, despite the

promising growth in recent years, Africa with almost 15% of the world's population contributes less than 3% to the world's GDP while in surrounded by rich resources (Zoogah *et al.*, 2015). Within that context, attempts have been made to alleviate and eradicate the pressing conundrums that African countries are faced with. Looking at the major challenges in Africa, African Union through the Constitutive Act and the agenda introduced the programme for development in a quest of retaining the splendor African countries thereof. For that reason, New Economic Partnership for Africa's Development (NEPAD) was introduced for the purpose of improving governance and leadership in the continent (Makgalancheche, 2008).

The purpose of introducing the programme was to ensure a good leadership and governance because the two are good for economic and development growth respectively. One of the mechanisms that sound is the African Peer Review Mechanism (APRM), that focus on the countries' self-assessment on socio-economic and political governance matters. This is an assessment that results in the potential partnership between the government and its people. For the purpose of retaining the splendor of Africa, Extractive Industries Transparency Initiative (EITI) for a better use of mineral revenues for economic growth and poverty alleviation. In contrast, demanding transparency from governments and corporations is not enough for economic growth and distribution of wealth due to African public servants that are clothed with corruption and serving self-interests. Therefore, Africa in Fact (2012) regard EITI as an initiative that lacks teeth because ten years since its launch it has never played a role in retaining the wealth of Africa, perhaps until today. The programme and mechanism are meant for compliance and adherence by the public servants for better economic growth and development. Conversely, this is not what is perceived in African leaders and public servants, as the eminent of act corruption is evident. It can be argued that countries that do not have the root of mechanism and programmes to adhered to can easily perish. Is like a tree with roots that do not reach water and it ultimately weathers and dies.

3. Corruption in the Public Services of Africa

The main role of public servants is to preserve the public interest through commitments of the government of the day in integrity, trust, provision of

services, transparency and accountability (Caiden, 2017; Braendle & Stutzer, 2016; Peters, 2009). However, this can be done through ethics that seems to be gaining prominence in the discourse of public services (Pillay & Sayeed, 2017; Hassan, 2015; Dorasamy & Balkaran, 2012; Dorasamy, 2010). According to Hassan (2015), ethics refer to the standard which guides the behavior and actions of personnel in public institutions and which may have referred to as moral law. Ethics and ethical conduct are gaining prominence in the discourse of redeeming the splendor of African governance (Hassan, 2015). That is because of the perception that the standard of ethical conduct by public servants is declining due to corruption, maladministration, protecting incompetence, bribery, patronage among others (Hassan, 2015). All the activities constituting unethical conduct are a result of a loose on guarding public interest and resources (Pillay & Sayeed, 2017; Walumbwa, Hartnell & Misati, 2015). Accordingly, there is an exploitation of resources that were meant to support the socio economic development of the nations and its people. Therefore, poor and dishonest management of public affairs and immoral acts are among the most manifestations of unethical conducts that impedes the regaining of the splendor of Africa (Hassan, 2015). These should be taken into cognizance, the costs of misconduct, unprofessionalism, inability among others that the public servants possess when it comes to guarding public interest and resources. These costs are the result of loss of trust and confidence in public institutions and effective utilization of precious resources which meant to support the economic and social development of the people.

In essence, public servants are seen as the drivers of the socio economic development in providing basic services to the poor and the most disadvantages communities. They are the drivers of change and play a pivotal role in the emancipation of people from the vicious circle of poverty (Peters, 2009). It is the duty of all public servants to ensure that the public's money is spent as efficiently as possible and that programs are provided effectively, without discrimination or prejudice, with transparency and without waste of money or resources (Coetzer, Bussin & Geldenhuys, 2017). It is in Africa that the most impoverished people are the first citizens which are the majority of the total population (black people) (Arndt, *et al.*, 2016). Unfortunately, ratings in corruption and the behavior of the public

servants are unlikely to reverse the imbalance of the past. This is because public servants are also perceived to be playing part in exacerbating such impoverishment through the acts of corruption (Blundo, de-Sardan, Arifari & Alou, 2013). Whilst, the relative majority of Africans rely more on the government and public servants for improving their lives, it can be alluded without doubts that unemployment, poverty, inequality and hunger are still unabated although the power has been given to the new government. However, a question can be posed, what are Africans free from having faced with such dire challenges in the midst of vital and precious resources.

4. Effects of Corruption on Development: South African Context

It is an apparent case that, after the years of imperialism, colonialism, apartheid and oppression, the independence of African countries was perceived to be the driving force towards re-shaping and recovering the socio-economic development in the best interest of the people (Seleteng & Motelle, 2016). For case in point, the establishment of new South Africa in 1994, the government devoted the efforts towards enhancing the lives of the people through promulgation of new rules and regulations (Clark & Worger, 2016). It was the role of the newly elected government in 1994 to recover what has been lost during the apartheid. That is through the attempt of eradicating apartheid regime operations for swiftly and better moving to redemption. Ironically, there were reported scandals about relative majority of public officials being alleged of corruption. According to Navot, Reingewertz & Cohen (2016), corruption is behavior of public officials which deviates from accepted norms in order to serve private ends.

In Africa corruption reflects more general of unethical leadership and bad governance found throughout the continent (Walumbwa *et al.*, 2015; Hope, 2000). That result in ineffectiveness and incompetency of public servants. Thus, the ineffectiveness and incompetency of public servants are a result of the crisis in the redefinition of the role of government and new policies thereof (Salitere & Korac, 2013). The fact remains that the pervasive of the phenomenon corruption has an effect on the developmental future in Africa. Thus, corruption has and is been a major contributing factor to Africa's sluggish pace of development (Pillay &

Sayeed, 2017; Navot *et al.*, 2016; Hope, 2000). In that regard, corruption is a phenomenon that was, is and will possibly make its presence felt (Pillay & Sayeed, 2017). It is therefore impossible that corruption will ever be fully dealt with because it has reached cancerous proportions that hinder developmental progress (Purcell, 2016; Hope, 2000). As a result, the pandemic of corruption in Africa has extreme negative impact on socioeconomic development and the fight against poverty. For example, the effect of corruption in South Africa has constrained development of the national economy and has significantly inhibited good governance in the country (Pillay, 2004). According to Pillay & Sayeed (2017), corruption serves as a barrier to accomplish sustainable economic development and undermines ethical values. There is a lost estimated amount of money that is reported annually through corruption. Corruption exists wherein political patronage is a standard practice than professionalism or merit system (Prabowo & Cooper, 2016; Purcell, 2016). Although, the South African government has been in a quest to fight corruption the problem has always been perpetuated by political design when it comes to who should hold power (Pillay, 2004). The political design and influence can also be perceived as one of the contributing factors that hike corruption. Therefore, political influence and economic changes erode or does away with the legitimacy of the government and lead to poor governance (Saliterer & Korac, 2013). In essence, political influence becomes the enemy of basic principles in public administration. As a result, corrupt public servants perpetuate high levels of impoverishment and inequality (Saliterer & Korac, 2013). Within that context, it could be avowed that corruption can frustrate the economic hubs and the development headway of any country if it is not dealt with. There are few corruption incidences that substantiate the logical argument of this paper in a South African context as the cases in point:

4.1 State Capture

The typical definition of state capture implies the way in which formal procedures such as laws and social norms and systems of government are being manipulated by the private individuals and firms to be able to influence the government policies and laws to work in their favor (Innes, 2016; Hall & Kepe, 2017). Thus, state capture is when the private entities and individuals collude with the public servants or government officials to negotiate the deals

and contracts that will satisfy their private interest (Innes, 2016; Martin & Solomon, 2016). Where there is state capture, there are various issues where one can realize the problem of resources that is not owned by the continent or a country itself (Martin and Solomon, 2016). State capture in essence is the actual fact of controlling the wealth and dictating the development (Bhorat, Buthelezi, Chipkin, Duma, Mondli, Peter & Swilling, 2017; Innes, 2016). Then that raises a question of the capabilities of public servants, good governance and leadership.

In South Africa companies such as BHP Billiton, SABMiller, Anglo American and Sasol, Rupert family, Bruno Steihoff, Christo Wiese among other entities utilize the resources that belong to the country in the absence of the good governance and public servants (Bhorat *et al.*, 2017; Martin & Solomon, 2016). It can be argued that those are the results of state capture. State capture can be seen as the biggest criminal that tarnishes the splendor of South Africa and Africa. State capture is of no difference from corruption because it exploits resources which can be used for social and redistribution of wealth programs for socio-economic development (Bhora *et al.*, 2017; Innes, 2016). This noiseless coup impacts directly on the poor people by diverting away from social delivery programs that are designated to enhance and promote human rights (Martin & Solomon, 2016). State capture is not confined or limited to shady deals but inclusive of every private entity and individuals that monopolize the country's wealth (Bhora *et al.*, 2017).

4.2 Corruption Scandals that Rocked South Africa

The problem of corruption in South Africa is believed to be pervasive due to irregular expenditures on procurement processes which exacerbated and influenced by political corruption. Within the context of this paper, the municipalities, NGO's and state owned entities are selected case for radiation of irregular expenditure as a result of corruption. King (2014) articulates that the auditor general in 2011 reported approximately R800 million that has been awarded in tenders to municipal officials and their families. King (2014) reported that irregular expenditure of R2.429 billion was acquired by 17 auditees in Free State in the year 2013-14. During 2013-14 Free State had nearly 60% of the auditees which had resulted in the findings of unfair procurement process and had irregular expenditure

of R11.351 billion (Kauppi & Van Raaij, 2014; King, 2014). The irregular was due to non-compliance of public servants and political patronage with the supply chain management (Kauppi & Van Raaij, 2014). This connotes that in the supply chain management illegal and mismanagement of finance is a big problem. It is without doubt that the corruption watch always promulgates that political patronage and public servants are the advocates and drivers of corruption (Pillay & Sayeed, 2017; Hope, 2004).

A rampant corruption in the Mbombela local municipality is highlighted by the Auditor General report that shown R47 million has been lost due to fraud and incompetency of personnel (King, 2014). On the other hand, corruption led to Kokstand local municipality in KwaZulu-Natal with devastating, shocking water shortages, poor sanitation among other challenges (King, 2014). Moreover, it is alleged that the municipal manager of Kokstand has been implicated through engaging in corrupt activities which led to a deficit of R39 million and service delivery failure (King, 2014). It was probed and found that the municipal manager had awarded lucrative contract about R281 1375 to a pal who had a BEE front company (King, 2014). Meanwhile, state owned enterprises also face serious allegations of corruption. Accordingly, Passenger Rail Agency of South Africa had irregular expenditure of R790 million picked up by auditor general and Transnet awarded R50 billion tender for freight locomotives illegally or unlawfully to the Gupta-linked company Tequesta (Pty) Ltd (Tkachenko, Yakovlev & Kuznetsova, 2017). The report also implies that approximately more than R11.7 Billion, from Eskom has been awarded to a gupta company which is Tageta Exploration and Resources (Pty) Ltd (Tkachenko *et al.*, 2017). These state owned enterprises should be the driving force to improve the image and social welfare of the country, conversely is a different story.

Another example that radiate corruption in South Africa are NGO's. One example is the Life Esidimeni tragedy that has been under the spotlight that reflects corruption. Thus, in the year 2015 October, the Gauteng health department had ended an outsourced care agreement with Life Esidimeni in order to cut costs and give effect to a policy to deinstitutionalize psychiatric patients (Capri, Watermayer, Mckenzie & Coetzee, 2018). Capri *et al.* (2018) reported that some 1 300 patients were relocated to the care of their families, non-governmental organisations (NGOs) and other hospitals. The process

was subsequently found to have been a total fiasco. This has led to the death of 144 patients who died because of poor health facilities and negligence (Capri *et al.*, 2018). This misfortune tarnishes the overall health system of the country. The observations have made it clear that, some of the health institution still experience shortage of health facilities that lead to poor life expectancy of the South African citizens. Then all of these scandals lead to destructive for any developments because corruption distorts income circulation, deters investment, imposing incompetent rules and tarnishes democracy and ethics. As a result, one can argue that all the abominated deeds are driven by self-serving interests. The squandering of public coffers should have served the interest of the people and enhance their living standards and service delivery but it seems as the public servants are not intended to ensure that. In essence, to ensure the magnificence of African countries, public servants should use the public coffers to enhance the education system, health system, infrastructure, the economy, agricultural production and tourism sector. It can be concluded that the challenges that hinder the restoration and headway of development revolves around the incompetency, corruption, self-serving interests *inter alia* of public servants.

5. Perspectives About Public Servants

Over the past several decades, the competency of public servants in Africa has been the most contentious issue with regard to how they perform their duties (Coetzer, Bussin & Geldenhuys, 2017). That overlapped in the 21st century where there is a problem of power to emancipate the people from hunger and poverty (Seleteng & Motelle, 2016; Randall & Coast, 2015). According to Fanon (2017), the reason for failure to deliver Africans from socio-economic issues is on the basis of public servants in the modern society being bamboozled into the misusing of power. This lead to incompetence and underperformance of many administrative institutions where corruption is seen a dominating factor to be dealt with (Salitere & Korac, 2013). Public servants today are driven by greed to an extent of being negligence of their duties, roles and responsibilities (Navot *et al.*, 2016). It is apparent and vivid that, at the current juncture, public servants are no longer serving the best interest of the electorates in a full force, but they put their interest at the forefront and are pompous (Navot *et al.*, 2016). In other cases, the concept of cadre deployment in

the context of public servants seems to be a perpetuating factor for incompetence and nepotism in a quest to reclaiming and redeeming the splendor of Africa (Purcell, 2016). If public servants remain the realms of intellectual rhetoric only and be the monopoly of ideas, they will lose sight of the bigger image and the importance of responding to daily demands of service conveyance. Expectedly, public servants should make it a point to ensure that service delivery is of utmost and apex priority to save people from deadly zone. The citizens of the country have selected and put their hope in the public servants to be the ones responsible for removing and uplifting the most disadvantages communities from the chains of poverty (Peters, 2009). As a result, the public servants in the modern world should ensure that the right, equality and dignity of the electorates are prevailed and protected. It is with no doubts that public servants and politicians in Africa do not have self-conscience to serve their people with humanity and restore the faith in government to reclaim what has been the magnificence of Africa (Braemdle & Stutzer, 2016). Thus, to reclaim the splendor of Africa, public servants should be intellectually conscious and be competent in their daily duties. They must adhere to the ethics and ethical conducts that is a guide on how to behave when it comes to the issues of socio economic development in Africa.

6. Conclusion and Recommendations

It can be concluded that African leaders are the protectors of the services to meet the needs of the citizens after colonial rules and other systems of oppression. That long period has passed, but Africa is still striving for good governance and leadership as well as development to redeem the image and splendor of the African continent. It is ironic how Africa has been striving for development after a long period of freedom and with rich resources it possesses. It is also so amazing that African people are perceived to be the most vulnerable people to cope with the changing economic conditions, weather conditions, environmental and social conditions in the presence of the rich precious resources. The problem is no longer the oppression, slavery, colonialism or whatsoever, the problem lies on the good leadership and governance by the public servants who tend to be greedy, corrupt, serving own self-interests amongst the other. That is exacerbated by inefficient and incompetence of public servants, favoritism and political patronage which fundamentally circumvent constitutional principles and the rule of law. That is

the reason why the paper is adamant to the notion that the image and splendor of Africa is tarnished by its public officials. It can be avowed that the behavior is more on opportunistic maximization on accessing public resources and services for self-serving interests. Therefore, redeeming the splendor of Africa from its deadly zone requires a unit and collective to deal with issues of corruption.

The paper does not dispute the mechanisms and programmes initiated in Africa for development. However, it highlights the problems that hinder development and the retaining splendor of Africa, which is self-orientated leadership of public servants. Thus, the paper recommends that the very same mechanisms and programs can be impeccable for Africa's development if the attitude and abominated acts that ultimately gave birth to corruption and serving own-interests can be dealt with. The rule of law should be applicable in this regard irrespective of the position of public official. As a result, that will restore a measure of trust, confidence and integrity in public institutions and the constituency to safeguard better redemption of Africa. Hassan (2015) articulates that good leadership and governance with ethics and ethical conduct of public servants ensure a better public services respond to citizens' needs. Noting the growing of corruption, it is recommended that there should be awareness for effective anti-corruption measure to retain the splendor of Africa, particularly to public servants. There is a need to consider the effective leadership on the basis ethics and ethical conduct. The injustices and abominated act of corruption should be dealt with for the purpose of regaining the green leaves and splendor of Africa. Therefore, one can argue that perhaps a sluggish of development in Africa is instigated by the kind of leadership possessed, where relative majority are seen in the act of corruption, serving own interest among others by the public servants. Accordingly, if relative majority of African countries looked up to South Africa for the developmental enhancement, then corruption should not be perceived as a norm and major decisions should be taken to deal with it.

References

- Africa in Fact. 2012. Africa's natural resources: If we are so rich why are we so poor? *The Journal of Good Governance Africa*, (3):1-36.
- Arndt, C., McKay, A. & Tarp, F. 2016. *Growth and poverty in sub-Saharan Africa*. Oxford: Oxford University Press.

- Bhorat, H., Buthelezi, M., Chipkin, I., Duma, S., Mondli, L., Peter, C. & Swilling, M. 2017. Betrayal of the Promise: How South Africa is Being Stolen. *State Capacity Research Project*.
- Blundo, G., de-Sardan, J.P.O., Arifari, N.B. & Alou, M.T. 2013. *Everyday corruption and the state: Citizens and public officials in Africa*. Zed Books Ltd.
- Braendle, T. & Stutzer, A. 2016. Selection of public servants into politics. *Journal of Comparative Economics*, 44(3):696-719.
- Caiden, G. 2017. Maladministration Revisited. *International Journal of Civil Service Reform and Practice*, 2(1):1-20.
- Capri, C., Watermeyer, B., Mckenzie, J. & Coetzee, O. 2018. Intellectual disability in the Esidimeni tragedy: Silent deaths. *South African Medical Journal*, 108(3):153-154.
- Clark, N.L. & Worger, W.H. 2016. *South Africa: The rise and fall of apartheid*. London: Routledge.
- Coetzer, M.F., Bussin, M. & Geldenhuys, M. 2017. The functions of a servant leader. *Administrative Sciences*, 7(1):1-5.
- Denhardt, R.B. & Denhardt, J.V. 2000. The new public service: Serving rather than steering. *Public Administration Review*, 60(6):549-559.
- Dorasamy, N. 2010. Enhancing an ethical culture through purpose-directed leadership for improved public service delivery: A case for South Africa. *African Journal of Business Management*, 4(1):56.
- Dorasamy, N. & Balkaran, R. 2012. Inclusivity for ethical public sector governance in South Africa.
- Fanon, F. 2017. Pitfalls of national consciousness. *New Agenda: South African Journal of Social and Economic Policy*, 2017(66):36-40.
- Hall, R. & Kepe, T. 2017. Elite capture and state neglect: new evidence on South Africa's land reform. *Review of African Political Economy*, 44(151):122-130.
- Hassan, S. 2015. The importance of ethical leadership and personal control in promoting improvement-centered voice among government employees. *Journal of Public Administration Research and Theory*, 25(3):697-719.
- Hope, K.R. 2000. *Corruption and development in Africa*. London: Palgrave Macmillan
- Innes, A. 2016. Corporate state capture in open societies: The emergence of corporate brokerage party systems. *East European Politics and Societies*, 30(3):594-620.
- Kauppi, K. & Van Raaij, E.M. 2014. Opportunism and honest incompetence –seeking explanations for noncompliance in public procurement. *Journal of Public Administration Research and Theory*, 25(3):953-979.
- King, K. 2014. The A-Z of South Africa's fraud and corruption scandals, news24, 3 April 2014. Available at: <https://www.news24.com/MyNews24/The-A-Z-of-SAs-Fraud-Corruption-Scandals-20140403>. Accessed on 17 May 2018.
- Makgalancheche, W.M. 2008. Africa solutions to Africa's problems: Recommendations for APRM implementation. *African Journal of Public Affairs*, 2(1):57-62.
- Martin, M.E. & Solomon, H. 2016. Understanding the Phenomenon of "State Capture" in South Africa. *Southern African*, (21):21-34.
- Navot, D., Reingewertz, Y. & Cohen, N. 2016. Speed or greed? High wages and corruption among public servants. *Administration & Society*, 48(5):580-601.
- Peters, B.G. 2009. Still the century of bureaucracy? The roles of public servants. *Viesoji Politika ir Administravimas*, (30):7-21.
- Pillay, S. 2004. Corruption—the challenge to good governance: A South African perspective. *International Journal of Public Sector Management*, 17(7):586-605.
- Pillay, P. & Sayeed, C.M. 2017. December. Ethical Values and Corruption in Housing Service Delivery: Comparative Reflections from South Africa and India. In *13th European Conference on Management, Leadership and Governance: ECMLG 2017* (p. 374).
- Prabowo, H.Y. & Cooper, K. 2016. Re-understanding corruption in the Indonesian public sector through three behavioral lenses. *Journal of Financial Crime*, 23(4):1028-1062
- Purcell, A.J. 2016. Australian local government corruption and misconduct. *Journal of Financial Crime*, 23(1):102-118.
- Randall, S. & Coast, E. 2015. Poverty in African households: the limits of survey and census representations. *The Journal of Development Studies*, 51(2):162-177.
- Saliterer, I. & Korac, S. 2013. Performance information use by politicians and public managers for internal control and external accountability purposes. *Critical Perspectives on Accounting*, 24(7-8):502-517.
- Seleteng, M. & Motelle, S. 2016. Sources of economic growth in the southern African development community: Its likely impact on poverty and employment. *Review of Economic and Business Studies*, 9(2):211-249.
- Tkachenko, A., Yakovlev, A. & Kuznetsova, A. 2017. Sweet deals: State-owned enterprises, corruption and repeated contracts in public procurement. *Economic Systems*, 41(1):52-67.
- Walumbwa, F.O., Hartnell, C.A. & Misati, E. 2015. Fostering ethical and learning behavior: Ethical leadership, supervisor, and group members' fairness. In *Academy of management proceedings* (Vol. 2015, No. 1, p. 11358). Briarcliff Manor, NY 10510: Academy of Management.
- Zoogah, D.B., Peng, M.W. & Woldu, H. 2015. Institutions, resources, and organizational effectiveness in Africa. *The Academy of Management Perspectives*, 29(1):7-31.

Factors that Hinder Effective Management and the Supply of Clean Potable Water at eThekweni Municipality in KwaZulu-Natal

N Gumbi and MF Rangongo
University of Limpopo, South Africa

Abstract: The paper intends to identify challenges for eThekweni District Municipality to supply sustainable fresh drinkable water, explore success factors in terms of efficient water supply and investigate feasible suggestions for future effective management and supply of adequate water to all the citizens of the municipality. Water is a necessity for life, as well as for development. No nation can afford to ignore the issue of effective water management and supply for its community. Water management is especially challenging for water-scarce countries like South Africa. This paper presents a study that examines the factors that hinders effective management and supply of clean potable water in eThekweni Municipality. A desktop analysis was conducted on the existing research studies, as well as reports in evaluating the trials as well as success factors that eThekweni Municipality had encountered in managing and supplying water to their community. The findings reflect that the task of managing and supplying water emanates from many factors such as: infrastructure degradation; climate change; financial sustainability; ineffectiveness and inefficiency on inward-looking local government still prevalent in the Municipality more especially in the rural areas. This study recommends the importance of the implementation of effective water supply management strategy that will work for the province. Six strategic priority areas have been identified in order to achieve and address the encounters faced by the Municipality. These strategic priorities provide the basis for the identification of programmes and projects within the Integrated Development Plan (IDP) that will help refine and evaluate a strategic approach to ensure that these strategies are being implemented for the benefit of their community.

Keywords: Economic development, Service delivery, Water management, Water supply

1. Introduction

Water is essential for life and for economic development of any nation. However, there are some major challenges facing water management and supply of quality water in sufficient quantities. In South Africa provision and management of water is challenged in the years to come due to the need to keep pace with the net population growth, close the coverage and service gaps, ensure sustainability of existing and new services, as well as improve the quality of services. Maintaining a truly sustainable system in the water supply sector is as difficult and important as making the initial capital investment. The provision of safe water requires a service-oriented attitude on the part of service providers (Mosdell & Leatt, 2005; Jili, 2014). Water services may normally be set at an affordable level of the consumer, managed and operated in accordance with the principles of good business practice and with the regulations which are intended to protect the consumers and the environment. The continuous improvement of quality of water and sanitation services is an essential target to be achieved. The performance assessment of the water supply

services seems to be the right tool to help solve some of the major problems within the water services supply sector (Hemson & O'Donovan, 2006; Gumbi & Rangongo, 2015). Water is important for economic growth and sustainability of any country. Water is required to grow and process food, as well as transporting that food and other products from one area to another. It is also required for energy, which can be used in "water abstraction, treatment, distribution to end-users, waste water reticulation and treatment" (Von Bormann & Gulati, 2014). South Africa's National Development Plan 2030 clearly states that food, fuel and water are interconnected, particularly in the context of climate change and their impact on one another. However, South Africa, like many water-scarce countries, struggles to provide enough water for its people. The challenge is worse for rural than for urban areas (Department of Cooperative Governance & Department of Traditional Affairs, 2014).

2. Literature Review

While many people around the world may take clean drinking water and sanitation for granted,

many others do not even have a drop to spare. It is very important that we use water sparingly. Water scarcity affects more than 40% of people around the world, and that number is projected to go even higher as a result of climate change. If we continue on the path we are on, by 2050 at least one in four people are likely to be affected by recurring water shortages. In order to avoid such, we can opt for more international collaborations, protecting wetlands and rivers, sharing water-treatment technologies and that way we can accomplishing this goal of supplying safe water to our communities (Grey & Sadoff, 2006).

2.1 Importance of Water and Sanitation Management for Economic Development

According to the United Nations Development Programme (UNDP, 2016), there are 17 Sustainable Development Goals. In order to achieve these goals, the government, private sector, legal entities and society need to work together in making sure that all these goals are achievable and people's lives are transformed. The goal for 2030 is that everyone on earth should have access to safe and affordable drinking water as per goal six (6) of the Sustainable Development Goals, clean water and sanitation. Most countries have invested heavily in water infrastructure, institutions and management capacity because water is key to the alleviation of poverty, as well as for sustainable development. Water is a key driver of sustainable growth and poverty alleviation as it is an essential input to almost all production in agriculture, industry, energy, transport and health. The dynamics of water, growth and poverty are extremely complex and highly depend upon specific physical, cultural, political and economic circumstances. Water resource development and management remain at the heart of the struggle for growth, sustainable development and poverty reduction (Grey & Sadoff, 2006).

Investment in water development and management remain an urgent priority in many developing countries. Water is a source of life. It can also be a force for destruction, catastrophically through drought, flood, landslides, epidemic, as well as progressively through erosion, inundation, desertification, contamination and disease. If these challenges are not met, sustainable growth and poverty eradication cannot be achieved (Grey & Sadoff, 2006). According to studies by Hutton and Haller (2004), Stockholm International Water Institute (2007) and Water and

Sanitation Program (2007), investment in water and sanitation is the most effective and sustainable way of promoting equitable economic growth and social development. Hutton and Haller (2004), showed benefits of improved water supply and sanitation in terms of hospital costs saved; productivity and school days gained due to less diarrhoeal illness; convenience time savings and avoided deaths. According to a SIDA Brief (2015) women and girl children suffer the most when there is no water as they have to go and fetch water. In South Africa the studies estimate that rural women spend over four hours a day gathering fuel and water (Morna, 2000). The need for running water is specific to women as it relates to their reproductive responsibilities. It is also women who are responsible for the collection of water (Hlophe, 2004). Therefore, the importance of effective water supply and management cannot be emphasised enough especially in this era of promotion and support of women development, as well as gender equity mandates and legislation. The basic policy principles emphasise the fact that development should be demand-driven and community-based. The importance of gender approach to development needs to be considered. Duncker (1998) puts forward strategies to empower women in water delivery and makes the following points: women should be more involved in planning and operations as part of a strategy to build a more equitable society; their involvement should be more than labour-related and should include access to resources, decision-making and management. In addition, care should be taken not to overburden women or to automatically perpetuate and reinforce the traditional roles of women.

2.2 Challenges in Water Supply

There is a need to allocate water among sectors in a way that optimizes economic growth and to enhance the integration of water into long-term economic sector plans as well as into broad and poverty reduction strategy development process (Manase, 2009). According to Mckenzie, Siqalaba & Wegelin (2013), climate change is predicted to exacerbate risks associated with water scarcity and quality. Flooding associated with intense rainfall could lead to infrastructure failure, water-borne diseases and increased insurance costs for municipalities. Land use practices such as over grazing and the modification of flood plains, river banks, and wetlands will reduce the regulating capacity of catchments and will increase erosion

and sediment loads in rivers as well as the risk of flooding. Unsustainable land use practices pose a major threat to ecosystems, businesses and the livelihood of local communities.

One of the major challenges that South Africa faces is the lack of adequate capacity at the local government level to effectively manage water resources. The responsibility for compliance monitoring, enforcement and infrastructure maintenance lies with local authorities, who in some cases lack the skills and capacity to execute their duties. Pollution in many cases is attributed to failing waste water treatment works, resulting in raw sewage spills into river systems. The lack of appropriately qualified municipal engineers and the capacity for long-term planning, to effectively maintain and upgrade water infrastructure timeously, is a key driver of this risk. Capacity challenges with local municipalities could also be addressed through strategic engagement with the private sector (Amis & Nel, 2011). Water resources should be properly managed otherwise South Africa is heading for a crisis. There are a number of factors that have a negative impact on the current water situation in South Africa namely: climate change; land use; water use; pollution. The impact of climate change on precipitation, increasing urbanisation, population growth, expansion of business activity and increasing influence (Hedden & Cilliers, 2014). Water is everybody's responsibility, even though the provision of freshwater and sanitation services is primarily the government's responsibility. The most complex challenge on poor management and supply of water is drought, which is linked to climate change. Climate change results in other lower rains during rainy seasons or floods that do not help much in alleviation of water supply as they pose other challenges.

2.3 Water Management and Supply in South Africa

About 83.5% of households in South Africa have access to piped water. In KwaZulu-Natal there is a slight improvement in water supply because in 1996 about 5.1% households did not have access to clean drinkable water and in 2011, only about 3.8% still do not have access to water. In comparison with other provinces KwaZulu-Natal in doing much better in comparison with North West 80.2%, Mpumalanga 77.3%, Limpopo 75.7% and Eastern Cape 72.7% but doing worse than Northern Cape at 88.5%, Gauteng 92.9% and Western Cape 93.2% (StatsSA, 2016).

Water has always played a critical role in sustainable economic growth and development. Globally countries have cushioned their economies from weather shocks (droughts and floods) by investing in hydrological infrastructure and in human capital to manage these investments to have more stable economies. Water plays a critical role in South Africa's economy particularly in agriculture, mining and manufacturing. The role of agriculture in a country's economy and related effects of weather shocks (droughts and floods) depend on the complexity of the economy. South Africa has a fairly complex economy with well-developed inter-sectoral and intra-sectoral linkages as well as international linkages through trade (Manase, 2009).

Water is a human right, thus the South African government introduced a number of measures to ensure that everyone has access to at least the basic level of services. As a water scarce country, the country has made concerted efforts to manage water and sanitation more effectively. The Bill of Rights, within the Constitution of the Republic of South Africa No 108 of 1996, emphasises the right of all South African citizens to water and sanitation. The Reconstruction and Development Programme (RDP, 1994) also talked about access to water and sanitation as one of its pillars. The lack of basic services, such as water supply and sanitation, are the key symptoms of poverty and underdevelopment. The provision of such services was regarded as central to the RDP. The need for running water is specific to women as it relates to their reproductive responsibilities. It is also women who are responsible for the collection of water. That is why the then Department of Water and Sanitation (DWS) implemented the RDP to specifically address water supply and sanitation in rural areas amongst other considerations (Hlophe, 2004). It was also in 1994 that DWS reported that only about 14 million of the population in the country had access to water, and about half of the population did not have access to sanitation. With the realisation of the backlogs in water and sanitation services, South Africa developed the White Paper on Water Supply and Sanitation in 1994 to focus on speedy delivery of water and sanitation services (DWS, 2008).

Several initiatives and a few years later, the Water Services Act No 108 of 1997 was promulgated with the main aim of making local government take responsibility for water management and delivery. Localisation of service delivery was envisaged to

be one of the routes that could expedite service delivery. In 2000, municipalities were mandated to facilitate process of water delivery, starting with providing 6 000 litres of water to each household for free. However, there are challenges that hinder the process of delivering services to communities and thus needs to properly address in plans.

In South Africa the National Government is responsible for and has authority over the country's water resources but Local Governments or Municipalities which act as Water Services Authorities (WSAs) are responsible for water and sanitation service provision. DWS subsequently began to help in building capacity within municipalities in terms of resources, energies and skills to promote effective delivery of water and sanitation services. The financial resources included allocation of Municipal Infrastructure Grants. The Strategic Framework for Water Services, which was first adopted in 2003, was outlined to provide guidelines on approaches to follow in terms of planning and implementing water and sanitation services, as well as financing approaches. In April 2007, South Africa launched the theme of Water for Growth and Development as a driving paradigm for the water sector. This together with the launch of the Accelerated and Shared Growth Initiative of South Africa (ASGISA, 2005), shifted focus of the water sector beyond the provision of basic water and sanitation services, it called for a comprehensive national plan that addresses the dynamics of water, growth, poverty and development.

DWS (2008) reported that close to six (6) million South Africans do not have access to any reliable source of safe drinking water while thirteen million do not have access to adequate sanitation, which is seen as a possible major restricting factor for economic growth. Water problems impact negatively on the local people's health and wellbeing since communities are exposed to disease outbreaks from consuming untreated water (Mothetha, Nkuna & Mema, 2015). According to Manase (2009), at the 4th World Water Forum held in Mexico in 2006, the global community emphasised the need to manage and develop water resources in a way that promote growth and alleviate poverty in a responsible and equitable manner. Unfortunately, water and sanitation related diseases still have considerable public health significance in South Africa and in other developing countries. For example, diarrhoea is among the top ten causes of death

in South Africa claiming 13 600 lives annually. The explicit and implicit costs of poor water supply and sanitation to society in terms of medical costs, low productivity due to ill health, cholera outbreaks are substantial. In an environment where a number of priorities dominate the national development agenda there is a need to quantify the economic benefits of improved water supply and sanitation (Mothetha, Nkuna & Mema, 2015). The second draft of the National Water Resources Strategy (NWRS2, 2013) has identified the implementation of water use efficiency, conservation and water demand management as a core strategy to ensure sufficient water to meet South Africa's needs into the future. The strategy talks about "sustainable, equitable and secure water for a better life and environment for all". Many municipalities have realised the value of understanding a proper and reliable water balance. The issue of non-revenue water is ignored by many municipalities. Non-revenue water refers to all the water that is lost through physical leakage or commercial losses (billing errors, theft, and meter under-registration) as well as unbilled authorised consumption (fire-fighting, mains flushing etc.). The large metros like eThekweni Municipality are now monitoring their water use and trying to establish a proper and reliable water balance in line with international recommendations. The Department of Water and Sanitation (DWS) and the Water Research Commission (WRC) are creating awareness and encouraging proper water auditing at the municipal level (Van Vuuren, 2009; Mckenzie *et al.*, 2013).

More recent studies observed that substantial progress has been made in supplying clean water in South Africa, especially in urban areas. All the initiatives and strategies the country embarked on seem to have made a positive impact as South Africa reports that overall 89.4% of the country's people have access to water (StatsSA, 2015). However, rural areas still lag behind their urban counterparts. This gap has to be closed to avoid inequality between the rural poor and those in the urban areas (Hemson & O'Donovan, 2006). Access to safe drinking water continues to be one of the most complex challenges facing rural communities. The rural areas particularly those under traditional authorities live in abject poverty arising from a high rate of unemployment, functional illiteracy, service backlog and poor access to public facilities (Gumbi & Rangongo, 2015). Furthermore, South Africa is a water scarce country, with several challenges that keep depleting water resources. The challenges are natural like drought

and/or floods or man-made due to for instance, agriculture, deforestation and industrialisation. It was also estimated that the water supply in the country would decrease by about 1.7% by 2025 (Von Bormann & Gulati, 2014). Thus, it is imperative that diligent and rigorous strategies be put into place to increase and maintain adequate water supply to the communities.

2.4 Goals to Effective Water Supply Management in eThekweni Municipality

eThekweni Municipality in KwaZulu-Natal is divided into one metropolitan municipality, viz. the eThekweni Metropolitan Municipality and ten (10) district municipalities, which are further subdivided into forty-three (43) local municipalities. eThekweni Municipality is located on the east coast of South Africa in the province of KwaZulu-Natal and spans an area of approximately 2297 square kilometres. It is home to 3 442 361 million people of different ethnic and cultural backgrounds. The population consists of 73.3% Africans; 16.7% Indians; 6.6% Whites; 2.5% Coloureds and 0.4% other. The majority of the population age ranges between 15-34 years. In terms of gender the municipal population has 1 679 040 males and 1 763 321 females (StatsSA, 2016). In 2008, a Water Reconciliation Strategy Study for KwaZulu Natal Coastal Metropolitan Areas was done where partnerships were formed with key stakeholders representing all three spheres of government; parastatals; non-governmental organisations (NGOs); community based organisations (CBOs); research institutions; universities; organised business and industry; organised agriculture; organised commercial forestry and conservancy. The aim of the reconciliation strategy was to identify, evaluate and prioritise interventions to reconcile the water requirements with the available water resources involving the different key stakeholders and developing a reconciliation strategy with collective endorsement. The findings indicated that urgent interventions are required to prevent a shortfall in water supply over the short term. Interventions in dealing with both water resource developments and demand side management had to be balanced (DWS, 2008).

Most rural areas use ground water supply. However, use of ground water is not appropriate in KwaZulu-Natal because of its hilly landscape. It is difficult to dig for ground water because the area is mountainous. According to the study done by uMgeni

Water (2008) as the main water supplier in KwaZulu-Natal, the findings indicated that water shortages will become more prevalent if proper attention is not given to providing more water and managing water demand by 2025. South Africa is more likely to experience water shortages than water surpluses. The major metropolitan areas of South Africa are hubs of economic growth and economic development which leads to increased water use. However, these areas, eThekweni included, are experiencing high population growth rates due to rapid urbanisation which in turn increases the stress on water infrastructure. The availability of water quantity is closely linked to water quality. Water supply should be sustainable, viable and equitable.

Umgeni Water in its role as the regional Water Service Provider implemented the South Coast Augmentation Pipeline (SCA) to augment the water supply of the South Coast System from the water resources of the uMgeni River System. This pipeline is currently under construction and will transfer purified water to the South Coast area which will also cover the rural areas. This will address the imbalance between the rural and urban water management supply. A Strategy Steering Committee is overlooking this whole procedure (Sutherland, Hordijk, Lewis, Meyer & Buthelezi, 2014). eThekweni Metropolitan Municipality has already successfully implemented water reuse for industrial purposes. This can be done by applying additional nutrient removal treatment processes in addition to current wastewater treatment plants. Besides progress that has been made since 1994, there are still challenges that are lying ahead. The quality and availability of the water are of extreme importance for the quality of human life and living standards (StatsSA, 2016). Water and sanitation in the eThekweni Municipality is managed by the eThekweni Water and Sanitation Services (EWS), which is located within Engineering Services. EWS is globally commended for its technical capacity and innovative approach to water and sanitation provision in a fast growing developing world city (Sutherland, Robbins, Scott and Sim, 2013).

According to Roberts & O'Donoghue (2013) the water supply systems in eThekweni are under considerable stress as a result of periods of droughts, more intense rainfall events due to climate change, deterioration of water quality and catchments, lack of adequate bulk infrastructure and rapid urban growth. eThekweni Municipality is a water scarce

Municipality, the city experiences periods of higher rainfall that creates the public perception that water supply is not a major issue in the city. Climate change predictions suggest that the Municipality will experience wetter summers and winters, with a higher frequency of storm events.

These high rates of rainfall do not translate into a stable supply of water for the city due to the increasing demand for water and the lack of bulk infrastructure to manage and distribute water. Poor long term infrastructure planning over the past twenty years has impacted on the future supply of water in the Municipality. The steep topography of the Municipality, particularly in the rural periphery, also poses significant challenges for water supply. The Umgeni Water system can only provide a level of assurance of water supply at 95% which has dropped from 99%, which will lead to water restrictions once rainfall returns to normal from the wet cycle the city has currently been experiencing (eThekweni Municipality, 2012). The EWS had adopted a pro-active and socially responsive position in terms of the provision of free basic water. The Municipality was the first to provide free basic water in South Africa and the lessons learnt in the city led to the development of the free basic water policy at National level. Initially the poor were provided with 6 000 litres of free basic water per household per month. EWS had hoped that by providing an additional amount of free basic water household would be more willing to participate in the formal administrative system of water provision, rather than obtaining it from illegal connections. The increase of free basic water was also cost effective for the municipality as the costs associated with providing additional water were balanced by the costs of billing people once they had used 6 000 litres per month. Initially this was provided universally across the city, but in June 2012 the policy shifted whereby only those living in households valued at below R250 000 per month had access to free basic water (Galvin, 2013).

Unfortunately, the status of water supply and management is not the same for both the rural and urban areas of the municipality. During the apartheid era, the homeland of KwaZulu was located adjacent to the boundary of the city of Durban, resulting in a dense under-developed zone of rural and peri-urban households on the edge of the city. In 2002 under the national municipal demarcation process, which focused on the redistribution of

urban resources to rural hinterlands, 75 000 rural households were added to the city. The boundaries of the Durban Metropolitan Area were extended by a land area of 67% to incorporate the rural periphery, forming the eThekweni Municipality. At that time, due to the underdevelopment of the previous homeland areas, 60 000 of households in the eThekweni municipality did not have access to basic sanitation. The rural areas of the city to the north-west and south-west of the municipality were the ones more affected by lack of safe clean water. These areas contain dispersed settlement patterns of traditional homes and are extremely poor with many people relying on social grants (eThekweni Municipality, 2012). The Municipality has to generate revenue to support sustainable water and sanitation services and that by attaching an economic value to water, the social value of water and its value as a limited resource, is raised within communities (Sutherland, Robbins, Scott & Sim, 2013). The municipality also needs to maintain its existing network of water and sanitation services and hence cannot focus all its technical capacity and resources in to expanding new networks out to the periphery. This creates a tension between the technical staff officials of the municipality and the politicians, whose main interest is to extend and expand the service networks. If the municipality does not maintain its existing network it will not be able to service the newly expanded networks to the periphery (Sutherland, Robbins, Scott & Sim, 2013).

2.5 Water Awareness Campaigns

eThekweni Water Services is committed to enhancing school children's knowledge about water and sanitation through a structured and sustainable education programme. Besides visibility in national conservation efforts such as National Water Conservation Program and National Water Week, eThekweni Water Services (EWS) is also deeply involved in a wide range of educational programmes which focus on promoting water conservation, water demand management, sanitation, health and hygiene awareness among learners and adult members of the community. These programmes take the form of organised site visits, water testing, visits to schools, hands on workshops, a mobile education unit, community theatre and tours of the water/wastewater treatment works (eThekweni Municipality, 2004). According to the eThekweni Municipality Final 2017/2018 IDP

Report, after several water projects were implemented, there has been remarkable improvement in the supply of water. However, challenges still remain, especially in the rural areas.

3. Research Methods

Document analysis was conducted on the existing research documents, the Integrated Development Plans and StatsSA exploring the challenges that eThekweni Municipality faces in an attempt to provide water for their community.

4. Results

The study identified challenges that hinder effective water management. They are hereby presented as follows:

4.1 Poor Maintenance of Infrastructure

Most infrastructure is poorly maintained and are aged and defective. Defective infrastructure includes pipes that are leaking, thereby resulting in water leakage and loss as water is transported from the water sources to the end-users. In addition, aged infrastructure is vulnerable to issues like constant pipe bursts that lead to further loss of water. In cases of sanitation, a burst pipe can imply health hazards in the affected area(s). Unfortunately, municipalities lose about 35% of water through damaged pipes and subsequent leakage of water (National Water and Sanitation Master Plan, 2018). The challenge is also that aged and problematic infrastructure implies that money and other resources are often used in repairing damages rather than building/constructing newer infrastructure.

4.2 Lack of Skills

Analysis shows that in some instances the municipality officials/employees who are charged with rendering services do not have adequate skills, especially in financial management and technical skills to construct and maintain infrastructure. Financial services are important for revenue collection and record keeping. According to the National Water and Sanitation Master Plan, (2018) municipalities lose about 1660 million m³ per year through not collecting revenue for water supply and "this amounts to R9.9 billion each year". The problem with lack of technical skills is the constant outsourcing of services that are first difficult to monitor and

secondly are costly to the already financially struggling municipalities. A report by Aoyi, Onyango, Majosi, Seid, Leswif, Rwanga and Kesis (2015) suggested that for effective management and supply of safe drinking water municipalities require personnel with strategic, financial and developmental skills. The employees need to have skills that they can utilise to plan well and execute their plans while they use the allocated budgets properly for developmental purposes.

4.3 Illegal Connections

Illegal connections exacerbate the problem of leaking pipes and connections. Illegal connections also result in unauthorised consumption of water (United Nations Human Settlement Programme, 2012). These illegal connections also make it difficult for the municipality to know who to collect revenue from.

4.4 Political Interference

The interference by politicians' impact on prioritisation of services as outlined in the IDP. Political interference also has an effect on how funds allocated to water supply are utilised for other projects. This reallocation due to political interference affects supply of quality water to local communities.

4.5 Drought and Floods

Both drought and flood have effect on water management. Drought inevitably results in lower levels of water from sources that supply water to the municipality and its communities. Floods on other hand can cause damage to the already ailing infrastructure on the one hand, or contaminate the rivers, dams and other sources of water on the other hand.

4.6 Vandalism of Infrastructure

This emanates from the deliberate destruction of municipal water infrastructure or theft of water pipes and other infrastructure. This destruction places a heavy burden on the already affected, aged infrastructure. The financial liability is immense as a result.

The eThekweni Municipality has been the first in the country to build a large-scale sea water desalination plan as an option to their water supply strategy.

This was after a feasible study was done by Umgeni Water. It was believed that the large scale desalination will supplement its water supply. However, desalination proved to be a very expensive option because it consumes a lot of energy and as a region and a country there is already load shedding due to not having enough energy. The Department of Water Affairs and Forestry has not ruled out desalination and research is currently being done to try and bring down the cost of desalination (Balzer, 2013).

5. Conclusion and Recommendations

Blaming apartheid will not resolve the challenges that are currently faced by communities due to the lack of efficient water supply. It is up to individuals to make sure that they take an initiative to improve the current water situation, to address the inequalities of the past for the rural poor who have not had the privileges to access clean drinking water. Vandalism of infrastructure stands out to be a major concern in rural areas. Therefore, the Water Service Authorities (WSA) should involve the local communities in projects that will ensure a sense of ownership of the infrastructure within their communities and therefore reduce the level of vandalism. The impact of poorly managed wastewater treatment works is the inability to sustain safe drinking water. Integrated planning between the Water Conservation (WC); Water Demand Management (WDM) and Water Services Development Plan (WSDP) will ensure that all spheres of government provide efficient, equitable and sustainable water supply services. Government policies state that everyone has the right to basic sanitation which is affordable, appropriate, effective, socially acceptable and sustainable, as well as free basic water for all.

According to the Strategic Framework for Water Services, Water Service Authorities (WSAs) should not only provide the water services necessary for basic health and hygiene, they are also required to provide services that support sustainable livelihoods and economic development. Provision of these services should be in line with the Millennium Development Goals for water supply and sanitation. There is an urgent need for sustainable service delivery in this country (Gounden, Pfaff, Macleod & Buckley, 2006). The average per capita water consumption in South Africa is higher than in most other countries. In order for South Africa to have

a successful water story, it is important that there should be behavioural changes in water consumption. A change in attitude is required to achieve the emerging global notion of stewardship, which is based on a philosophy of sustainable custodianship rather than on consumption. South Africans currently use 27% more municipal water than would be expected given the size of the urban population. The Draft Second National Water Resources Strategy (NWRS2) sets the goal of reducing water demand in urban areas to 15% by 2030. In order to achieve this, the strategy proposes water-conservation and water demand management programmes (Mckenzie *et al.*, 2013).

Water re-use if economically comparable to other alternatives and further research can be done by eThekweni Municipality with the assistance of the Department of Water and Sanitation (DWS) where possible to check and see if it will not be feasible for KwaZulu-Natal, especially the areas where there are water shortages. eThekweni Metropolitan Municipality's goal should be to find the global path in which the world promotes sustainable economic development; combining economic, social and environmental objectives; where good governance of both the government and business is also achieved. Good governance means both government (public) and business (private) operate according to the rule of law; with accountability; transparency; responsiveness to needs of stakeholders; land use; pollution; fairness and honesty of political as well as business practices. When we reach a balance between water demand and water supply then we can say South Africa has a successful water supply management story for its citizens. The study recommends the following:

- There should be a strategy in place to deal with water demand management. This strategic planning should involve scanning the environment for trends in population movement to forecast future water demand. The constant increase in the number of people in the Durban Metropolitan area, due to emigration of people from rural areas to urban areas in the search for jobs and better living, makes it very important for the water services to ensure that there is enough water for all in the area. This challenge of changing demographics in the area also calls for collaboration between several government departments for more effective service delivery.

- Reducing the volume of non-revenue water will reduce the rise in municipal water demand. Improved monitoring of municipal and industrial water supply might also help reduce lost water. New technology, such as advanced metering infrastructure, could also help to reduce these losses. Ageing water and wastewater infrastructure also needs to be well maintained to avoid excessive water losses (Hedden & Cilliers, 2014).
- Craft and implement a communication strategy that will enable the municipality to have better links with the surrounding community. Better communication will help the community to own the problem of water scarcity, as well as the proposed solutions thereby helping in several issues that include theft and vandalism of the infrastructure.
- In terms of theft and vandalism of infrastructure as well as illegal connections, and thus illegal access to water, the municipality should find a mechanism of promoting community reporting of such acts. Rewards can be offered to people who report wrongdoers. This implies that there has to be a budget allocated for such contingencies. In addition, heavy fines should be imposed on people who are found guilty of those acts. Another mechanism of curbing illegal access to water can be through regular follow-ups of people who live within illegal settlements, who applied for water and never came back to follow-up.
- Different sectors need to be involved in making a combined, concerted effort in promoting environmental awareness, as well as mechanisms of saving water. These can include schools and religious forums that have children gathering so that water awareness education can start early in life
- The municipality should consider adopting innovative and sustainable technologies and services in upgrading poor areas if their infrastructure is to be sustainable into the future.

In short, this paper recommends that water must be placed at the heart of all development planning decisions. Service backlogs for universal access to water should be addressed. There should be proper planning and implementation of water supply management plans. In addition, it is recommended

that development plans such as the Integrated Development Plans (IDPs) should be developed through a participatory process that includes multi stakeholder consultations including the water sector and the surrounding communities. The study also recommends capacitation of both the municipal officials/employees as well as the local community to come up with innovative ways of saving water that is available and supplying clean water to all.

References

- Accelerated and Shared Growth Initiative – *South Africa* (ASGISA). 2005. Available at: <http://www.daff.gov.za/docs/GenPub/asgisa.pdf>. Accessed 31 March 2018.
- Amis, M. & Nel, D. 2011. *Managing water risk: business response to the risk of climate change in South Africa – a synthesis*. WWF-SA Report. Together investing in the future of South Africa's Marine and Freshwater Ecosystems.
- Aoyi, O., Onyango, M., Majozi, T., Seid, E., Leswif, T., Rwanga, S. & Kesis, J. 2015. *Water and wastewater management in Local Government: Skills needs and development*. A report for the Local Government Sector Education and Training (LGSETA). Available at: cdn.lgseta.co.za/resources/.../Water%20%20Wastewater%20Management%20Research. Accessed 16 June 2018.
- Balzer, T. 2013. *Government moots desalination plant for Durban*. Available at: <http://www.engineeringnews.co.za/article/govt-moots-desalination-plant-for-durban-2-13-07-03/>. Accessed 13 September 2017.
- Cooper, K. 2012. *Water Conservation Tips for the Home*. Iowa State University Extension and Outreach Program. Available at: <http://www.extension.iastate.edu/Documents/Drought/WaterConversationTips.pdf>. Accessed 16 October 2017.
- Department of Cooperative Governance and the Department of Traditional Affairs, 2014. *Cooperative Governance Traditional Affairs Annual Report*. Available at: <http://www.cogta.gov.za/cgta2016/wp-content/uploads/2016/06/COGTA-Annual-Report-2014-2015.pdf>. Accessed 28 December 2017.
- Department of Water Affairs and Forestry, DWAf, 2008. *Water Reconciliation Strategy Study for the KwaZulu-Natal Coastal Metropolitan Areas*. Available at: <http://www.dwa.gov.za/Projects/KZN%20Recon/documents.aspx>
- Duncker, L. 1998. *Report on the development of strategies for empowerment of women in water supply and sanitation*. Pretoria: Centre for Scientific Industrial Research.
- eThekweni Municipality. 2004. *eThekweni Water and Sanitation Unit Draft. Water Services Development Plan Volume 2*. Durban: eThekweni Municipality.
- eThekweni Municipality. 2012. *Spatial Development Framework SDF Report 2012/2013*. Durban. Durban: eThekweni Municipality.
- Galvin, M. 2013. Interview. Chance2Sustain.

- Gounden, T., Pfaff, B., Macleod, N. & Buckley, C. 2006. *Provision of Free Sustainable Basic Sanitation: The Durban Experience*. A paper presented at the 32nd WEDC International Conference on Sustainable Development of Water Resource, Water Supply and Environmental Sanitation, Colombo, Sri Lanka.
- Grey, D. & Sadoff, C.W. 2006. *Water for Growth and Development*. A Thematic Documents of the IV World Water Forum. Comision Nacional del Agua: Mexico City.
- Gumbi, N & Rangongo, M.F. 2015. *Challenges of Water Supply Management: A case of Umdoni Local Municipality, KwaZulu-Natal Province –South Africa*. Conference paper presented at the 4th SAAPAM Limpopo Chapter Annual Conference on African Governance: Society, Human Migration, State, Xenophobia and Business Contestations. Polokwane: SAAPAM Limpopo Chapter.
- Heppen, S. & Cilliers, J. 2014. *Parched prospects. The emerging water crisis in South Africa*. Frederick S. Pardee Center for International Futures. Explore Understand Shape. Institute for Security Studies. African Futures Paper 11.
- Hemson, D. & O'Donovan, M. 2006. *Putting the numbers to the scorecard: presidential targets and the state of delivery*. In: Buhlungu, S., Daniel, J., Southall, R. and Lutchman, J. (eds) *State of the Nation: South Africa, 2005-2006*. Pretoria: Human Sciences Research Council
- Hlophe, T.V. 2004. *An evaluation of the success of the Vulindlela Water Supply Scheme*. Unpublished Masters Thesis. Durban: University of KwaZulu-Natal.
- Hutton, G. & Haller, L. 2004. *Evaluation of the Costs and Benefits of Water and Sanitation Improvements at the Global Level*. World Health Organisation, Geneva.
- KwaZulu-Natal Municipalities. Available at: <http://www.localgovernment.co.za/provinces/view/4/kwazulu-natal>. Accessed 21 September 2017.
- Lewis, B., Sutherland, C., Scott, C. & Hordijk, M. 2013. *Private and public spheres of citizenship: A justice perspective of water governance in eThekweni Municipality, South Africa*, unpublished paper, Chance2Sustain.
- Manase, G. 2009. *The strategic role of water in sustainable economic growth and development: The case of South Africa*. Water, Sanitation and Hygiene: Sustainable Development and Multisectoral Approaches. 34th WEDC International Conference. Addis Ababa, Ethiopia.
- Mckenzie, R., Sigalaba, Z.N. & Wegelin, W.A. 2013. *The State of Non-Revenue Water in South Africa*. Water Research Commission. TT522/12, 15-18.
- Molobela, I.P. & Sinha, P. 2011. Management of water resources in South Africa: A review. *African Journal of Environmental Science and Technology*, 5(12):993-1002.
- Momba, M.N.B., Obi, C.L. & Thompson, P. 2009. *Survey of disinfection efficiency of small drinking water treatment plants: challenges facing small water treatment plants in South Africa*. *Water SA*, 35(4):475-493.
- Mosdell, T. & Leatt, A. 2005. *On tap: A review of the free basic water policy in Leatt*. A. and Rosa, S. (editors), *Towards a means to live: targeting poverty alleviation to make children's rights real*. University of Cape Town: Children's Institute.
- Mothetha, M., Nkuna, Z. & Mema, V. 2015. *The challenges of rural water supply: a case study of rural areas in Limpopo Province*. Pretoria: Council for Scientific and Industrial Research.
- Republic of South Africa 1996. *The Constitution of the Republic of South Africa of 1996*. Pretoria: Government Printers
- Republic of South Africa. 2018. *National Water and Sanitation Master Plan*. Department of Water and Sanitation. Pretoria.
- Roberts, D. & O'Donoghue, S. 2013. Urban environmental challenges and climate change action in Durban, South Africa. *Environment & Urbanization*, 25(2):299-319.
- SIDA Brief 2015. Women, water, sanitation and hygiene. A Gender Toolbox Brief. Available at: <https://www.sida.se/contentassets/sets/.../women-water-sanitation-and-hygiene.pdf>. Accessed 16 June 2018.
- Statistics SA. 2016. Statistical Release P0301. Community Survey. Available at: http://cs2016.statssa.gov.za/wp-content/uploads/2016/07/NT-30-06-2016-RELEASE-for-CS-2016-Statistical-releas_1-July-2016.pdf. Accessed 31 March 2018.
- Sutherland, C., Hordijk, M., Lewis, C., Meyer, C. & Buthelezi, S. 2014. Water and sanitation provision in eThekweni Municipality: a spatially differentiated approach. *Environment and Urbanization*. 26(2):469-488.
- Sutherland, C., Robbins, G., Scott, D. & Sim, V. 2013. Durban City Report. Chance2Sustain.
- The Water Wheel. ISSN 0258-2244. January/February 2013, 12:(1). *Water loss –SA needs to do more*. Water Research Commission.
- United Nations Development Programme (UNDP). 2016. *Sustainable Development Goals*. Available at: http://www.undp.org/content/dam/undp/library/corporate/.../SDGs_Booklet_Web_En.pdf Accessed 21 September 2017.
- Van Vuuren, L. 2009. *Counting the lost drops – Study into non-revenue water shows we can do more*. Pretoria: Water Research Commission.
- Von Bormann, T. & Gulati, M. 2014. Von Bormann, T. and Gulati, M. 2014. *The Food Energy Water Nexus: Understanding South Africa's most urgent sustainability challenge*. WWF-SA, South Africa.
- Water and Sanitation Program. 2007. *Economic Impacts of Sanitation in Southeast Asia: Summary*: Water and Sanitation Program-east Asia (WSP-EAP). Washington DC: The World Bank.
- Water Resource Institute. 2008. Increasing water scarcity. Increase Business Vulnerability.
- Wegelin, W.A. & Jacobs, H.E. 2013. *The development of a municipal water conservation and demand management strategy and business plan as required by the Water Services Act, South Africa*. Available from: <http://www.wrc.org.za/>. Accessed 22 September 2017.

Community Development Projects and Sustainable Livelihoods: Evidence from Selected Projects in Lepelle-Nkumpi Municipality in Limpopo Province

PK Letsoalo*

Lepelle-Nkumpi Municipality, South Africa

T Moyo

University of Limpopo, South Africa

Abstract: Development projects have been widely implemented in South Africa and the rest of the world in order to promote social and economic development. In South Africa, such projects date back to the pre-1994 era and have also been the hallmark of national development in the era of democracy. The paradox though has been the not-so apparent link between such projects and development. For the purpose of this paper the projects of interest, are in LED context. While many projects generate some incomes for beneficiaries, however, when they are assessed within the broader context of the meaning of development, it is not so clear if in fact, they have achieved such impact. In its efforts to reduce poverty and unemployment and also to grow the local economy, Lepelle-Nkumpi Municipality has implemented many community development projects. While the Municipality has used its Integrated Development Plans (IDPs) to support such projects, the impact on the livelihoods of beneficiaries does not appear to be as pronounced as expected. The aim of the study was therefore to assess more systematically and in greater depth, the impact of these projects in sustaining livelihoods. The study was based on a qualitative research design where a small sample of nine beneficiaries from three different types of projects (crop farming, chicken farming and tourism) and two municipal officials or other stakeholders were interviewed. Interviews were used to collect primary data from the respondents and secondary data was collected from sources such as IDP reports, journals and articles. The Sustainable Livelihoods Framework was adopted as the theoretical lens for the analysis of selected projects.

Keywords: Capability, Development, Livelihoods, Projects, Sustainability

1. Introduction

Globally, community development projects have become a popular tool to support the social and economic development of communities (Gilbert & Schipper, 2009:21). During the first development decades of the 1950s and 1960s, community development (CD) was actively promoted throughout the developing world as part of the state building process and as a means of raising standards of living by governments. The United Nations, through its affiliated institutions and as part of independence and decolonization movements in Africa (Briggs & Mueller, 1997:23), also embarked on development-oriented projects. Governments and Non-Governmental Organisations (NGOs) also mobilized people in the local communities in order to establish community development projects in every local community. The motivation was that community members would be encouraged to

create their own jobs for their own empowerment. This would be achieved through improving their livelihoods and capabilities by generating incomes, skills development, assets ownership, and efforts to save and invest into business (Ferdoushi, Chamhuri & Nor Aini Hj, 2011:811). Development projects have been widely implemented in South Africa and the rest of the world in order to promote social and economic development. In South Africa, such projects date back to the pre-1994 era and have also been the hallmark of national development in the era of democracy. Since attaining democracy, the government has developed policies and strategies to advance community development. These include Reconstruction of Development Programmes, White Paper of 1998, and Local Economic Development Programmes (LED) (IDP, 2016/2017:09). Community development is integrated in the Constitution of the Republic of South Africa under provisions on developmental local governance (Constitution of the

* The Author is a Masters student at the Turfloop Graduate School of Leadership

Republic of South Africa, Chapter 108 of 1996:152-153) and mandated local government to assume a development role. Through the instrument of the Integrated Development Plan (IDP), local government, in consultation with communities, identifies their development priorities and is expected to allocate resources and support implementation thereof (IDP 2016/2017:12).

Local government is one of the spheres of government nearest to local communities is well placed to identify, drive and implement programmes aimed at addressing growth and development challenges facing South Africa. Increasingly, municipalities have assumed an important role in ensuring that substantive and beneficial development takes place within their jurisdictions (Pieterse, 2000:37). One of the challenges facing the municipality is the alleviation of poverty and the creation of job opportunities in rural areas (IDP, 2016/2017:10). In the wake of the United Nations Agenda 2030, the international community, including South Africa, has committed to the Sustainable Development Goals (SDGs) whose central goal is to ensure that development is both inclusive and sustainable. This agenda is also relevant in the context of community development projects because sustainability implies that they must be designed and implemented in a manner that creates or generates sustainable livelihoods. In response to the many development challenges facing the Lepelle-Nkumpi municipality, a number of community development projects have been initiated such as; crop farming, poultry, tourism, livestock projects and etc. Some of these projects are successful and some are collapsing, municipal IDP indicates that livestock projects are more successful than others. However, it is not clear what impact these projects have made on the livelihoods of beneficiaries and whether they are sustainable or not. The main aim of this paper is to investigate the impact of community development projects in sustaining the livelihoods of project beneficiaries in Lepelle-Nkumpi Local Municipality. The study was guided by the following key research objectives: (i) To examine the design and implementation of past and current community development projects, (ii) To assess the impact of these projects on the livelihoods of community members and (iii) To suggest strategies that can be implemented in order to address any issues that might emerge from the study. The interview guide was guided by the following key research questions were: (i) What projects have been implemented in Lepelle-Nkumpi

municipality, (ii) How have they been implemented, and (iii) What impact have they had on sustainable livelihoods of beneficiaries and their dependents?

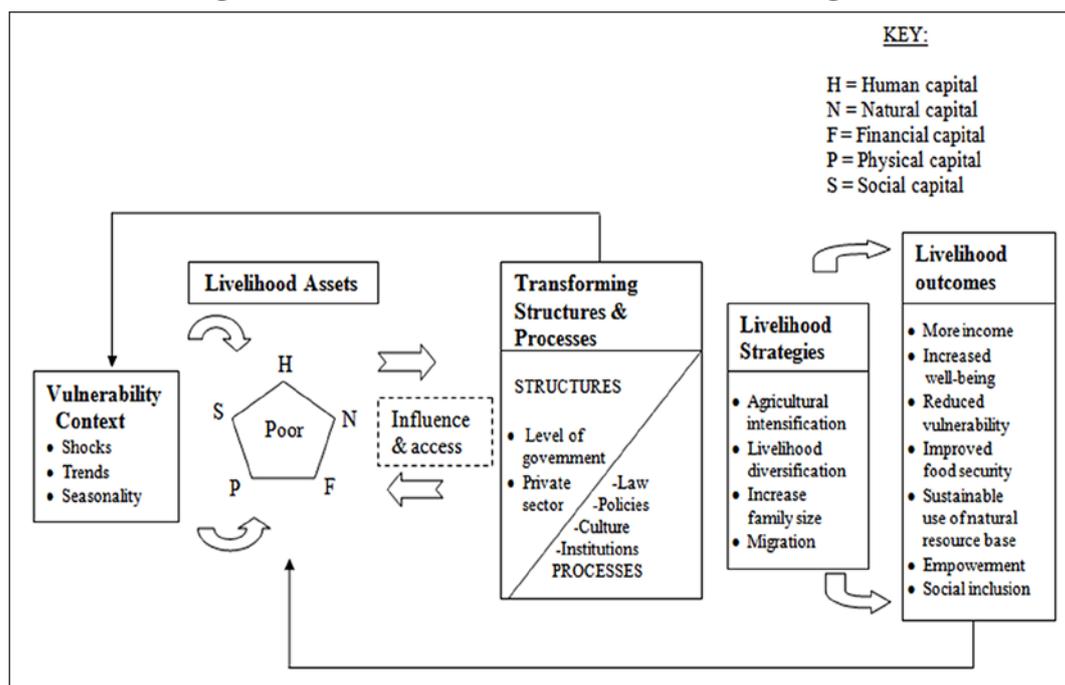
2. Literature Review

2.1 Community Projects as a Tool for Local Development

In the last two decades' community development projects have been a popular tool aimed at reducing poverty in the rural settings of South Africa. Many such initiatives are implemented, based on the common understanding that community-based development helps poor rural communities in their striving towards integration in the national economy. The emphasis on community development in South Africa emanates from the Reconstruction and Development Program (RDP) (South Africa 1994: paragraph 1.3.3) which is conceptualised to bring about social development by means of a people-driven process. The processes involve that communities must take responsibility for their own development, and as a result, they have to be empowered to do so (Tondaro & Smith, 2006:76). The government, Non-governmental organisations (NGOs) and development practitioners within the country are increasingly focusing their attention on strategies which build upon local knowledge, skills and resources (Binns & Nel, 2002:28). NGOs are voluntary institutions that play a significant role in community development and poverty alleviation. International and local NGOs provide services by raising funds, engaging in different relief and development activities, whilst a number of them carry out advocacy programs within the society. Evidence shows that some of the government strategies to fight unemployment and poverty are called RDP and Local Economic Development (LED) this is done through funding and supporting of community projects within the municipalities. Many municipalities are unclear about the meaning of LED and how to implement it (Nel, 2001: 3).

The issue of non-clarification of roles among national government, provinces, municipalities, civil society and the private sector; result in different players having different understandings and interpretations of the LED policy (IDP, 2017:59). Ineffective policy implementation to some extent contributes to additional constraints facing the achievement of growth and development objectives. International experience has demonstrated that district and local municipalities can play a pivotal role in LED initiatives

Figure 1: Sustainable Livelihood Framework Diagram



Source: Ferdoushi *et al.* (2011)

for poverty alleviation. Municipalities are strategically placed to undertake long-term planning in the arena of poverty alleviation, particularly as it relates to relationships with non-governmental organisations (NGOs), community-based organisations (CBOs) and the private sector (Pieterse, 2000:66).

2.2 Theoretical Relationship Between Community Development Projects and Sustainable Livelihoods

Thomas (2004:1) argues that development is 'contested, complex and ambiguous'. For Sen (1999:40), in his work "Development as a freedom", ushers in human rights into the development discourse. He argues that development is not simply about material change but has to encompass change which brings about freedom to human beings. These freedoms encompass five different types of freedom: 'political freedom, economic facilities, social opportunities, transparency guarantees and protective security'. Development is a multi-dimensional and complex process of change which must meet both material (for example, basic needs) as well as the non-material dimensions of the life of people (the different freedoms in Sen's conceptualisation). Development theories inform the community development (CD) practice. The researchers have adopted sustainable livelihoods as a framework which guided them through this paper.

2.2.1 Sustainable Livelihoods (SLA) Approach

According to Tufinio & Mooi & Ravestijn & Bakker & Boorsma (2013:584) sustainability in the projects is defined by four aspects: making process as efficient as possible, looking into the materials to be more sustainable, considering the longer-term and integrating the community in terms of project, sustainability is making sure that the project you are executing contributes to your business now and in the future. Ellis (2000:179) emphasised that 'sustainability' means the ability for humans to recover from shocks and stress. Ellis's definition was adopted by the researchers as it guided them in their discussions and analyzing of data collected. This approach takes into account the livelihood assets of people (human, natural, economic or financial, social and physical capital). The livelihoods of the people are influenced by the context (shocks, trends and seasonality) and by policies, institutions and processes. If policies, institutions and processes assist people to survive and prosper in the vulnerability context (of shocks, trends and seasonality) and improve livelihood outcomes without negatively affecting the environment, sustainable livelihoods are enhanced (Ferdoushi *et al.*, 2011:811). See Figure 1.

In the context of this study, the SLF mentioned above is useful to determine community resilience in a holistic way. The external environment can have detrimental effects on vulnerable communities if they are not sufficiently proposed by various groups of

livelihood assets. External shocks, seasonality and other external trends for example: an economic downturn or an environmental event such as drought can create sudden changes to the livelihoods of communities. The five types of capital described under livelihood assets are necessary in creating safety nets that can assist to ride out sudden changes caused by external changes or events. Institutions, policies and government support can assist in preserving these various forms of livelihood capital. The framework helped the researchers to be able to assess the impact in terms of project beneficiaries being able to afford a better living standard for example, being able to save, invest, buy materialist, asset accumulation and sending their children to varsity.

2.3 What Factors Determine Success or Failure in Terms of Impacting Livelihoods of People?

A sustainable community development project should preferably have a positive effect not only on the involved, but also bring about development in the community as a whole. Considering the communities' livelihoods, one of the most important aspects mentioned by agricultural economist Ellis (2000:59) is that 'sustainability' means the ability for humans to recover from shocks and stress. The sustainable livelihood approach presented by DFID (1999:88) is a feasible theoretical instrument to understand the livelihoods of the rural population. The framework presents the main assets influencing the communities' livelihoods. No single asset is sufficient for rural households to develop sustainable livelihood strategies; livelihood strategies will most likely depend on an interrelation between assets from the five capitals: natural, financial, physical, human and social. Altogether, access to these assets determines the vulnerability of the individual household to shocks, trends and seasonality (DFID, 2002:47). Based on this definition if humans fail to recover from shocks and stress then their livelihoods is not enhanced and it will lead to failure. Evidence indicates that some of tourism run projects emphasize the difficulties of obtaining self-sustainability in projects that relied heavily on external funds in their start-up and not an actual demand from visitors. However, it is also important with patience as it takes time to develop sustainable poverty alleviation and proper skills. Thus maintaining economic growth depends largely on how the trust will respond on market failure and the potential loss of jobs, if the external funding comes to an end (Binns & Nel, 2002:47).

2.4 Emerging Issues

While community projects have become a very important tool for development in many South African communities, the evidence does not really show that they have been effective in sustaining the livelihoods of the communities. Additionally, even though many municipalities are implementing various projects in their areas, there is limited information on their impact particularly when considered in the broader context that is embodied in a Sustainable Livelihoods framework. Many projects yield incomes to beneficiaries but the extent to which they develop or strengthen their capability is not clear. In addition, evidence is also limited in terms of how far projects have enabled communities to acquire assets and build social capital. These gaps justify the need for further research on the subject of projects. This study aims to contribute towards filling this knowledge gap.

3. Research Methods

This study adopts an interpretivist research paradigm. The rationale for its selection is that the interpretivist approach is based on the notion that reality is constructed by social actors and people's perceptions of it. To understand the social world from the experiences and subjective meanings that people attach to it, interpretivist researchers favour to interact and to have a dialogue with the studied participants (Ponterotto, 2005:127).

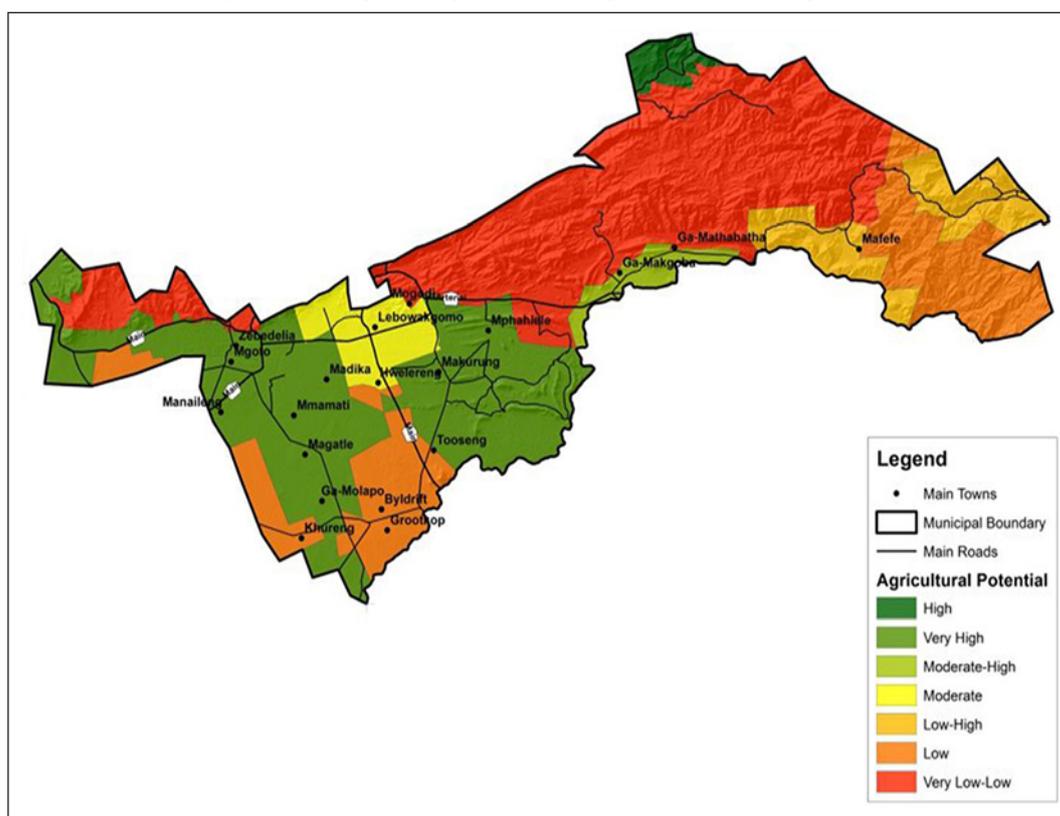
3.1. Area of Study

The area of study was at Lepelle-Nkumpi Local Municipality which is located 61km southern part of the Capricorn district and Polokwane city. According to the Stats SA Census 2011 results, the municipality has an estimated population of 230 350 people with a total of 59 682 households and an average household size of 3.9 There are 30 wards in the municipality with an average size of 8000 people (IDP, 2016/2017:59). See Figure 2 on the next page.

3.2 Research Design

The research design used in this study is qualitative. The qualitative design enables the researcher to gather authentic data from participants who live in the specific reality that is being explored and analysed. The researcher is therefore able to gain a deeper understanding of the phenomenon of

Figure 2: Map of Lepelle-Nkumpi Local Municipality



Source: Lepelle-Nkumpi Local Municipality IDP, 2016/2017

study (Rawal, 2001:33). It was for this reason that the researchers are chosen to interview the beneficiaries of selected projects, together with some of the municipal officials.

3.3. Population

The population of the study was 70 community projects which are spread in 5 clusters within the municipality named: Lebowakgomo, Zebediela; Mafefe, Mathabatha and Mphahlele clusters. (IDP, 2016/2017:58). The sample for the study were three different projects so that each type of project can be explored based on its uniqueness.

3.4 Sample, Sampling Methods and Sample Size

A sample is a subgroup of the target population that the researcher plans to study for generalising about the target population (Creswell, 2013:37). In this study the sample was the target population of various community development projects in Lepelle-Nkumpi municipality. The researchers have adopted purposive sampling which falls under a non-probability sampling method. The study was

based on a qualitative research design where a small sample of nine beneficiaries from three different types of projects (crop farming, chicken farming and tourism) and two municipal officials were interviewed.

3.5 Data Sources

Data were obtained from both primary and secondary sources. For the purpose of this study, primary data were collected from projects beneficiaries of Lepelle-Nkumpi Local Municipality and municipal officials. The rationale of using primary data was to be able to gather first-hand information from the project implementers and to explore their views, feelings, opinions and challenges. Secondary data were collected through the review of project documents from Lepelle-Nkumpi Municipality. Journals, articles, books, internet, municipality documents, IDP reports, LED unit, municipality annual reports and other literature also contributed to enriching the findings of this study.

3.6 Data Collection Procedure

The procedure for data collection started with the sending of a letter to the municipality requesting

permission to conduct the study. This was followed by a consultation with relevant stakeholders in the LED unit, project managers, beneficiaries and community development officers. The purpose of the consultation was to seek permission to interview them. The topic under investigation was discussed during the meetings with the participants before they gave their consent to participate in the study.

3.6.1 Data Collection Methods

The data collection method refers to the way in which information regarding the topic is collected. De Vos (2002:340) confirms that a qualitative study typically employs unstructured or semi-structured interviews. Semi-structured interviews were used as a data collection method and the interview schedule guide was used during interviews on twelve participants involved in three identified projects within the municipality. Face to face interview was fostered with three municipal officials who were involved in community development as they were knowledgeable about the issues involving community projects and livelihoods. Focus groups were administered with project beneficiaries because they tend to encourage participation.

3.6.2 Data Analysis

Data analysis means to pass a judgement, to use reasoning, and to reach a conclusion based on evidence (Neuman, 2000:274). The data collected in this study was in a form of qualitative data. Thematic analysis was used to process the data. This is a method for identifying, analysing, and reporting patterns (themes) within data. It minimally organises and describes your data set in (rich) detail. However, it also often goes further than this, and interprets various aspects of the research topic (Braun & Clarke, 2006:87).

4. Findings and Discussions

The main objective of this paper was to analyse and present data collected in the experience of the respondents in terms of the impact of community projects in sustaining the livelihoods of the community at Lepelle-Nkumpi Local community. Data were gathered through observations and interviews with respondents participating in various three community projects (Mamaolo farming, Mbaao poultry and Mathabatha Arts and culture projects) with a sample of nine project beneficiaries and two municipal officials. The data collected were subjected to qualitative analysis through thematic coding. Based

on the analytical framework of SLA, the interview guide examined a wide range of issues. The results are presented in the following way: responses from project beneficiaries first followed by the responses from the LED officials.

4.1 Personal Characteristics of the Respondents

We begin by describing the personal profiles of the respondents. Participants were mostly middle-aged men and women between the ages of 45-50. The results suggest that married women and men benefited more from the project as compared to single men. The evidence revealed that most of projects in the municipality have few youths, whilst youth unemployment is high.

4.2 Educational Attainment

Most of the participants attained western education and dropped out at grade 5-9, while few of them reported to have completed matric. The findings imply that the most of the participants were illiterate. The following were the key findings from the study:

4.2.1 Initiation of Projects and Implementation

Most of the participants reported that they were not involved at the initiation of the project and implementation. They reported that they found projects operating when they were applying for employment. A project manager from crop farming project reported that she was involved in the designing and implementation of the project and she further reported that she was partnered with another woman from her community to initiate the project. She reported that the reason for establishing the project was to generate income and to create jobs. The findings showed that most of the participants were not involved in the decision making and implementation of the projects. The sustainability of livelihoods of the participants is not enhanced as they do not feel a sense of ownership and it was reported that nothing has changed as they are not consulted nor included in decision-making.

4.2.2 Projects and Financial Support

The participants from Mamaolo crop farming project reported that the project was funded by Department of Agriculture and LED. The project was funded by Department of Agriculture in 2011 and from the LED was once off funding in 2013.

The project depends on marketing and selling of its products to produce funds, currently the project is not doing well because of shortage of markets. It was reported that 12 employees dropped out and the project has left with 3 employees and a manager. The participants from Mbaio poultry project reported that the project is struggling with funds. The project was funded by LED unit in 2013 and the funding was once off. The participants reported that the project is not doing well as 10 employees were terminated due to financial issues. The project depends on marketing and selling of its products to generate funds, currently the project is not doing well because of shortage of markets and it was reported that the community is not supportive. The project is currently having 4 employees and one manager. Findings on Mathabatha Arts and culture tourism project were reported that the project was funded by LED unit in 2013 and Department of Arts and Culture in 2015 on a once off funding. The participants reported that the project depends on the tourist to generate funds and currently the project is doing well as tourists visit the project and also the local community is supportive. The project consists of 10 employees and 2 project managers. The evidence indicates that all the three projects had any financial support from government from the past 2 years. Two the projects revealed that they are struggling with funds and while only one reported to be doing well with funds. Interpretation of the above findings in relation to sustainable livelihoods it is clear that the projects are having a negative impact on sustaining the livelihoods of the participants and the projects also experience financial constraints.

4.2.3 Community Projects and Livelihoods of Beneficiaries

It was reported that Mamaolo crop farming produces vegetables such as spinach, tomato, cabbage, beetroots and onions. Whereas Mbaio poultry project buy, raise and sell chickens to the community. Mathabatha arts and cultural tourism projects preserve culture. The project produces and promotes traditional symbols, cultural dance, sewing cultural necklace, bracelet and clothes, visual arts, and crafts. The project generates funds through selling of cultural products and entrance fees from tourists and local community. Most of the participants indicated that they were offered employment without contracts and have been employed for more than 10 years. All of the participants reported that the projects are not contributing in building their capacities and competencies. Findings revealed that most

of the participants earned less than R2000.00 and the income was not adequate to meet their households' needs or well-being. All of the participants reported that they never acquired assets with the income they received from the project since they were employed. These findings indicate that the projects do not have a positive impact in sustaining the livelihoods of the participants in terms of income, capabilities, empowerment and assets. This was because all of the three projects were not doing well in terms generating funds or profit.

4.2.4 Human Capital

The SLA indicate that livelihoods assets for human capital are enhanced when project beneficiaries are able to receive adequate health, nutrition, education, knowledge and skills, capacity to work and capacity to adapt (Ferdoushi *et al.*, 2011:811). The findings indicate that none of the participants have received a formal training and workshop for skills development since they have been employed. The evidence revealed that all of the project beneficiaries have been working within their projects without skills, knowledge, competency of managing the project and this had negative impact on sustaining their livelihood.

4.2.5 The Role of LED Unit (Participants) in Community Development Projects

The findings from the participants indicated that from the past 10 years their role was to address development backlogs and poverty alleviation through initiation of LED projects and funding of those projects within the community in order to promote sustainable economic growth. The participants indicated that their role changed after the review of the LED programmes in 2015. The LED programme was reviewed because most of the LED projects were not sustainable and the LED unit was working at the loss and its objectives were not attained. The participants reported that the new LED programmes were implemented in 2017 as mandated within municipal IDP. The objective of the new LED programmes is to encourage local business growth and support for new enterprises by linking them with relevant stakeholders. LED officials reported that their role is to link project beneficiaries with relevant stakeholders such as Department of Agriculture, Department of Arts and Culture, Department of Health, Department of Social Development and etc. The other role is to provide information and marketing assistance to projects beneficiaries. Participants indicated that the municipal LED unit is no longer supporting community

development projects with finance. It was reported that the LED unit provides services that promote self-reliant, self-growth, empowerment, capacity building and services that build on capabilities of communities through linking relevant stakeholders such as; Limpopo Economic Development Agency (LEDA), National Youth Development Agency (NYDA), Sector Education and Training Authority (SETA) with community projects. The participants indicated that the new LED programme is effective it enhances the livelihoods of communities and project beneficiaries in terms of promoting sustainable economic growth.

What do these findings mean overall? The Sustainable Livelihoods Approach (SLA) which was described in the theoretical framework is used as a lens to interpret the results. The SLA clearly demonstrates that the sustainability of the livelihoods of individuals or communities critically depends on their access to or ownership of livelihoods assets, the existence of transforming structures and processes for their empowerment or upliftment, the kind of livelihood strategies that are used and finally, the livelihood outcomes from any interventions or actions that are implemented by the individuals themselves or other actors, government or non-government. Those livelihood outcomes should include, but are not necessarily limited to increased income, increased well-being, reduced vulnerability, improved food security, empowerment and social inclusion. The results from the study indicate that although beneficiaries of the projects that were studied, did benefit in terms of some income and employment, the project interventions had such a limited impact because they did not lead to any significant acquisition of assets by beneficiaries. The incomes were also deemed to be insufficient for the needs of the participants. Furthermore, there was no evidence that the beneficiaries were empowered by the projects.

5. Conclusion and Recommendations

It was evident that the projects were initiative in response to the poverty, unemployment and other social challenges which exist in the municipality. The findings revealed that all of the three projects were initiated for the purpose promoting culture, creation of employment to alleviate poverty and unemployment. Although the study was based on a small sample of projects of Lepelle-Nkumpi Local Municipality, some useful findings were unearthed. Based on the analytical framework of the Sustainable Livelihoods Approach, it was found

that even though these projects did generate some jobs and incomes to the beneficiaries, they were not impacting significantly on their livelihoods. A number of observations led us to this conclusion. Firstly, most of the participants were not included in the design of the projects and decision making. Secondly, the impact of the projects was not as expected because the income generated was not adequate for the needs of the beneficiaries. Thirdly, the participant did not acquire any assets from the income received and they did not feel empowered by virtue of having participated in the projects. Lastly, the projects were not financially sustainable, implying that their future existence was questionable. We therefore concluded that these projects are not a viable basis for the sustainability of the livelihoods of the beneficiaries.

Recognizing that the findings of a qualitative study cannot be generalized because of the small sample size, we recommend that these findings could be used as a basis for a larger quantitative and qualitative study which is representative of the different types of projects in the municipality. The purpose of that study would be to assess the extent to which community development projects can be a basis for sustaining the livelihoods of communities. We also recommend that the municipality can also draw lessons from this study. In particular, they could consider the following specific recommendations which emanate from the study:

5.1 Customised Training of Community Project Members

The community projects which are funded by government departments should be taken through a series of customized training programmes that suit the respondents' educational levels and the type of business ventured into with a view of improving on the current levels of performances.

5.2 Community Projects as Businesses

Community projects should be seen or viewed as business ventures, than just a mere poverty alleviation projects. Community projects should therefore be run as businesses rather than as projects which are always expecting to be continuously entitled to funding by sponsors. Currently, members expect to be the recipients of financial support from sponsors rather than refining the quality of their products to appeal and attract more clients.

5.3 Quality Assurance on Products and Services

Types of capacity buildings provided to the project members should encompass series of training on quality assurance and product selection. So that the project beneficiaries can be able to prove to sponsors that the business concept ventured into has viability and sustainability potential in the future. Projects funded by sponsors need to have the return on the value of the public resources invested into those sponsored projects.

5.4 Monitoring and Evaluation of Sponsored Community Projects

Municipalities need to assist in the monitoring of state funded projects and integrate their update reports during its public participation programmes for the projects to be held accountable on the utilisation of public funds and resources.

References

- Bless, C. & Higson-Smith, C. 2013. *Fundamentals of social research*. Johannesburg: Juta & Co.
- Braun, V. & Clarke, V. 2006. Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2):77-101.
- Briggs, X. & Mueller, E. 1997. From Neighbourhood to Community: *Evidence on the Social Effects of Community Development Corporation*. Community Development Research Center. Cape Town: Juta & Co.
- Cohen, S. 1996. *Mobilizing communities for participation and empowerment*, in Servos, J., Jacobson, T.L. and White, S.A. (eds), *Participation for Social Change*. New Delhi: Sage publications.
- Creswell, J. 2013. *Research design: Qualitative, quantitative, and mixed methods approach*. New Delhi: Sage Publications.
- De Vos, A.S. (Ed.). 2002. *Research at grass roots: For the social sciences and human services professions*. Pretoria: Van Schaik publishers.
- DFID. 2002. *Stakeholder participation and analysis*. London: Social Development division.
- Ellis, F. 2000. *Rural Livelihoods and Diversity in Developing Countries*. Oxford: Oxford University Press.
- Ferdoushi, A., Chamhuri, S. & Nor Aini Hj, I. 2011. The Sustainable Livelihood Approach: *Reduce Poverty and Vulnerability*. *Journal of Applied Sciences Research*, 7(6):810-813.
- Gasper, D. 2002. Is Sen's Capability Approach an Adequate Basis for Considering Human Development? *Review of Political Economy*, 14(4):435-461.
- Gilbert, A.J. & Schipper, R. 2009. *The integration of Sustainability and Project Management*. HU: University of Applied Sciences Utrecht.
- Green, G.P. & Haines, A. 2012. *Asset building and community development*. Thousand Oaks: Sage publication.
- Hall, R. 2003. LRAD Rapid Systematic Assessment Survey: Nine Case studies in the Eastern Cape. Unpublished Paper. *Programme for Land and Agrarian Studies*, University of the Western Cape.
- Lepelle-Nkumpi Municipality. 2016. *Lepelle-Nkumpi Municipality: 2016/2017 IDP Draft*. Lebowakgomo: Lepelle-Nkumpi Municipality.
- Mays, N. & Pope, C. 2000. *Assessing quality in qualitative research*. *BMJ*. 1 Jan 2000, 320(7226):50-2.
- Pieterse, E. 2000. *Participatory Urban Governance: Practical Approaches, Regional Trends and UMP Experiences*. Nairobi: United Nations Centre for Human Settlements.
- Ponterotto, J.G. 2005. Qualitative Research in Counseling Psychology: *A Primer on Research Paradigms and Philosophy of Science*, *Journal of Counseling Psychology*, 52(2):126-136.
- Rawal, V. 2001. Agrarian Reform and Land Markets: A study of Land Transactions in two Villages of West Bengal, 1977-1995. *Economic Development and Cultural Change* 49(3): 611.
- Ritchie, J. & Lewis, J. 2003. *Qualitative Research Practice; A Guide For Social Science Students And Researchers*. New Delhi: SAGE Publications.
- RSA. 1996. *Constitution of the Republic of South Africa*. Act 108 of 1996. Pretoria: Government Printer.
- Rubin, H.J. & Rubin. 1992. *Community organizing and development*. Boston: Allyn & Bacon.
- Sen, A.K. 1999. *Development as a freedom*. New York: Anchor Books.
- Smith E. & Vanclay, F. 2017. The Social Framework for Projects: a conceptual but practical model to assist in assessing, planning and managing the social impacts of projects, *Impact Assessment and Project Appraisal*, 35:1, 65-80, DOI:10.1080/014615517.2016.1271539
- Swanepoel, H. & De Beer, F. 2001. *Development studies*. Cape Town: Oxford University press.
- Todaro, M.P. & Smith, S.C. 2006. *Economic Development*. London: Edinburgh Gate.
- Tufinio, S.P. & Mooi, H. & Ravestijn, W. & Bakker, H. & Boorsma, M. 2013. Sustainability in project management: where are we? *International Journal of Engineering Tome*, 7(1):584-2665.
- Nel, E. 2001. Local Economic Development: A Review and Assessment of its Current Status in South Africa, *Urban Studies*, 38(7):
- Nel, E. & Binns, T. 2002. *Evaluating local economic development initiatives in South Africa: Evidence from the cities*.
- Neuman, L.W. 2003. *Social research methods: Qualitative and Quantitative Approaches*. Third edition. Allyn and Bacon.
- Wideman, M.K. 2000. *First principles of project Management*. Revision 16, 00-11-03. AEW Services: Vancouver, BC.

Prospects and Challenges of Transforming Local Government into a Learning Organisation

N Tshishonga

University of KwaZulu-Natal, South Africa

Abstract: This paper explores the prospects and challenges of transforming local government as a learning organisation. The Local Government Turnaround Strategy (LGTAS) and local government scholars (Amtaika, 2013; Reddy & Maharaj, 2008; Tapscott, 2008; Thornhill, 2008, Tshishonga, 2015, etc.) have diagnosed the challenges facing the local sphere. The diagnosed challenges include amongst others, administrative incapacity, inefficient delivery, under spending and corruption, inadequate consultation, poor responsiveness and lack of accountability. National interventions such as Project Consolidate (2004-2006), Siyenza Manje Programme (2006-2009), Local Government Turnaround Strategy (2009), Operation Clean Audit Programme (2009-2014) and currently Back to Basics were institutionalised in order to mitigate these predicaments and their effects. Despite these interventions, local government is still in crisis and unable to fulfil its mandate. The paper argues that COGTA, SALGA and other local government stakeholders entrusted to play a meaningful and pivotal role in creating an independent and competent structure, should strive to transform local sphere into a learning organisation. Proponents of learning organisation theory such as Hudson (1995), Marquadr (2011) and Senge (1990 & 2006), view learning organisation as an organisation capable of facilitating the learning of its workforce and harnessing knowledge capability and experience for the benefit of all its stakeholders. Such learning is encouraged at individual level within teams and organisation-wide level. By employing learning organisation within the local government context, capacity and capability of all stakeholders would be optimally utilised for the development of the local sphere of government. Thus, building and transforming local government into a vibrant and competent learning organisation would require collective envisioning organisational culture, strategy and enabling structure.

Keywords: COGTA, Learning organisation, Local government, South African Local Government Association

1. Introduction

Since 1994, the South African local government has been overhauling itself from apartheid's highly unequal, racially classified local administrative apparatus to a potentially integrated, developmental, equitable and sustainable form of government (Mogale, 2003:216). The transformation of local government in post-apartheid era saw the restructuring of the local sphere, preceded by the establishment of local transitional authorities, which became the precursor for the final phase culminated in 2000. Historically, legislative frameworks such as the Constitution (1996), the White Paper on Local Government (1998), the Municipal Structures Act (1998), the Municipal Demarcation Board Act (1998), the Municipal Systems Act (2000), and the Municipal Financial Management Act (2003) underpinned the restructuring of local government. These frameworks form the basis of the transformation, democratisation and decentralisation agenda for South African local government. In particular, the Constitution mandated local government to

1) democratise local government, 2) promote social and economic development; 3) create safe and healthy environment and 4) enhance local participation. These constitutional functions are to be actualised through the employment of the developmental model to local government as mandated by the White Paper of Local Government (1998). These frameworks form the foundation upon which local government could deliver on its mandate. Thus, local government or subnational government as the only sphere of government closest to the people is challenged and mandated to deliver essential services and further promote local governance through public participation (Amtaika, 2013; De Vries, 2016). The adoption of development state as a model to address socio-economic challenges requires local government to play a pivotal role in activating projects and programmes to benefit the people, especially the poor and indigent. Local government as presented in this paper has both the prospects and challenges to transform itself post-apartheid era. Against this background, the paper aims to determine the potential, prospects and challenges

of local government in transforming itself through the employment of a learning organisation as a transformational model.

2. Theoretical Exposition of Learning Organisation

This paper is underpinned by the concept of learning organisation as its theoretical exposition. The proponents of learning organisation theory such as Hudson (1995), Marquardt (2011) and Senge (1990, 2006), view learning organisation as an organisation capable of facilitating the learning of its workforce and harnessing the knowledge capability and experiences for the benefit of all its stakeholders. Since the emergence of a learning organisation, organisational learning or learning society has been dubbed, 'a never-ending journey' (Watkins & Golembiewski, 1995:99), 'a vision' (Senge *et al.*, 1994:5); 'a continuous aspiration' (Garratt, 2001:x) while scholars such as Marsick and Watkins (1999:219) perceive it as not the real destination. These various ways of looking at learning organisation are the foundation upon which organisations and companies have adopted and modified learning organisation as a management and organisational model for their competitive advantage. In order for organisations to attain and sustain comparative advantage, Marquardt (2011:67) advises organisations to learn better and faster from their successes and failures alike. The adoption of learning organisation has been justified on the benefits derived from gaining organisational effectiveness and excelling in the future (Pitinger, 2002; Senge, 1990). From this perspective, learning organisation is a key component in organisations intending to unlock the potential of the people either as individuals or as teams. The idea of learning was developed particularly in the 1960s and 1970s with contributions from Argyis and Schon (1978). It was in the 1980s that the authors developed a link between learning training and company or organisation performance. In the 1980s and early 1990s, Jones and Hendry (1992) also saw a clear link between training, development and human resource management on the one hand, and company performance and competitiveness on the other hand. In their study on learning organisation, Jones and Hendry (1992) found that Shell, a company that pioneered the "learning company" concept accelerated its learning and gained advantage over its competitors. The authors identified team work and effective communication as key components of an effective learning company.

Senge (1990) identified five dimensions of organisation that is capable to learn, and continually enhance their capacity to realise their highest aspirations. In one of the dimensions the author opines that people excel and learn voluntarily if there is a genuine shared vision. Having a shared vision is fundamental in growing a learning organisation, yet Senge (1990, 2006) argues without clear goals, values and missions, organisations are unlikely to succeed. Successful organisations thus bind people around a shared picture of the future they wish to create. Senge asserts that team learning for example involves thinking together to allow the group to discover insights not attainable individually. Senge (1990:42) argues that the learning organisation focuses on generative learning, as well as on adaptive learning. Adaptive learning reacts to events and brings about adaptations retrospectively; generative learning is creative and moves into the future by keeping in touch with the systemic structure of the organisation. These features are the foundation for an organisation which is inspired to expand its horizon by not only responding to the expeditions of its constituencies, but also capable of leverage itself as a comparative entity. Nevis *et al.* (1995) identified three key qualities of learning organisations that ground learning organisations such as 1) pursuing an enhanced knowledge base whereby learning orientated organisations are aware of their strengths for competition, 2) have the capacity of continuous improvement and 3) are able to continuously challenge existing ways of doing things. Within a learning organisation, individual and team learning are equally valued and encouraged hence Senge (2006) argues that organisations learn only through individuals, although individual learning by itself does not guarantee organisational learning. However, the author went further to assert that without individual learning there is no organisational learning take place (Senge, 2006:129). In essence, learning organisation is about organisational acquisition of knowledge and the capacity to process such acquired knowledge into productive use. In this regard, Nonaka (1991) argues that knowledge is not created until the deep-rooted insights of one individual are successfully internalised and applied by others. As such Nonaka is of the belief that knowledge creation transcends just processing objective information. According to Senge, both individual and organisational learning is enhanced by personal mastery, mental models, shared vision, team learning and systematic thinking. Despite these outlined building blocks towards building

a learning organisation, proponents of a learning organisation phenomenon such as De Geus (1997), Garvin (1994), Jackson & Slocum (1999), Marquardt (1999), Watkin & Maarsick (1993).

Despite the prospects and opportunities learning organisation possess in transforming organisation across sectoral divide, the model is without faultiness. At first glance of evaluating, Shaw (2004:117) is sceptical about how the notion of learning organisation fits comfortably in the management and organisational equation. On one hand evaluation is about outcomes, effectiveness, bottom lines and evidence based practice-accountability. On the other hand, learning organisations are about systems, interaction, process, feedback and improvement (Shaw, 2004:117). The author adds that although there are tensions, proponents of learning organisations argue that lessons learned must be evidentially based, albeit in a variety of ways and not unfalsifiable insights. In practice if not in rhetoric, most evaluation is about incremental change and improvement.

3. Conceptions of Local Government

Globally, local government is considered as the lowest sphere of government with executive and legislative powers to make bye-laws and regulations binding on the local populace (Pillay, Reddy & Sayeed, 2015:35). Both in developed and developing nations, local government is created either as the second or the third sphere charged with the responsibility to render services to the local populace and enhance local democracy by affording people power to govern and facilitate development at local level (Amtaika, 2013; Reddy, 1999). Local government is in other regions known as the second or third level of government is deliberately created to bring government to the local populace (Reddy, 1999). Some scholars in political and public administration, more particularly those in local government, describe local government as the 'sphere of government' (Constitution, 1996:87; Siddle & Koelble, 2012:1), subnational government (De Vries, 2015:67), local state (Picard & Mogale, 2015:127). Others scholars associate it more with the political-sub-division of national or regional government (Internal Encyclopaedia of Social Sciences, 2008, cited in Pillay, Reddy & Sayeed, 2015:35), decentralised representative institution (Totemeyer, 1988:2) and 'developmental local government' (WPLG, 1998:37). Local government is

viewed by Meyer (1978:10) as '...local democratic units within the democratic system...which are subordinate members of the government vested with prescribed, controlled government powers and sources of income to render specific local services and to control and regulate the geographic, social and economic development of a defined local area'. However, within the context of Intergovernmental Relations (IGR), local government is conceptualised as an integrated, interdependent as well as distinct in relation to provincial and national spheres of government (Constitution, 1996; Watts, 2001). Reddy (1999:9) views this local sphere of government as... the level of government created to bring government to the local populace and to give citizens a sense of participation in the political processes that influence their lives. In the same vein, van der Waldt (2007:4) defines it as ...the decentralised and representative institution with general and specific powers as stipulated by the Constitution (1996) and the White Paper on Local Government (1998). Since local government is the 'sphere closest to the people' (Thornhill, 2008:59) and van der Waldt (2007:2) argue that ...is an invaluable socio-political laboratory hence various new government proposals are often experimented at this small scale level.

Despite local government being regarded as a fully-fledged sphere on its own right, Van der Waldt (2007:4) sees local government as a decentralised, representative institution with both general and specific powers, devolved upon it and delegated to it by the central or provincial government. Thus, scholars of local government such as van der Waldt (2007) view it as an invaluable socio-political laboratory for testing various new government proposals on a small scale. In a country like South Africa which is plagued by high levels of uneven development, Dawson (2010:104) argues that local government has the potential to play a key development role. For local sphere to execute its developmental mandate, Lemon (2002:18) advocates for sufficient financial resources and the deployment of adequate trained personnel.

4. Challenges Faced by Post-Apartheid Local Government

The failure to uphold the roles stipulated in the Constitution and other local government legislations cascaded into lack or poor service delivery. Thus, poor service delivery should be understood within the broader challenges faced by local government

in general as highlighted by scholars and government reports. These challenges range from poor implementation of policies and the legacy of autocratic and bureaucratic apartheid local government (Ismail *et al.*, 1997), the lack of administrative capacity and co-ordination (Tapscott, 2008). In addition, Tshishonga (2015:169) adds that the challenge faced by the local government is to bring democracy and development in the local sphere through citizen participation. Weak administrative capacity coupled with poorly trained staff is inter alia some of the reasons municipalities fail to deliver services. Nepotism and cadre deployment of unskilled personnel is an area that contributes towards the failure of delivery of services (Booyesen, 2011). Corruption and mismanagement is rife in the local government; hence the incapacity to deliver services as funds is diverted for personal use and not for development. Some municipals are financially poor and cannot raise their own revenues which could help to meet the rising urban needs. Extensive research conducted by many researchers show that the South African local government is faced by a multiple of challenges particularly lack of finance, land and human capacity, assets that are at the heart of service delivery. Weak deployment of incompetent human resources and the lack of strategic thinking and operations contribute in depriving the public of quality and sustainable services. Reddy and Maharaj (2008:197) allude to the fact that the failure by most municipalities to align their budgets and human resource deployment contribute to the failure to develop a linkage between capacity development and integrated development planning.

Despite the local democratic processes inherent in the new local government system, residents of a municipality might still be alienated from it due to local government's incapacity to deliver basic services (South African Cities Network, 2004:136; Cloete, 2002:286; Mogale, 2003: 226). The challenge of service delivery according to Reddy (2008:70) is daunting considering that demand for service exceeds the resources available. The local government's failure to fulfil its mandate and perform effectively has led to the widespread disillusionment which results in communities losing trust in the institution (Tapscott 2008:226). Thus, people's distrust of local government has led to 'democratic deficit' and 'participation fatigue' in which Tapscott (2008:226) describes as 'growing tired with the rhetoric of participation and empowerment without any material gain'. These predicaments are further

aggravated by the non-compliance by politicians and officials with municipal by-laws and breakdown of communication between the local polity and its constituency (ibid, 229).

According to Sikhakhane & Reddy (2011:85), one of the major challenges faced by municipalities in South Africa is quality serviced delivery and lack of accountability. Service delivery on one hand entails basic necessities required by the citizens of municipalities to survive socially and economically or live a decent living. Central to the delivery of sustainable services (such as water, electricity and houses) depend on the enactment of the developmental mode of local government. Van der Waldt (2007:34) argues that such a framework also depends on responsible and accountable municipal functionaries as well as good relations between them and the local citizenry. On the other hand, Smit & Cronje (2002:192) argue that the concept of accountability whether politically, legally or professionally...demands responsible employees to account for the outcomes, including whether those outcomes are positive or negative in their line of duty. However, most scholars argue that 'service delivery' protests are often symbolic of a non-functioning local government (Atkinson, 2007; Tshishonga, 2015). Protests in South Africa are a legacy of the resistance struggle against the apartheid separate development and imposed local authorities. Service delivery protests have become a debated phenomenon. The service delivery protests are multifaceted. Atkinson (2007:53) reports that in 2005 numerous towns saw mass protests, marches demonstrations, petitions and violent confrontations. The most frightening aspect about protests in South Africa is the violence. In 2008, 61 people mostly foreigners were killed over service delivery. The communities particularly in the poor black municipalities attacked foreigners for taking services that were meant for them. They accused the foreigners for stealing government built houses and paying bribes to municipal workers in order to get in front of the queue for services. The horror and extent of the violent protests is etched in many people's minds. Some analysts argue that lack of service delivery forced these communities to vent their frustrations on foreigners.

5. National Interventions to Local Government Challenges

In an attempt to address the above mentioned challenges, various strategies and interventions were

designed mainly to deal with the predicaments undermining local government (Amtaika, 2013; Picard & Mogale, 2015; Tshishonga, 2015). For the purpose of this paper, five programme interventions were selected, namely Project Consolidate (2004-2006), Siyenza Manje Programme (2006-2009) and the Local Government Turnaround Strategy (LGTAS) introduced in 2009 as well as the Operation Clean Audit Programme (2009-2014) and Back to Basics Programme (2014-current). Importantly, these programmes are critically reviewed in terms of their specific mandate in particular and as instruments geared towards activating local government to be effective, efficient, proactive and productive.

5.1 Project Consolidate (2004-2006)

Project Consolidate was established in 2004 with the intention to capacitate under-performing municipalities through support from experts and partnerships. All in total, 136 municipalities were identified as having blockages resulting into negative feedbacks and complaints received during the national and provincial elections. Thus, Sikhakhane & Reddy (2009:224) noted that Project Consolidate was one of the national government's key initiatives to support capacity building within local government. According to DPLG (2006) project consolidate was a concerted programme to address shortcomings at the local level which Tapscott (2008:228) further highlighted that its mandate in terms of building capacity and providing programme support to municipalities known to be struggling administratively. This entails that any meaningful interventions would have to take into account the different capacities of local government in order to adjust their policy or programmes.

Previous research identified similar challenges suggesting that the provision of basic services and infrastructure remains a thorny problem in many municipalities (see Hemson *et al.*, 2004; Amtaika, 2013). Although the government was tackling poverty and providing basic services, many households still lacked access to electricity, sanitation and clean running water. Realising that many municipalities had numerous backlogs and incapacity to fulfil their constitutional mandates, the then Ministry of Provincial and Local Government launched Project Consolidate to tackle the escalating problems of poor service delivery, the project enabled provincial governments and key private sector partners to find innovative ways of supporting local government to

boost service delivery. According to Pieterse and van Donk (2008:53) the local government institutional failure to redress the apartheid legacy in terms of poverty alleviation, service delivery and employment creation led to an institutional crisis which manifested in the form of shortage of appropriate skilled municipal staff, particularly in managerial and technical positions including the weak and fragmented financial management systems.

Project Consolidate's main aim was to promote a culture of performance and accountability within municipalities by creating collective responsibility, governance and performance in municipalities (CMTP, 2003-2008). The two year project was earmarked to connect national and provincial governments with the private sector to collaborate in reconstruction and local development by capacitating the 'failing' municipalities. The project involved the deployment of experts to assist municipalities in addressing practical service delivery and local governance issues (Department of Provincial and Local Government, 2006:1). Specific areas were identified as needing assistance in the development and implementation of indigent policies, and free basic services and billing systems. Municipal debt and poor local development were also identified as areas in which Project Consolidate could assist. Project Consolidate introduced performance management and public participation, key features that put an emphasis on anti-corruption which was also identified as a serious challenge in the 'failing municipalities'.

Project Consolidate was tasked to assist and encourage municipalities to ensure that they complied with the Municipal Financial Management Act's internal audit control measures to safeguard them from the incompetent and corrupt management by supporting the municipalities with financial auditing skills. Former Local Government Minister, (Mufamadi), in 2006 envisaged that Project Consolidate would ensure efficient utilisation of resources drawn from national revenue to benefit the poor and accelerate service delivery. Many programmes that followed Project Consolidate were initiated to sustain and consolidate the implementation of its policies. According to Pieterse and van Donk (2008:54), Project Consolidate targeted failing municipalities which subsequently managed to elevate themselves through tremendous achievements and progress, but with some remaining trapped in the vicious cycle of under-performance mainly due to inherent

institutional weaknesses coupled with skills and financial management challenges. This intervention was according to Powell (2012:18) directed at those municipalities under stress due to a systematic crisis in local government.

5.2 Siyenza Manje Programme (2006 - 2009)

Siyenza Manje is a Zulu words translating to 'we are doing it now'. This programme talks to the urgency of providing sustainable services at municipal level (Tshishonga, 2015). Thus, the programme was initiated to offer support mainly to overstretched municipalities identified during the Project Consolidate tenure in 2006 hence it was managed by the Development Bank of Southern Africa in partnership with National Treasury. Treasury was instrumental in funding 70% towards the implementation phase while the DBSA constituted 30% (Kaufman, 2008). Overall, Siyenza Manje was hands-on support and skills transfer geared towards empowering low-capacity municipalities. Through this programme, experts were recruited and deployed to low performing especially the poor and rural municipalities. Funds were also provided to assist in developing plans, feasibility studies and more particularly in implementing plans and strategies aimed at deliveries services effectively and efficiently (Kaufman, 2008).

Project consolidate had 136 low capacity and poor rural municipalities and Siyenza Manje increased to 160 and 485 professionals were deployed with various apprenticed skills and expertise, 51 in total, drawn from Further Education Training (FET), colleges and universities (Kaufman, 2008). Importantly, this programme utilised these professionals to assist distress municipalities not only to access and spend Municipal Infrastructure Grants (MIG), but also to unlock service delivery bottlenecks as well as sustaining their entities (Letsholo, 2007).

5.3 Local Government Turnaround Strategy (LGTAS) - (2009)

Local Government Turnaround Strategy (LGTAS) intervention similarly to Project Consolidate was introduced in 2009 in response to local government distress which according to Powell (2012:21) manifests itself through 'huge service delivery backlogs', hence local government is in a state of crisis. The intervention was justified by Cooperative Governance and Traditional Affairs (COGTA)

(2009:13) through inter alia, a breakdown in council communication with and accountability to citizens, political interference in administration, corruption, fraud, bad management, increasing violent service delivery, factionalism in parties and depleted municipal capacity. More than nineteen years into the new Local Government System there have been worrying trends and signs that undermine the progress and achievements made thus far which are a threat in service delivery and socio-economic development (Tshishonga, 2015). Predicaments such as systemic factors (linked to model of local government); policy and legislative factors; political factors; weaknesses in the accountability systems; capacity and skills constraints; weak intergovernmental support and oversight; and issues associated with the inter-governmental relations were highlighted to be the root causes of dysfunctional municipalities (COGTA, 2009).

The main objective of the national "local government turnaround strategy" is to renew the vision of developmental local government. Broadly, the strategy was aimed at achieving the following: better planning and overseeing of local service delivery – remove constraints on service delivery; address constitutional and legislative weaknesses in municipal governance; professionalisation and administrative stabilisation of local government – undertake steps to strengthen professionalism of local government; establish a single window of co-ordination for local government – establish a single point of entry for the support, monitoring and intervention in local government (Local Government Turnaround Strategy 2009:29-39). Accordingly, this entails the national sphere informing the sub-national spheres when they will visit municipalities; deepen people-centred government through a refined model of ward committee; priorities of all three spheres of government. Thus, finding expression in the work of ward; committees and these committees should be coordinated at a municipal, district, provincial and national level; and reform the inert-governmental fiscal system – improve coordination of various grants to local government and address equity and compliance challenges (ibid).

In fulfilling this mandate, the strategy sought to improve the organisational and political performance of municipalities and therefore that would translate to improved delivery of services. Its primary goal was to improve the lives of citizens, and progressively meet their social, economic and

material needs, thereby restoring community confidence and trust in government.

5.4 Operation Clean Audit Programme (2009 - 2014)

Operation Clean Audit is the brainchild of the Department of Co-operative Governance and Traditional Affairs as one of the Flagship Projects, 2014 (www.dplg.gov.za). The programme emanates from the Auditor-General's reports highlighting constant queries relating to ineffective institutions, ineffective structures (internal audit units and audit committees), poor performance or absence of systems, especially financial management and systems (COGTA, 2009-2014:1). Its target was mainly to assist all the municipalities and provincial departments to achieve sustainable improvement in financial management and governance aimed at yielding clean audit by 2014. The following challenges were highlighted to have a negative picture affecting government service delivery plans in general and corporate governance in particular. Such challenges include; inadequate skills on planning, budgeting; public financial management, including expenditure management; poor interface between financial and non-financial information; inability to manage cash-flow significantly; inadequate skills on credit and debt management, including basic financial accounting and filling or record keeping; duplication of payments in some instances and amounts not accounted for (lack of financial accountability); and lastly lack of systems to manage audit queries and recommendations, both internal and external auditing, etc. (COGTA, 2009-2014:1).

5.5 Back-to-Basics Programme (2014 - Current)

Back to Basics programme is a constant reminder of the core function of municipalities which is providing services (Amtaika, 2013; Picard & Mogale, 2015; Siddle & Koelble, 2012). These services are fundamental to the improvement of the quality of life especially for those residing in the townships and rural areas (Cebekhulu, 2014). The core services that local government provides, for example, are clean running water, sanitation, electricity, shelter, waste removal and roads are not only basic human rights, but also essential components of the right to dignity enshrined in the Constitution and Bill of Rights. The central goal of this programme is to improve the functioning of municipalities to better serve communities

by getting the basics right (COGTA, 2014). Thus, the Department of Cooperative Governance is therefore charged with the responsibility of building and strengthening the capability and accountability of municipalities by ensuring that basic services are delivered. During the Presidential Local Government Summit in Midrand in Johannesburg, Gordhan, the Minister of Finance (Stone and Magubane, 2014) highlighted that the new plan was expected to focus municipalities on getting small things right such as fixing street lights, leaking taps and collecting refuse. Thus, the programme was considered to be an attempt to breathe new life into municipalities. He rebuked municipalities to move away from outsourcing core functions, including financial management. According to Gordhan (2014) the Back to Basics Strategy was in line with the president's vision for local government to be at "the forefront of improving people's lives and creating conditions for inclusive economic growth and job creation". Overall, Back to Basics is designed to ensure that in every municipality, traffic lights work, potholes are filled, water is delivered, refuse is collected, electricity is supplied, and refuse and waste management takes place.

The programme is anchored on creating decent living conditions, good governance, public participation, sound financial management and institutional capacity as its building blocks (COGTA, 2014). Accordingly, the delivery of services such as water and sanitation; human settlements; electricity; waste management; roads and public transportation should be based on fundable consolidated infrastructure plans. Good governance based on public participation through various structures should be institutionalised in order to ensure the effective functioning of municipalities (COGTA, 2014:10-12). This can be achieved by installing sound financial management as an integral part of running the competent local government. Finally, institutional capacity building is imperative for municipalities to function to their full capacity and capabilities. This entails shifting the focus towards building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes (COGTA, 2014:10-12).

6. Opportunities Available for Learning Organisation-Based Local Government

6.1 Opportunities Through Policy Frameworks

The policies developed since the dawn of democracy provide local government with opportunities for this sphere of government to grow. The White Paper on Local Government (1998:11) declares that local government stands at the threshold of an exciting and creative era in which it can and will make a powerful impact on reconstruction and development in South African democracy. This declaration is based on evidence-based research which culminated into policy frameworks such as the White Paper on Local Government itself, the Municipal Structures Act, the Municipal Systems Act, and the Municipal Demarcation board Act and ultimately the Municipal Finance Management Act of 2003. With these policies in place, the central question this paper has to grapple with is the extent to which these frameworks implicate the local government within its various categories, namely category A (metros), category B (local municipalities) and category C which are the district municipalities (La Roy, 2012:1). Does local government have the capacity and competency to implement all these policies? And if not, what are the policy implications of its failure to local state stakeholders, mainly the poor and previously excluded and marginalised. The reality is that local government is the level of government that is at the close proximity to the citizens; hence it is strategically positioned to expedite services by responding to people's needs and expectations within its jurisdiction (Tshishonga, 2015:141). According to De Visser (2009), local spheres are equally placed to identify and unlock local potential, and mobilise resources present in the locality. He further argues that these characteristics do not automatically lead to a higher quality and legitimacy of decisions but certainly have the potential to do so. Local government through its municipalities could draw from its institutional memory backed up by legislative law of the country. Thus for learning to filter through organisational system, Mayors and Municipal Managers are to work within the laws and at the same time allow flexibility for creative and innovative feedback and input from both the employees and the public alike. However, policy compliance should not stifle creativity and innovativeness among local government stakeholders especially the citizens as the primary recipients of municipal services (Nzimakwe, 2015). This depends however on whether local governments are indeed configured

to behave responsively, and to the extent that local governments are able to pursue their communities' wishes for their locality through broader government structures and partnerships. Fundamentally, the South African Constitution is clear in elevating local government not only as a sphere of government created to serve the needs of the people, but also a decentralised and democratic government with both executive and legislative powers to execute its core functions of service delivery and local democracy promotion. This constitutional foundation arms the local state with a mandate to act distinctively, integrated and interdependent with other sphere of government as stipulated in the Intergovernmental Relations Policy framework of 2005.

6.2 Opportunities Through Election of Local Leadership

Apart from the pieces of legislation, local government stakeholders are afforded to elect their own leaders, unlike the provincial and national governments where on proportional representative (PR) system is used, local sphere has the opportunity to use a mix-system (proportional and constituency system). According to Amtaika (2013) the existence and adoption of various electoral systems are often influenced by political reasons and common to all is the process of selecting suitable candidates to hold office. The electoral systems which are famous in political science are proportional representation (PR) and constituency-based (De Jager, 2015:146). On one hand a representative system of governance uses an indirect method to elect public representatives and decision-making personnel (Heywood, 2000). On the other hand a constituency-base system affords voters a direct nomination and election of their candidate. There are various electoral systems that exist and each nation is guided by its national vision to choose which one is application. Despite these electoral systems, Heywood (2000:199) argues that voters may be advised to choose between candidates or between parties; they may either select a single candidate or vote preferentially, ranking the candidates they wish to support in order; the electorate may or may not be grounded into electoral units or constituencies; constituencies may return a single members or a number of members. However, Heywood (2000: 199) argues that the most common way of distinguishing between electoral systems is on the basis of how they convert voters into seats. Laver (1988:181) alludes to the fact the process of

selection has two main stages. The first stage has to do with the selection of candidates while the second stage a choice is made from among candidates, of representatives. Elections may nevertheless be either democratic or non-democratic. On one hand, democratic elections adhere to the principles such as universal adult suffrage; one person one person, the secret ballot and electoral choice offered by completion between both candidates and political parties. On the other hand, non-democratic elections are said to exhibit features such as the right to vote is restricted on grounds like property ownership, education, gender or racial origin; voters are subject to pressure or intimidation or only a single candidate or single party can contest the election (Heywood, 2000:199). Hanka and Downs (2010:761) argue that local government elections are necessary to realise the benefits of decentralisation.

According to Mangcu (2013:1160) the proportional representation system does not only provide parties with equal opportunity to compete but it also fosters a culture of obeisance to the party leadership. At the local government, ward councillors are elected through both proportional representation and constituency-based systems (Amtaika, 2013; Picard & Mogale, 2015). In this regard, elections are used not only to decide who governs, but also, in some instances, deciding what government should do. It can be argued that elections are a vehicle upon which people vote among alternative parties or leaders capable of governing them. Since 2000, a mixed-member proportional municipal representation was adopted to incorporate local constituencies or wards. Currently, local elections consist of a mix of propositional representation and candidate-based voting (February, 2009:54). Elections at this level work on a 40-60 ratio. 40 percent of the seats are distributed from PR lists while 60 percent are directly elected from wards (Picard & Mogale, 2015:169). Unlike the PR system, the constituency-based system affords local electorates to choose their representatives directly. Accordingly, constituency-based electoral system guarantees greater accountability and it is possible to hold elected representatives accountable for their promises.

6.3 Opportunities for Learning Through National Interventions

Since 2004 the national government initiated some interventions aimed at assisting targeted municipalities throughout the country such as Project

Consolidate (2004-2006), Siyenza Manje Programme (2006-2009), Local Government Turnaround Strategy (2009), Operation Clean Audit Programme (2009-2014) and currently Back to Basics. These interventions are based on evidence-based research with recommendations warranting strategic and pragmatic interventions to those municipalities in stress.

These interventions mark the government's commitment to assist struggling municipalities in order for them to execute their mandate. These initiatives and support programmes were meant to strength and enhance the capacity and performance of local government. Considering the underperformance of this sphere of government, interventions were also introduced to transform local government to be responsive, accountable, efficient and effective (Reddy, 2015:327). See Table 1 on the following page.

Despite the 'abundance of technical tools to support municipalities' the Auditor-General Report (2011) revealed that Project Consolidate had only fractionally performed better than the previous year. Gasela (2007:1, in Reddy, 2015:328) noted some qualitative and quantitative progress made despite the programme failing to achieve its mandate completely. Project Consolidate was followed by Siyenza Manje which aimed at capacitating human resources in low-capacity, poor rural municipalities. Despite the good intention of Siyenza Manje programme, it failed to transfer skills to the local municipal officials as envisioned in its objectives. Powell (2012:18) argues that it was difficult to measure the impact of these capacity building measures on one hand while on the other hand these interventions were labelled as having little to improve the financial performance of municipalities which according to Powell is perhaps the most important indicator of the health of local government. Ndletyana and Muzondidya (2009:35) acknowledged that:

Overall, the presence of Service Delivery Facilitators (SDFs) has reportedly made a huge difference where they have been stationed. However, by July 2007, 85 of the 139 designated municipalities had been assisted through this programme. There were fewer SDFs than required, even though by September 2006 a total of 181 individuals, including technical experts, graduates and students are said to have been involved in the Project Consolidate programme. This was meant to assist those underperforming and

Table 1: Brief Evaluation of the 5 Interventions Based on the Challenges, Interventions and the Progress Made

Project	Challenges	Intervention	Progress
Project Consolidate (2004-2006)	Under-performance Backlogs in service delivery Lack of human capacity Weak administration	Promote a culture of performance & accountability Connect national & provincial gvt with pvt sector Introduce performance management Introduce public participation Support with financial auditing skills	Achievements in some municipalities Other municipalities still under-perform due to institutional weaknesses
Siyenza Manje Programme (2006-2009)	Overstretched municipalities	Skills transfer Technical support	Increased capacity to some extent Unlocked service delivery bottlenecks Failed to transfer skills
LGTAS (2009)	Service delivery backlogs Lack of accountability Lack of capacity & skills Weak intergovernmental support	Improve coordination Address corruption	Improved organisational & political performance Improved people's lives Restored confidence in government
Operation Clean Audit Programme (2009-2014)	Ineffective institutions Ineffective structures Poor performance Absence of systems Inadequate skills	Assist with human and financial capacity and management	Limited progress due to the number of disclaimer, adverse and unqualified audit Limited capacity and skills
Back-to-Basics Programme 2014-	Inefficient basic service delivery	Breathe new life into municipalities Improve lives	Got small things right Training & capacitating councillors

Source: Author's analysis

ailing municipalities in terms of municipal services (Reddy, 2015:328). In addition, the programme was hit by another challenge of resistance staged by municipalities as they suspected that SDFs were sent to expose inefficiency and corruption. According to Ndletyana and Muzondidya (2009), the programme was undermined by the high SDFs turnover which further compromised the progress already made. The study conducted by Mafema *et al.* (2009:114) at Umzumbe local municipal revealed that 'inadequate institutional capacity' undermines the municipality to be effective, innovative and responsive to the needs and aspirations of its residents. The authors advocate that: the building of human resources and institutional capacity is the prerequisite of organisational development and transformation and hence the empowerment of public officials and citizens generally (Mafema *et al.*, 2009:114).

The introduction of a Local Government Turnaround Strategy (LGTAS) was a reactionary trajectory

brought by the change of administration from Mbeki to Zuma in 2009 hence the disbandment of the Ministry of Provincial and Local Government to the Ministry of Cooperative Governance and Traditional Affairs (COGTA). COGTA including the LGTAS was over-ambitious, its findings revealed nothing than that the local government was showing signs of distress which contributed to 'huge service delivery backlogs' (COGTA, 2009:2). Operation Clean Audit programme has a logframe with clear performance indicators, means of verification and assumption. Without adequate human capital to perform basic financial management (COGTA, 2009-2014:8). Similarly, to LGTAS, the Operation Clean Audit Programme was over-ambitious and was further accused of having unrealistic time frames hence unattainable objectives. Both programme failed to yield desirable results because government had applied 'a one size fits all approach' (COGTA, 2010:1). For example, Siddle and Koelble (2012:215) alluded to the fact that between 2010 and

Table 2: Category of Employees and Performance Percentages

Category	Performance	Percentage
Category A	Higher performers	20%
Category B	Status quo maintainers	40%
Category C	Poor performers	40%

Source: Author's analysis

2011, no municipalities ... achieved adverse and disclaimer audit opinions. The Auditor-General (2011:4) reported for 2009/10 that only 53 municipalities received disclaimers, seven received adverse opinions; 50 received qualified opinions; 120 received financially unqualified opinions; and seven financially unqualified opinions. To make matters worse, the Auditor-General (2011) also found that most of the municipalities engaged external consultants to prepare their financial statements, despite having full complements of staff in their finance departments.

7. Towards Unblocking Local Government's Potential and Capacity

Peter Senge's book the Fifth Discipline (1990) presents the conceptual underpinning of the work of building learning organisations (Senge *et al.*, 1995:5). The author introduces five disciplines as the core of the learning organisation, as follows:

7.1 Personal Mastery

According to Senge (1990:7), personal mastery is described as continually clarifying and deepening one's personal vision, focusing on one's energies, developing patience and seeing reality objectively. This is viewed as the essential cornerstone of the learning organisation. The author views people with a high level of personal mastery as having a special sense of purpose that lies behind their visions and goals, and who functions in a continual mode of learning. Senge (1990:7) states that there are few organisations that encourage the growth of their people, resulting in vast untapped resources. In essence, "organisations learn through individuals who learn. Individual learning does not guarantee organisational learning, but without it no organisational learning occurs". Individual employees within the local public sector are motivated by various reasons, while others financial remuneration is top on their motivators, others value enabling environment and personal growth as the primary drivers for excellent productivity and higher performance. Table 2 depicts the situation of the employees within various municipalities in South Africa.

Table 1 on the previous page reflects a dire need for municipal employees who are self-motivated in order for transformation to take place. With 20% as higher performers, such category of staff is likely to migrate to other lucrative jobs with market competitive environment within government departments or private sectors. Both category B and C share 40% of employees each, though different they have the common denominator for mediocre performance. 40% of staff who are known for maintaining the status quo are equally responsible for most of the challenges betting municipalities. These are mainly those staff members employed through the policy of cadre employment, often without requisite skills and knowledge to do the required job. Considering that municipalities are at the coalface of service delivery, thus representing the interests of citizens, mandated to provide service at their doorsteps (Palmer *et al.*, 2017:273), skilled and competent, dedicated and motivated employees both as individuals and teams are imperative.

Personal mastery is viewed as where people live in a continual learning mode (Senge, 1990:142). Individual learning should be motivated by people wanting to bring change and influence democratic principles and values especially the Batho Pele. Throughout the South African municipalities, employees have taken the initiative to enrol themselves both for formal certificates, diplomas and degrees offered by various public and private institutions of higher learning to upgrade their skills and academic qualifications. Formal education and training, together with informal knowledge exchange engagement through either through workshops and academic excursions are key in a knowledge driven society (Castel, 2000). Staff development either through formal or informal training should be aligned to the strategic and action orientated planning of the municipalities. Strategic and action orientated planning of the municipalities are covered by IDPs as the leading instrument of local planning (Harrison, 2008:321), which are compulsory for all municipalities. The central tenet of this belief is that no one can increase someone

else's personal mastery; however, there can be conditions which can encourage and support people to increase their personal mastery (Senge *et al.*, 1995:197).

7.2 Mental Models

Mental Models are described as deeply ingrained assumptions, generalisation, or even pictures or images that influence the way we understand the world and how one takes action. People are not aware of the impact of mental models on behaviour (Senge, 1990:8). For example, in a public sector organisation, employees can make assumptions that an African candidate for a senior post was not appointed on merit, which would result in people in the organization acting and behaving inappropriately. Senge (1990:9) states that the discipline of working with mental models involves turning the mirror inward; learning to unearth our internal pictures of the world, to bring to the surface and hold them rigorously to scrutiny. Therefore, it requires the ability of one's own thinking. In order for managers and employees to acquire this type of thinking, both formal and informal education and training is required. Formal training and capacity building could help in requisite skills and knowledge, more particularly with hard skills in municipal specialising areas such as development planning, urban and regional planning, spatial planning, infrastructure planning and maintenance, transport planning, environment and sustainable development and municipal finance. For municipalities to model themselves on a learning organisation, addictiveness and openness should be part of individual and organisational structures and ethos (Higgs & Smith, 2015). This entails the ability of both employees and organisational structures to recreate themselves.

Mental models are fundamental in generalising the direction the organisation is heading to if it has to stay relevant to its foundational vision. Mental models as like any assumptions and human behaviours can be learnt or unlearned. Mental models can be either positive or negative. Positive mental models such as attitudes and relational behaviours are crucial among individual employees and are often cultivated through a conducive environment, mentoring for personal and organisational growth, with grounded processes and systems. For examples graduates who also happened to be staff members within municipalities, upon completing their degree qualification are eager to put their knowledge into

public use. At the municipal level, this entails individual employees being aware of their capabilities in their areas of expertise, which require strengthening and consolidation. Mental models have a negative side due to the absence of transformative leadership, hostile environment and lack of motivation, the workforce is prone to be unproductive. In most of the municipalities, learning and transformation is hampered by the mentality that subscribes to non-compliance especially by senior managers. Thus, people entrusted with positions of power to transform the municipalities are often caught in political-administrative dichotomy; hence, they are unable to fulfil their task professionally. Ideally, administrators and politicians should mutually respectful each other's roles, as each cohort of staff is designated to serve the municipal as stipulated by the Municipal Structures Act (1998).

7.3 Building Shared Vision

The practice of shared vision begins with a viewpoint about an idea that has inspired leadership for thousands of years, that is, the capacity to hold a shared picture of the future the organisation wants to create (Senge, 1990:9). Senge further elaborates that many leaders have a personal vision of the organisation that is not translated into a shared vision. To translate individual vision into a shared vision involves genuine commitment and enrolment rather than compliance (Senge, 1990:9). IDPs are designed with shared visions that are supposed to inspired municipal political principles and administrators to outperform in their mandate. More often, municipal visions are undermined by the lack of organisational capacity of municipalities and exclusive focus of political-executive interface. Thus, the effective implementation of these visions demands the synergy and alignment of internal policies, organisational structures, strategic leadership, organisational purpose, operational systems, technical capacity and financial abilities (Palmer *et al.*, 2017:109). The repertoire of these skills laid a solid background instrumental in restoring the municipal organisational memory, increasing internal confidence for employees to be productive. Importantly, a shared vision implies 1) that conclusions are communicated to all those within the organisation who take decision, 2) involving in the planning process, both through consultation and through a proper mixture of top-down and bottom-up, 3) a strategy which is truly corporate, with meaning for everyone in the organisation (Smith, 1994:19).

Figure 1: The Link Between Mission, Vision, Values, Strategy, Behaviour and Outcomes



Source: Carre and Peran (1992 in Pearn et al., 1995: 21)

Local governments like any organisations are grounded and are based on municipal visions, which are stipulated in their Integrated Development Planning documents. Strategic management becomes efficient when the management team work towards a common shared vision and strategic goal. In addition to that, the team has to have a collective vision where all the strategic management team has consensus on a collective vision. A common and collective vision thus is key to strategic management as it brings solutions and change. Tesoriero (2010:117) argues that a vision does not necessarily lead to goals being achieved. He states that a vision serves as a source of inspiration for change and as a framework for interpreting and seeking change from the perspective of medium- and long-term goals instead of purely being reactive. A vision allows one to seek an alternative paradigm, whereas purely reactive 'problem solving' and an insistence on being realistic mean being permanently imprisoned within the existing dominant paradigm (Tesoriero, 2010:117). For municipalities to realise their visions, the McKinsey 7-S framework that include skills, strategy, systems, style, staff, structure and shared values (Smith, 1994:86). According to Smith, this framework could helpful in looking at the organisation's present position, help identify problems and weaknesses which require organisational attention.

In many instances, visions of municipalities are contained in their integrated development plans which are developed through individual and collective inputs. In the case where visions are developed by

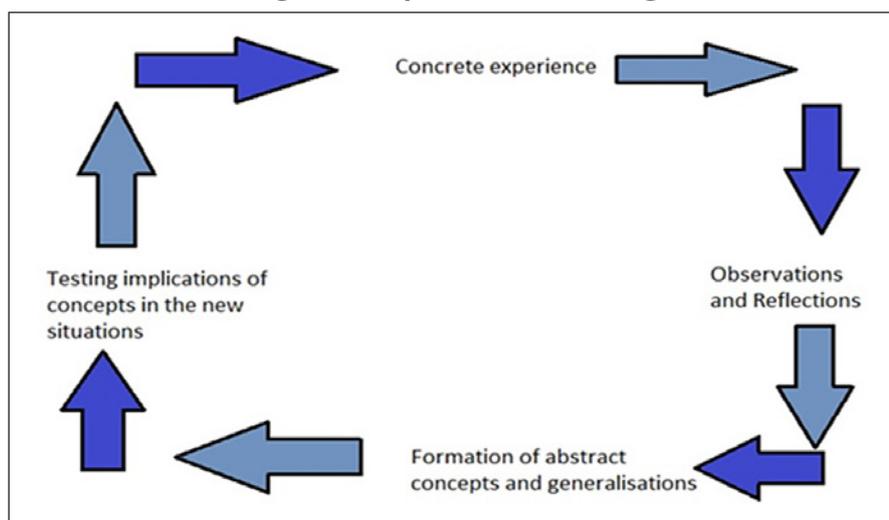
consultants; citizens and communities are denied ownership. Figure 1 reflects that a learning organisation is comprised of interwoven relationships, which links the organisation or municipal's vision, mission, values and behaviour to the desired outcomes (Govender, 2009: 375). For Pearn *et al.* (1995:20), vision and mission of a learning organisation manifest themselves through appropriate values and behaviours.

Without ownership and collective participation of all stakeholders, visions are difficult to translate into actions and end up redundant. It is obvious that when citizens are excluded and marginalised from participating in contributing towards a vision of the municipality, they become what McKnight and Block (2010:99) call 'rusty' because they fail to do what only themselves can do. A vision is strategically designed to 'give people hope, inspire and excite them' (van Rensburg, 2007:17). A common vision thus unites people and becomes the driving force behind actions that awaken the latent potential in people to create a better issue (van Rensburg 2007:17). Leaders are aware of the effectiveness and success of a vision which is dependent on the people who are implicated and need to buy into it (van Rensburg, 2007:16).

7.4 Team Learning

To practice the discipline of team learning requires members of the team to begin with dialogue, where the members argue through and discover insights

Figure 2: Experiential Learning



Source: Kolb's experiential learning cycle (in Govender, 2009: 370)

that cannot be obtained as individuals. The fundamental characteristic of team learning allows for the team to become more aligned as a commonality of direction emerges, and a resonance or *synergy* develop. Within organisations, team learning has three critical dimensions. First, there is a need to think insightfully and together with all the powerful forces in the organisation, which arises from the intelligence of the teams. Second, there is a need for innovative and coordinate action. Third, team learning becomes a collective active, as learning teams continually learn from other teams by inculcating the practices and skills of team learning (Senge, 1990:10,234-237). In public sector organisations there are on-going projects and development planning requires collective action by team members and synergy among teams to achieve the desired goals and results. For municipal bureaucrats, politicians, councillors and officials to maximise their potential, they have to create strong and work orientated teams.

Within public organisations, municipalities included, all the relevant stakeholders are to contribute in order to build and forge local sphere as a learning organisation for its success, effectiveness and sustainability (Govender, 2009). Figure 2 depicts the four stages of learning as represented by the experiential learning cycle, the cycle encompasses concrete experience, observations and reflections, formation of abstract concepts and generalisations and finally testing implications of concepts in new situation (see Swart *et al.*, 2004:145). Viewed from concrete experience stage, managers may observe

staff stationed in different departments and positions learning and working collaboratively within assigned teams. At eThekweni municipality, special units such as Area-based Management (ABM), Safer City Project and Community Participation and Action Unit are some of the examples where staff members deployed in their different capacities are able to experiment with experiential learning. With the observations and reflections, managers and the project members themselves do some observations through reflecting on how successful have they work together as a team to achieve set objectives.

This requires municipalities through their councils to strategically adopt and embrace the culture of learning as exposed by Kolb's experiential learning. The fourth stage envisage the formation of abstract concepts and generalisations where both managers and team members reflect on strategies and skilled gained by figure out how effectiveness such skills and knowledge could be used improve their performance. The final stage dictates that all learning organisations with their respective teams and units have to put to test the concepts developed in the previous stage. This stage allows managers and employees from various departments to gauge if their can work in diverse groups and teams. For example, the experience gained through area-based management was documented in a form of a book, which has become the basis for the municipal councils to recommend the approach to be expanded to other areas needed such as intervention. Inter-organisational or departmental projects are a typical example where politicians and administrators come

together to exercise their professional powers, skills and knowledge to bring projects into fruition. It can be argued that the service delivery demands exceed the capability and capacity of local government including the financial resources. The Cornubia Project in eThekweni municipality is a model where the private sector, the municipality and national Department of Human Settlements pull their resources and expertise to provide low-cost housing for the poor households and indigent (eThekweni Municipality IDP, 2012/2013-2016/2017). This situation is worsened by the widespread of corruption, poor developmental planning, absence of inter and intra departmental teamwork and lack of work ethos among the municipal employees.

Without strong work ethics, municipalities are prone to become the targets of bogus, untalented, incompetent people whose interest is to enrich themselves. At this level, the lack of team work and cooperation results into unmet promises which in turn give rise to poverty, unemployment and inequality. Thus the social contracts only exist on paper through various policies but dismally lack the implementation plan, monitoring and evaluation framework to track the progress made. The absence of teamwork and strategic direction, according to Economic Freedom Fighters (EFF) has led to the dismal failure of the government to redistribute land, to create sustainable job opportunities, building lousy houses with the track record of dismal failure of protecting the interest of big capital (Letsoale & Molele, 2013:3). In order to reverse this situation, social contracts should be established and consolidated based on partnership approach as a win-win arrangement in which all actors have responsibility for the development of the total municipality. In this regard, social contract based on team work according to Enz *et al.* (2000:188) should be broadened to encompass citizens themselves, local public agencies, CBOs and NGOs as well as various departments and units. For a social contract approach to activate work ethics and team work should rest on fulfilling the responsibilities of being a part of the context based on moral criteria which are premised on the elimination of poverty, direct care for the poor, creation of employment opportunities and widespread education of the citizenry (Enz *et al.*, 2000:189).

7.5 Systems Thinking

System thinking theory forms part of the fundamental framework upon which local government could

be grounded as a learning organisation. According to Stacey (1999:276) this theory challenges the scientific management approach and its origin could be attached to the work of the German biologist Von Bertalanfy within his idea of organism and human organisations as open systems. Systems are differentiated by having various component sub-systems that are not only interrelated, but are interdependent on each other (Nkuna & Sebola, 2015:43). Similar to local government which comprises of political and administrative structures created with processes, systems and procedures put in place to ensure the basic mandate of delivering services and enhance local governance is fulfilled. This requires the strategic alignment of political by-laws with administrative policies based on sound balanced politico-administrative interface. Within both political and administrative structure of municipalities are internal stakeholders who form the core of municipal machinery. The upper category comprise of politicians, Mayors and Councillors, either Ward or PR councillors, who assume power by being elected during elections. Through this category of political office bearers, especially the mayors and their deputies, speakers (La Foy, 2012), together with their portfolio committees are institutionalised and tasked to develop municipal policies, debate and pass the budget. Systems thinking in this context is used to describe the rationality that focuses on local government together with its stakeholders such as people, communities and organisations. Senge (1990) argues that emphasis should be on organisations in this case municipalities have to be flexible, adaptive and open if they have to survive and thrive.

Another complementary category crucial to function of the municipality is the administrative structure headed by the Municipal Manager (MM). Unlike the political arm of the municipality where office bearers are elected, administrative part of the municipal is staffed by employees appointed based on merit, qualifications and experiences. Systems thinking is a conceptual framework where systems theory is integrated into the learning organisation, and where it integrates the disciplines of building a shared vision, mental models, team learning and personal mastery into a coherent body of theory and practice (Senge, 1990:12). Systems thinking is viewed as the cornerstone of how learning organisations think about their world as there is a shift in thinking from seeing the whole, seeing people from being helpless reactors to.... Active participants (Senge, 1990:69).

The five disciplines of the learning organisation are key in assisting public sector managers and head of departments within municipalities to identify and develop best practices and competencies geared towards building a learning organisation.

8. Conclusion and Recommendations

Failure to transform socio-economic relations inherited from the apartheid state has made freedom an empty dream for the majority of South Africans who remain at the bottom of the socio-economic ladder (Ramphela, 2012:117). Despite the policy frameworks and pragmatic interventions introduced to alleviate local government to take its place as a distinct, independent and integrated sphere of government which decentralised and democratic, evidence show that local state remains in distress. The paper reveals that lack of political, administrative and fiscal accountability, horizontally and vertical, unfilled vacant posts aggravated by the deployment of unskilled and incompetent personnel especially the municipal senior managers contribute to the challenges facing local governments. These together with other challenges documented in academic articles and official documents such as the Auditor General Reports attest to the failure of municipalities to transform themselves into learning organisations. It is impossible to deliver services without effective application of the laws especially in chain supply, lack of capacity to fulfil the constitutional mandate, particularly in the delivery of essential services and upholding the developmental local governance principles and values.

The employment of a learning organisation in transforming local government as a model to revive and activate local sphere of government is imperative. The effective, efficient and proactive functioning of local government is dependent mainly on its ability to repair itself as part of addressing challenges faced. The notion of learning organisation is underpinned by the quality of the workforce and its ability to translate policies into tangible and implementable projects and programmes. Through local government oriented policies, the local state has been given a face lift which is contrary to the apartheid era where the local authorities were designed to serve the interests of the few and also used as agents of central government. Operating within the context of local government transformation, democratisation and decentralisation, the new local dispensation requires the local sphere to be

organised and transformed and developmental. This model warrants local government to be the engine of advancing development, expedite service delivery and promote local citizen participation. Thus development, service delivery and citizen participation have become a measure to gauge if the developmental local government is effective and efficient or not. Similarly, Seers (1969) underlines issues of poverty, unemployment and inequality as the criteria in which a country could measure of development is taking place or not. He argues that if poverty, unemployment and inequality have decreased then the country could be said to have development progress. With the exception of few municipalities, socio-economic challenges and participation deficit have put local government on the spotlight. Poor leadership, corruption, poor service delivery, incompetent personnel, skill shortages at managerial and technical level were cited as the main source of discontent and mistrust which led to nation-wide strikes and demonstrations by the poor.

References

- Booyesen, S. 2011. *The African National Congress and the Reconstruction of People Power*. Johannesburg: Wits University Press.
- Booyesen, S. 2012. Introduction. In Booyesen, S. (ed.). *Local Elections in South Africa: Parties, People, Politics*. Bloemfontein: SUN MeDIA Metro.
- Castel, M. 2000. *End of Millennium*. Oxford: Blackwell Publishing.
- COGTA. 2014. *Back to Basic: Serving Our Communities Better*, document presented at the Presidential Local government Summit, 18 September 2014.
- eThekweni Municipality. (2012/2013-2016/2017). *Integrated Development Plan: 5 Year Plan, Annual Review 2015-2016*. Durban: eThekweni Municipality.
- Hanka, C.R. & Downs, W. 2010. Decentralisation, governance and the structure of local political institutions: lessons for reform? *Local Government Studies*, 36(6):759-783.
- Harrison, P. 2008. The Origins and Outcomes of South Africa's Integrated Development Plans. In Van Donk, Swilling, M., Pieterse, E. & Parnell, S. (eds.). *Consolidating Developmental Local Government: Lessons from the South African Experience*. Cape Town: UCT Press.
- Higgs, P. & Smith, J. 2015. *Philosophy of Education Today: An Introduction*. Lansdowne: Juta & Co.
- Joyce, P. 2000. *Strategy in the Public Sector: A Guide to Effective Change Management*. Chichester: John Wiley & Sons Ltd.
- La Roy, G. 2012. *Local Government Handbook Series: Roles and Responsibilities within Local Government*. Durban: LexisNexis.
- McKnight, J. & Block, P. 2010. *The Abundant Community: Awakening the Power of Families and Neighbourhoods*. San Francisco: Berrett-Koehler Publishers.

- Mogale, T.M. 2003. Developmental Local government and Decentralised Service Delivery in the Democratic South Africa, in Mhone, G. and Edigheji, O. (eds.). *Governance in new South Africa: The challenges of Globalisation*. Lansdowne: University of Cape Town Press.
- Nkuna, N.W. & Sebola, M.P. 2015. Developmental Local government and the State of Public Administration: Theoretical Discourse in South Africa. In Sebola, M.P. (Ed.). *Local Government Administration Post-Apartheid South Africa: Some Critical Perspectives*. Polokwane: Batalea Publishers.
- Nzimakwe, T.I. 2015. Local government typical organisational structure. In Reddy, P.S. & De Vries, M.S. (eds.). *Quo Vadies? Local Governance and Development in South Africa post 1994*. Rue Haute: Bruylant
- Palmer, I., Moodley, N. & Parnell, S. 2017. *Building a Capable State: Service Delivery in Post- Apartheid South Africa*. Cape Town: UCT Press.
- Ramphele, M. 2012. *Conservations with my Sons and Daughters*. Parktown: Penguin Books.
- Reddy, P.S. & Maharaj, B. 2008. Democratic decentralisation in Post-Apartheid South Africa. In Saito, F. (ed.). *Foundations for Local Governance: Decentralisation in Comparative Perspective*. Japan: Physica-Verlag.
- Reddy, P.S. 1999. *Local Government Democratisation and Decentralisation: theoretical Considerations, and Trends and Developments*. In Reddy, P.S. (Ed.). *Local government Democratisation and Decentralisation: A Review of the Southern African Regions*. Kenwyn: Juta & Co Ltd.
- Republic of South Africa. 1996. *Constitution of the Republic of South Africa (No 108 of 1996)*. Pretoria: Government Printer.
- Republic of South Africa. 1998. *White Paper on Local Government (notice 423 of 1998)*. Pretoria: Government Printer.
- Republic of South Africa. 2010. *Local government Turnaround Strategy (LGTAs), Municipal Turnaround Strategy Implementation*. Department of Cooperative Governance and Traditional affairs. Pretoria: Government Printer.
- Schermerhorn, J.R. 2002. *Management*. New York: John Wiley & Sons Inc.
- Senge, P.M. 2006. *Fifth Discipline: The Art & Practice of Learning Organisation*. Croydon: CPI Group.
- Smith, R.J. 1994. *Strategic management and planning in the public sector*. England: Longman.
- Smith, M.K. 2001. *Peter Senge and the learning organisation*. Available at: <http://infed.org/mobi/peter-senge-and-the-learning-organisation/>. Accessed June 2018.
- Tesoriero, F. 2010. *Community Development: community development-based alternatives in an age of globalisation*. Australia: Pearson.
- Van Rensburg, G. 2007. *The Leadership Challenge in Africa*. Pretoria: Van Schaik Publishers.

Global Terrorism: A Case Study of Botswana

E Bwalya

University of Botswana, Botswana

Abstract: In the post-Cold war and post-11 September 2001 period the problem of terrorism has received worldwide attention and led governments to take various anti-terrorism measures which in the case of the United States of America (US) included the invasion of Afghanistan and Iraq. This article examines the threat that Botswana faces from international terrorism and evaluates the antiterrorism measures that the government has undertaken. The paper argues that the anti-terrorism measures adopted by the government at the national, regional and international levels are not adequate to protect the country and its citizens from terrorism. It also contends that prevention is the single most effective response to terrorism and that the government of Botswana has to improve its counterterrorist mechanisms.

Keywords: Antiterrorism, Global Terrorism, International terrorism, Post-Cold war, Terrorism

1. Introduction

Globalisation has increased the vulnerability of all countries including Botswana to the evolving international terrorist attacks partly due to porous borders, improvements in technology, communication systems and the means of transportation that facilitate mobility of populations. Luckham (2003:4) sums the situation when he notes that: "the manufacture of global order has become intimately connected to the manufacture of global disorder, as poignantly illustrated by the tragedy of 11 September 2001." Similarly, others have argued that while centred in the greater Middle East, the fighting occurs in North America, Southeast Asia and in recent years Europe while Africa is one of the key theatres (Shillinger, 2005; Wills, 2018). Most of the attacks have been attributed to the Islamic State of Iraq and the Levant (ISIL) operatives, operatives of Al Qaeda, and Islamist lone wolves. The economic, political and social impact of terrorism and its grave consequences to the individual, the community, and the state in terms of damage, deterring investments and tourism, are well documented (Buzan 1991; Luckham and Cathwara, 1991; Buzan & Wilde, 1998; Khadiangala, 2005; Shillinger, 2006). Consequently, it has been noted that there can be no development without security (Cilliers & Sturman, 2002). There appears to be a near consensus among analysts and observers that the growing threat of terrorism, including suicide bombings which began around the early 1980s in Lebanon, needs to be addressed comprehensively and effectively at the national (government and non-governmental), regional and international level in an integrated and coherent

way (Crenshaw, 2007; Rosand & Ipe, 2008). It is also a well-known fact that terrorism or the threat to human security is not new to Southern African and Africa in general and dates back to the advent of colonial rule (Botha 2008). Michael Rifer observed that "there persists a seeming disconnect between SADC members in confronting the issue...Indeed, there may be questions about the commitments of some states to address the issue...Can southern African countries fight terrorism on a regional level? It is against this backdrop that that this study endeavors to illustrate that Botswana is not only vulnerable, like many other African states, to international terrorism but also needs to strengthen the counterterrorism measures that have been adopted to protect the people and the country's security.

The study has adopted what analysts like Adam Roberts (2008) have termed "British" or more ambiguously a "European" approach or perspective to fighting terrorism. This analysis emphasizes a multi-agency approach which is notable for its successes on terrorism and counter-terrorism and is more historically informed, encompasses certain elements distinctive from the American doctrine (Roberts 2008; Council of the European Union, 2005; Rigden, 2008). The US approach focuses on the military solutions to terrorism and counter-terrorism (Tanter, 1999; Foreign Affairs Committee, 2010, The White House, 2003). Using the "European approach" the study attempts to evaluate the effectiveness of the non-military counter-terrorist measures that the government of Botswana has put in place to defend the country and the people. There is a general view that terrorism is one of the most serious

threats facing the world today and that this trend is likely to continue in future and the government of Botswana appears to be cognizant of this and has ratified all the necessary international conventions United Nations Security Council (2001; Ward, 2003; Khunwane, 2015). The problem appears to be lack of implementation and weak ineffective antiterrorism mechanisms coupled with the fact that the government has never conducted an analysis of the security threats facing the country (Ontebetse, 2018).

The counter-terrorist measures that the government of Botswana has adopted have been influenced and motivated by the US so-called Global War on Terror (GWOT) which the data so far shows is unwinnable by military means alone (Bwalya, 2017; Benn, 2007; Crenshaw 2007; Zunes, 2003; Benn, 2007; Abbott *et al.*, 2007). Historical evidence shows that the effective countering of terrorism requires a wide range of instruments of power and strategies (Lakoff, 2006; Abbott *et al.*, 2007). Furthermore, counter-terrorism mechanisms require the cooperation and active participation of the citizens as well as regional and international organizations and other actors. Finally, despite the fact that the government of Botswana has ratified all anti-terrorism conventions, this study shows that it has not yet put effective mechanisms in place even after establishing a National Anti-Terrorism Committee in accordance with the United Nations Resolution 1373 of 2001.

2. Definition of Terrorism

The term "terrorism" is highly controversial, "intangible" and fluctuates according to historical and geographical contexts and governments have been grappling with it since recorded history (Combs 1997; Schmid 1997; Botha, 2008). In recent years the term has been closely associated with Islam even though it is a well-known fact that Islamists are not the only groups associated with modern terrorism. This is partly reflected by the failure of politicians, policy makers, academics and others, including the United Nation's (UN) to come-up with an agreed definition. According to Roberts (2008) the term terrorism is "confusing, dangerous and indispensable. There are many definitions of terrorism clearly indicating that it means different things to different people because it is a political, legal, moral and military issue (Ibid). Schmid and Jongman (2005) examined at least 109 definitions of the term illustrating the complex nature of the concept.

In spite of this, there are common elements that are found in the majority of useful definitions of the term by experts and analysts such as Wardlaw (1982), Combs (1997) and Roberts (2008). These elements emphasize the fact terrorism constitutes politically motivated unlawful violence usually perpetrated before an audience and purposely targets civilians (and none civilians), and infrastructure with the aim of attracting media attention (local, national and international), coercing, intimidating people and governments as well as international organisations in order to create a mood of fear to achieve political, ideological and/or religious goals. The US government defines terrorism under the Federal Criminal Code of 1 January 2004 Chapter 113B Part one of Title 18 Section 2331 and it is offence when it is committed primarily within the territorial jurisdiction on the United States and outside the country. Criminal acts, are defined as actions, including against civilians, committed with the intent to cause death or serious bodily injury, taking hostages, with the purpose to provoke a state of terror in the general public or group of persons, or particular persons, intimidate a population or compel a government or international organization to do or abstain from doing any act, which constitute the scope defined in the international conventions and protocols relating to terrorism (Ibid). The European Union (EU) has a more comprehensive definition that is contained in the "Common Position" adopted by the EU on December 27th, 2001 [2001/931/CSFP] and defines terrorism in part as acts aimed at:

- seriously intimidating a population, or
- unduly compelling a Government or an international organisation to perform or abstain from performing any act, or seriously destabilising or destroying the fundamental political, constitutional, economic or social structures of a country or an international organization (Cilliers & Sturman, 2002).

This definition is followed by a long list of specific activities deemed to be terrorist acts. In Africa, the term terrorism, which on the continent dates back to the pre-independence era, is also understood in the more or less same way. The African Union (AU) defines terrorism, in more or less the same way that its predecessor the Organization of African Unity (OAU) defined it under the Algiers Convention of 1990 Article 1(3), (Cilliers & Sturman, 2002). Unlike the other definitions of terrorism above, the AU

definition purposely excludes struggles for national self-determination because its predecessor the OAU supported liberation struggles. During the Cold War the term terrorism was highly controversial because the notion that one country's or person's terrorist is another's freedom fighter.

3. Types of Terrorism and Perpetrators

The history of terrorism and types of terrorist incidents or the threat of such action have been in existence for millennia and are very well documented (Ahmad, 2001; Schmid 1983; Alexander & Swetnam, 2001). Like the term terrorism, the terrorist acts appear to be difficult to define and there are many types of activities and types of violence that are covered under the umbrella of the term terrorism (Chomsky, 1988). The most common acts of terrorism include bombings, kidnappings and hostage-takings, armed attacks and assassinations, arsons and firebombing, hijackings and skyjackings, cyber-terrorism, use of nuclear, biological, and chemical (NBC) weapons. In the post 9/11 bombings, the numbers of suicide bombings have also increased and they are said to be generally as a last result of failed terrorism activities or aimed at driving foreign militaries from occupied territories (Crenshaw, 2017).

Terrorist acts can and have historically been perpetrated by states, groups (both religious and secular) and individuals (Botha, 2008; Rogers, 2008; Dearden, 2018). States also sponsor terrorism and it usually takes the form of propaganda, financial aid, training and/or assistance with intelligence and weapons. On the other hand, state terrorism is controversial because it is the government action against other states and or those of their agents or allies, people (including dissidents) in the form of assassinations, kidnappings, disappearances, and death squads (Glover, 1991; Chomsky, 1988; Chomsky, 1991; Chomsky, 2002). Non-state terrorism which is the most popular and is the focus of this study is carried out by different types of individuals (both male and females of all ages), groups of people and organizations (Hamden, 2006; Lia & Skjølberg, 2004).

3.1 Causes of Terrorism

The general consensus seems to be that individual terrorists may be deprived and uneducated people or affluent and well educated and that their acts

are motivated by a number of multifaceted factors that include personal reasons, ideology and religion (Hamden, 2006). It is also a fact that many people link poverty to terrorism even though terrorism occurs in rich as well as in poor countries and the new industrialising world and in less developed areas, democracies and less democratic regimes (Lia & Skjølberg, 2004). Some analysts also contend that in some cases terrorists actives are motivated by reactions to foreign polices (perceived double standards) of certain western countries and this view was also shared by the British intelligence but not by the recent successive governments (Hewitt, 2017). Opponents all the foregoing views and any discourse on the causes of terrorism claim that such actions constitute a kind of justification for violence (Lia & Skjølberg, 2004). A common perception is the assumption that "terrorists use force or threat of force instrumentally in a conscious and premeditated fashion because they misguidedly think that it will enhance their probability of achieving a certain political or religious goal or set of goals" (Hamden, 2006:1).

Others claim that perceptions of world politics, coupled with the feeling of helplessness, generates support for terrorism among Muslims (Zhirkov *et al.*, 2014; Hewitt, 2017). The reality is that the causes, as with the perpetrators (above), are much more complex than this and sometimes very difficult to discern (Chomsky, Herman & O'Sullivan, 2002). This is because it is a well-known fact that religious zealotry does not cause terrorism since there are many religious fanatics who do not result to terrorism. Zalman contend that all terrorist acts are motivated by two things that may be difficult to swallow, sound too simple, or too theoretical: social and political injustice and the belief that violence or its threat will be effective, and lead to change (Crenshaw 2007). Therefore to suggest, as Zhirkov *et al.* (2014) do, that improvement in the relationships between the West and the Muslim world can reduce support for terrorism is rather farfetched and simplistic. Commonwealth leaders also acknowledge the multifaceted nature of causes of terrorism because they are of the view that this scourge should not be associated with any particular religion, race, nationality or ethnicity (Khunwane, 2015). Zalman argues that the question, "what causes terrorism?" is not quite the right question to be asking, because we will never be able to answer it, largely due to the fact that the presence of one factor does not provoke terrorism in the same way one can say with scientific

certainty that certain toxins cause diseases. Hence for Zalman, the more appropriate question to ask should be what are the conditions in which terrorism is most likely to take place?

3.2 Botswana's Antiterrorism Measures

As in many parts of the world, the anti-terrorist measures in Botswana, were greatly influenced by the United Nations (UN) and the American response to the 9/11 attacks after which President George W. Bush declared the GWOT and vowed to defeat all terrorists and punish states that sponsor terrorism (Pintak, 2003:183; Lia, 2006). It is in this context that the invasions of Afghanistan and Iraq, on 7 October 2001 and 20 March 2003 respectively were justified as part of making the world safer (Goldenberg, 2006). However, despite the fact that the Taliban were defeated in Afghanistan and Saddam Hussein was toppled in Iraq the ruthless insurgence wars that followed still continue to this day as well as the increase in the global terrorist activities (Shanker *et al.*, 2011).

It is also now hardly undisputed, as noted above, that the GWOT has not only failed and generated more terrorist groups around the world but there is also recognition that the US needs to change its approach to fighting terrorism because the country is not much safer than before (Rogers *et al.*, 2007; Zunes 2003). The literature shows that instead of massive military action, it is judicious, effective, and timely application of international, national laws that have broken the back of terrorist organizations and this has resulted in the perpetrators of terrorism being brought to justice (Roberts, 2008). On the overall, the Bush administration was accused of ignoring historical "lessons", lacking a political strategy and merely dealing with the symptoms of terrorism and not the root causes that are historical and decided to continue supporting many oppressive regimes around the world resulting in the Middle East becoming radicalised (Zunes, 2003; Gurtov, 2006; Roberts, 2008; Biddle, 2016).

The Trump administration has ignored the foregoing reality and decided to follow and intensify the unsuccessful military strategies of the former presidents, George Bush and Barack Obama. The results so far point to failure of the GWOT (<http://carnegieendowment.org/2018/02/09/do-terrorist-trends-in-africa-justify-u.s.-military-s-expansion-pub-75476>). The Africa Command

(AFRICOM) which was formed on 6 February 2007 by President George Bush as an additional tool for fighting terrorism and protecting US interest on the continent has not only failed to achieve its objectives it has generated hostility, exacerbate conflicts on the continent, and united unprecedented opposition from African leaders and civil society (Volman & Minter, 2009; Ploch, 2010; Pheko, 2011; Taylor, 2010; Cassata, 2011). These are some of the reasons why Botswana needs put on place effective antiterrorist mechanisms.

4. Botswana and International Terrorism

In the last decade or so, the terrorist bombings around the world have not only attracted media attention but they have also led to some analysts to question what measures are being undertaken to protect people in African countries such as Botswana (Cilliers & Sturman, 2002). The 2005 internet-based attacks that included the Zotob worm which temporally disrupted the machines within the US government and San Francisco Airport have further heightened the need for governments and businesses around the world to pay careful attention to the potential damage that may be caused by hackers, whatever their motives (Pool, 2005). Many analysts believe that the most effective protection against terrorism is effective preventive measures that take into account past similar experiences elsewhere (Moors & Ward 1998; Botha, 2008; Roberts, 2008; Rifer, 2005; SADC, 2002). The government of Botswana not only concurs but it has put in place 13 pieces of legislation to fight terrorism and money laundering, irregular migration, aviation security and stringent customs control (Disang, 2012). These measures have been undertaken as part of the country's support for the UN Security Council mandate (Resolution 1373) to prevent, combat and eradicate terrorism in all its manifestations. Botswana also passed the Counter-Terrorism Act by parliament in 2014 and has establishment a counterterrorism unit which is not fully operational.

On the other hand, even though there is no established known or proven link between al-Qaeda and Islamic groups in Southern Africa, this has not deterred Botswana and other countries in the region from taking local and regional counter-terrorist measures and joining the international fight against terrorism such as the US-led Trans-Saharan Counter-terrorism Initiative (Shillinger, 2005; Holt,

2004; Botha, 2004). The latter, has trained many Botswana police officers as well as those from South Africa, Kenya and Tanzania in anti-money laundering and anti-terrorism techniques. In 2008, the US allocated P4 million to the Botswana Defence Force as part of GWOT for the financial year 2009 (*Mmegi*, 7 August, 2008).

Botswana's vulnerability to terrorism is partly illustrated by the fact that Haroon Rashid Aswat, a British citizen suspected of masterminding the 7 July 2005 London bombings, stayed in the country without being detected by the authorities (Mooketsi, 2005). In another incident, Sheik Abdullah Faisal a Jamaican, who has been described as a radical Muslim intellectual with links to Al Qaeda was deported from Botswana for allegedly trying to convert young Muslims to become suicide bombers who are supposed to have targeted the 2010 World Cup in South Africa (Pitse, 2010). The country's susceptibility is also attributed to its porous borders, improvements in technology, communication systems and the means of transportation that facilitate mobility of populations and because of its relative prosperity and weak institutions (Rosand & Ipe, 2008). In general, the contemporary reality in Southern Africa is that it is:

Characterised by little policing, inadequate legislation and understaffed and under-resourced law-enforcement agencies. Numerous countries in the sub-region have set up counter terrorist units of one sort or another, but they are not yet all structured to collect, analyze and be able to share intelligence on terrorism so that pre-emptive or preventative measures can be taken. (Goredema, 2003:7).

According to Madzima (2009) Botswana's vulnerability to terrorism attacks is magnified by its renowned economic and political stability as well as openness to international financial markets coupled with efforts to attract more Foreign Direct Investment (FDI) for economic diversification and growth. Despite this the country's legal framework does not recognize the risk of money laundering in either limited-or high-risk situations. The controversy surrounding this issue was recently exposed in one of the country's newspapers (*Sunday Standard* 27 April 2018). The government is unable to determine whether or not the absence of any terrorism financing prosecution shows the Botswana's actual terrorism risk profile (Ontebeitse, 2018). What is evident is that independent studies

and reports, including those US and the World Bank clearly show that money laundering is linked to terrorism and is a serious threat to the country. Prior to this, on 2 September 2003, US Ambassador to Botswana, Francis X. Taylor (2003), had expressed the significance of this threat when he argued that there is a clear link between organised crime, narcotics trafficking, trafficking in people, smuggling, poaching, and terrorism (Throup, 2011). The country's heavy dependence on its neighbour South Africa for critical needs such as food, electricity (until recently), and petroleum means that a serious terrorist attack in that country could result in the disruption in the flow of these items creating very serious difficulties (Ibid.). Many of these weaknesses were also recently reiterated by Ontebetse (2018). It is also important to acknowledge that in sub-Southern Africa terrorist attacks that had surged in the aftermath of 9/11 increased moderately up to 2007 and reached their peak between 2014 and 2015 but have decreased significantly (<http://carnegieendowment>). In fact, if the activities of Al-Shabab and Boko Haram, the two most lethal organizations are removed from the data, it is clear that terrorist activities in the last decade or so have only increased moderately. However, terrorism is unpredictable there is no reason for any country to believe it is one hundred percent safe as the recent events in Europe and the United States have demonstrated. Perhaps more concerning in this context is the fact that many ordinary Botswana, do not believe that terrorist attacks could occur in the country or that locals might be used during such attacks or in money laundering activities connected to terrorism (Mokongwa, 2004; Ontebetse, 2018).

As with many African states, it is very difficult, if not impossible, to ascertain how much money Botswana allocates to different sectors in defence and it is even much harder to figure out the actual amount spent on anti-terrorist measures because the military expenditure continues to be elusive and shrouded by a cloak of secrecy (Molomo, 2001; Keorapetse, 2012; *Botswana Guardian*, 2012; Bule, 2011; *Trading Economics*, 2018). Others have also expressed concern regarding budget allocations to the Directorate of Intelligence and Security Services (DISS) which, among other things is tasked to fight terrorism (Keorapetse, 2012; Staff Writer, 2009; Mooketsi, 2009; Motshipi, 2010). The DISS has been accused of engaging in corrupt activities and the head of the organization was fired this year by the new president (*Botswana Guardian*, 2012; Mathala, 2018).

5. Counterterrorism Measures

Botswana's commitment to anti-terrorism is partly reflected by the fact that on 11 September 2001, it was one of the two countries, the other being the UK, that signed all 12 United Nations (UN) anti-terrorism conventions. In 2012, Segakweng Tsiane, the Permanent Secretary in the Ministry of Defense, Justice and Security, told a visiting United Nations Security Council Counter Terrorism Committee session in Gaborone that Botswana was committed to full and effective implementation of its international obligations in the fight against terrorism and related crimes (Kgamanyane, 2012). She went on to note that one of the challenges the country was facing regarding comprehensive and integrated implementation of counter terrorism measures is resource limitations. In addition, Tsiane explained that despite resource constraints, her country had made progress by creating a strong legislative environment against terrorism and its proceeds by either amending or enacting new legislation (Ibid).

The country has passed an antiterrorism Act (2014) also established and a National Counterterrorism Committee which deals with issues pertaining to terrorism and weapons of mass destruction. The Committee is made up of officials from; the Ministry of Foreign Affairs, which chairs the Committee; the Office of the President; the Attorney-General's Chambers; the Department of Civil Aviation; the Botswana Defence Force; the Botswana Police; the Department of Customs and Excise; the Department of Immigration and Citizenship; and the Bank of Botswana (Mokongwa, 2004). In addition, there are 13 pieces of legislation in place that can be utilized in anti-terrorism activities and related crimes like money laundering, illegal migration, aviation security (Kgamanyane, 2012).

Botswana is also a party to the Vienna Convention, and has ratified the international Suppression of Financing of Terrorism Convention and ratified all the 11 other conventions related to terrorism and at the regional level. These include: the Southern SADC) Protocol against Corruption; the SADC Protocol on Combating Illicit Drug Trafficking; SADC Protocol on Wildlife Conservation and Law Enforcement; SADC Protocol on Extradition; SADC Protocol on Firearms, Ammunition and Other related materials; SADC Protocol on Mutual Legal Assistance in Criminal Matters (Madzima, 2009:11). Botswana also has bilateral agreements with the

United States of America and regional arrangements like the Southern African Regional Police Chiefs Cooperation Organization (SARPCCO), the African Union, Commonwealth of Nations, and these are supposed to contribute to collective efforts directed at reducing threats from terrorism (Ewi & Aning, 2006; Government of Botswana, 2003).

Since 9/11 (<http://www.state.gov/documents/organization/42249.pdf>) the government has also issued several statements regarding its commitment to fighting terrorism (Disang 2012; Kgamanyane, 2012). Furthermore, the country has been praised for being "an exemplary market-oriented democracy" which is contributing to regional stability and supporting US goals in Southern Africa (Lyden, 2004). Botswana is credited with providing a venue for regional military exchanges that have furthered a spirit of regional cooperation and the country cooperates with US law enforcement agencies and is home to the only International Law Enforcement Academy in Africa (ILEA). Among other things, the academy provides anti-terrorism training (Ibid). There are also claims, which the government denies, that Botswana hosts a US lily pad or military base (Njini, 2004; Kagiso, 2009).

Evidently, the government of Botswana has undertaken various anti-terrorist measures to protect its citizens. At the same time, Botswana like most countries in the region still faces serious challenges regarding antiterrorism measures. According to Minister of Defence, Justice and Security, Dikgakgamatso Seretse, the vulnerability the country to terrorism is partly to the fact that the country has not formalised its national security strategy (Mmegi, 8 October 2008). The country appears to have serious problems detecting potential terrorists despite having access to the Southern African Police Chiefs Co-operation Organisation (SARPCCO) links and an International Criminal Police Organization – (INTERPOL) data base, the secure global police communication system (I-24/7) which gives the country's police agencies direct access to INTERPOL's criminal databases. The case of Sheik Abdullah Faisal which is cited above demonstrates this problem.

In addition, despite having ratified regional, continental and various international agreements on terrorism, Botswana has not taken significant effective measures to serious combat terrorism even after the establishment of the controversial DIS (Onteбетse, 2018). There seems to be no exchange of information in Botswana society relating to money

laundering and terrorism in the domestic and international context (Mokongwa, 2004). Perhaps even more serious, is the observation that despite the fact that there have been a number of prosecutions regarding money laundering, "Botswana has not yet undertaken an assessment of its risks and vulnerabilities to money laundering and the financing of terrorism in terms of international requirements" (Madzima, 2009:1). Critics argue that in order to combat terrorism merely implementing landmark decisions is not enough there is need to also ensure that the counter-terrorism instruments are effected (Ewi & Aning, 2006). There is also a general observation that tougher anti-terrorist laws are controversial because they often require a surrender of certain basic freedoms that people enjoy in liberal democracies (Hübschle, 2005).

Being landlocked, Botswana which shares borders with Zambia and Zimbabwe on the north and north east and South Africa and Namibia on the west and north, has had a very difficult task of policing the borders even after enlisting the army's help (Molomo, 2001). This has also exposed the country to organized crime, money laundering, and the possibility of terrorist acts (Madzima, 2009; Nkala, 2003; Goredema, 2003). In 2008, *The Zimbabwean* (13 December 2008) reported that Namibia and Botswana had arrested and secretly deported several members of the Egyptian Muslim Brotherhood, which has links with the Al Qaeda movement. Many of the suspects, who were investigated for money laundering and trying to establish a sleeper cell in Botswana, are believed to have come to the country because of the booming imported second hand car trade (Ibid.).

These developments led to the British government telling the authorities that Botswana would need visas to visit the United Kingdom unless the government significantly reduced the risk posed by its citizens (Ibid). The problem is further compounded by the presence of many foreign nationals who entered the country using fake documents or crossed the border illegally. The government is unable to respond effectively to these challenges because of lack resources in the form of manpower, funding, and equipment and lack of a strong legal counterterrorism framework and poor bureaucratic capacity (Rosand & Ipe, 2008; Republic of Botswana, 2006). In fact, the country does not even have a specific ministry designated as a focal point in the event of a terrorist attack (Mokongwa, 2004). The importance of community policing and intelligence

sharing between the police and civilians has been emphasized by the government of Botswana but they have not been implemented.

Some critics contend that like most Southern African states, Botswana does not appear to regard terrorism, especially international terrorism, as an urgent African threat (Du Plessis, 2006; Rosand & Ipe 2008; Rifer, 2005). Instead, Botswana and other countries in the region have tended to perceive international terrorism as the focus of the UN counter-terrorism program, as well as a Western problem and see it as less salient to their own concerns such as HIV/AIDS and violent street crime (Center on Global-counterterrorism Cooperation, 2007). It is therefore not surprising that Botswana's National Anti-Terrorism Committee which is mandated to enforce financial laws and regulations, immigration control, aviation security, asylum control and other law enforcement measures does not explain how it works with other law enforcement organs and it is not empowered by any law (Mokongwa, 2004.) Many detractors contend that Botswana which is a member of the Eastern and South African Anti-Money Laundering Group, a Financial Action Task Force-style regional body, still remains very vulnerable to terrorism because terrorist financing has not been "criminalized as a specific offense".

6. Improving Antiterrorism Measures

It is evident from the foregoing that Botswana, like other African countries, is not immune to the threat of domestic and international terrorism because stable states "provide the infrastructure enabling extremist entities to transfer and launder funds and acquire material and logical support for operations, but generally lack sufficient security controls and capabilities" (Schillinger, 2005:3). This is part of the reason why Botswana and other African states need to beef-up their efforts urgently (Donahue, 1998; Botha, 2008). It cannot be overemphasised that successful counter terrorist campaigns in Botswana and elsewhere require greater close collaboration between the military and civil society because there are dense and complex informal global networks that sustain terrorism (Mokongwa, 2004; Luckham, 2003; Hutchful & Bathily, 1996; Ottaway, 1997). Guarding against the terrorist threat requires understanding ways in which people and money move through Africa and across the globe (Shillinger, 2005). Hardly surprising therefore that at the time of writing this article the government

of Botswana was engaged in the process of passing amending the antiterrorist act (Ramatiti, 2018). It is also important to acknowledge that fighting terrorists is a very complex process and that no country is immune to terrorist attacks (Rubin & Gershowitz 2006). Botswana should not heavily depend on regional and international counterterrorism measures to defend itself because these efforts often take a long time to be operational (MacHugh, 1998; Khadiangala, 2005). There is also need for the police and other security agencies to guard against cyber terrorism as part of the overall anti-terrorist measures since it is a well-known fact that terrorism occurs because the terrorists are one step ahead of governments (MacHugh, 1998). Botswana needs to confront the international terrorist threats head-on despite arguments by some analysts, like Laurie Garrett, who claim that the AIDS epidemic is a greater threat to international security than terrorism (*Pittsburg Post*, 19 July 2005; Baregu & Landsberg, 2004).

The terrorist activities around the world illustrate that the country's level of development, income, ideological orientation and or foreign policy cannot shield it from terrorism. In short, all countries are potentially vulnerable and need international assistance including from the American and European partners (Mair, 2003). At the national level, Botswana needs to enact appropriate and effective anti-terrorist measures as a safeguard because experience elsewhere shows that many countries act after some terrorist attack (Mokongwa, 2004; Hübschle, 2005). Despite the scholarly debates around the issues of human rights versus protection against terrorist attacks and whether or not anti-terror laws deter terrorist activities, many observers, analysts and experts contend that it is better to have them in place than after the fact (Schönteich, 1998; Botha, 2008). It is also true that the anti-terror laws around the globe have generally generated some degree of trepidation and even, outright opposition, from civil society and human rights activists because of the danger of detaining and punishing innocent people as has been witnessed in many parts of the world (Schönteich, 1998).

7. Conclusion and Recommendations

Evidently, globalisation has not only increased Botswana's vulnerability to terrorism but it has also led to the country to take several counterterrorist measures that need to be improved through the

enactment of proactive anti-terrorist policies and effective counter terrorism mechanisms. It also clear that despite the fact there is no clearly established terrorist threat to the country, Botswana, like its neighbours, needs to improve its overall anti-terrorism measures internally and the country should continue to actively participate in the formulation and implementation of counterterrorism policies and mechanisms at both regional and international levels. The porous borders, money laundering, the existence of western interests in the country and the weak financial regulations appear to exposed the country to potential terrorist acts as the expulsion of people who were alleged to be connected to Al Qaeda illustrate. There is also urgent need to come-up with sophisticated mechanisms for monitoring and containing the trafficking of false documents (Shillinger, 2005). The amendment of the antiterrorist Act which is being debated in parliament will be a positive step in the right direction regarding the key concerns raised in this discourse (Ketumile, 2018). At the regional level, it has been argued that it is in the interest of every SADC country "to ensure that the proper precautions be in place to militate against" terrorism and that Southern Africa must "demonstrate to the world that it is serious about the issue, and to explore the creation of a regional anti-terrorism strategy" (Rifer, 2005). It also seems evident that the challenge for Botswana and the rest of Africa with regard to counterterrorism and security cooperation involves conducting an honest assessment of the current threats facing the continent and utilizing the past lessons of regional government cooperation and developing realistic policies and strategies for addressing cross-border issues. This could be achieved through the effective and efficient use of the limited national, regional and international financial and human resources.

References

- Alexander, Y. & Swetnam, M. 2001. Osama Bin Laden's Al-Qaida: Profile of a Terrorist Network. NY: Transnational Publishers.
- Al-Qaeda World Cup Arrest Follows South African Professor's Warning, 2010. Available at: http://news.xinhuanet.com/english2010/world/2010-05/17/c_13299697.htm. Reuben Pitse, Muslim cleric had extensive (South African & Nigerian) links in Botswana. Sunday Standard, 18 January 2010.
- Anneli, B. 2008. Challenges in Understanding Terrorism in Africa: A Human Security Perspective. *African Security Review*, 17:(2):28-41.
- Botha, A. 2004a. Political Dissent and Terrorism in Southern Africa, Institute for Security Studies Occasional Paper 90, August.

- Botha, A. 2004b. Terrorism, In Goredema, Charles and Botha, Anneli. African Commitment to Combating Organised Crime and Terrorism: A Review of Eight NEPAD Countries. Monograph: African Human Security Initiative.
- Botha, A. 2005a. *PAGAD: A Case Study of Radical Islam in South Africa*, Terrorism Monitor, Volume 3, Issue 8, September, Available at: <http://www.jamestown.org/terrorism/>.
- Botha, A. 2005b. *An assessment of Terrorist Countermeasures Adopted by the African Union*, Washington: National Defence University, Africa Center for Strategic Studies, Commissioned Papers Series.
- Botha, A. 2008. Challenges in Understanding Terrorism in Southern Africa: A Human Perspective. *African Security Review*, 17(2):29-33.
- BBC News. 2008. 18 February.
- Biddle, S. Available at: <http://www.strategicstudiesinstitute.army.mil/pdf/files/Pub603.pdf>.
- Botswana Guardian. 2012. Auditors blow whistle on DISS corruption, 30 March.
- Botswana Police Service. Available at: <http://www.interpol.int/Member-countries/Africa/Botswana>.
- Breaking News*, 2009. 2 February.
- Bule, E. 2011. Is Defense and Security a Priority in Botswana? *The Monitor*, 11 April.
- Buzan, B. 1998. *People States & Fear: An Agenda for International Security Studies in the Post-Cold War Era*. Harlow: Pearson Longman.
- Buzan, B. 2000. The Logic of Regional Security in the Post-Cold War World. In B. Hettne, A. Inotai and O. Sunkel (eds.). *The New Regionalism and the Future of Security and Development*, 4. London: Macmillan Press, 1-25.
- Buzan, R. (eds.) *Governing Insecurity*, *Ibid.* and Barry Buzan, Ole Weaver, Jaap de Wilde, *Security: A new Framework for Analysis*. Boulder: Lynne Lynner.
- Bwalya, E. 2017. The American African Command (AFRICOM) and the war on terrorism: is the war winnable? *African Renaissance*, 14(2):117-137.
- Cassata, D. 2011. AFRICOM Chief: Libya Mission Upset Some African Nations. Available at: <http://www.navytimes.com/news/2011/04/ap-libya-africom-chief-carter-ham-says-mission-upset-some-040511>.
- Center on Global-counterterrorism Cooperation. 2007. Implementing The UN Global Counter-Terrorism Strategy in Southern Africa. Discussion Paper, Kopanong Hotel, Benoni, South Africa, 17-18 September.
- Chomsky, N., Herman, E. & O'Sullivan, G. 2002. What Anthropologists Should Know About the Concept of Terrorism. *Anthropology Today*, 18(2):22-23.
- Chomsky, N. 1988. *The Culture of Terrorism*. Boston: South End Press.
- Chomsky, N. 1991. *Terrorising the Neighbourhood*. Cambridge: MIT Press.
- Chomsky, N. 2001. Interview by David Barsamian, in *Monthly Review*, Volume 53, Number 6, November: 10-19.
- Chomsky, N. 2002. What Anthropologists Should Know about the Concept of Terrorism. *Anthropology Today*, 18(2).
- Cilliers, J. & Sturman, K. 2002. *Africa and Terrorism, Joining the Global Campaign* Published, Monograph, 74, July.
- CNN News. 2002. Bush: Join 'coalition of willing'. 20 November.
- Combs, C. 1997. *Terrorism in the Twenty-first Century*. New Jersey: Prentice Hall.
- Combs, C. 2003. *Terrorism in the Twenty-First Century*. Upper Saddle River: Prentice Hall.
- Council of the European Union. 2005. *The European Union Counterterrorism Strategy* Brussels: 30 November.
- Crenshaw, M. 2007. *Explaining Suicide Terrorism: A Review Essay* Journal.
- Dearden, L. 2018. Number of white people arrested for terror offences outstrip any other single ethnic group, new figures show, *The Independent* 3 September.
- Disang, L. 2012. Botswana upholds UN counter terrorism initiatives. *Sunday Standard* 6 Feb.
- Du Plessis, A. 2006. The Role of the United Nations in Providing Technical Assistance in Africa. In Wafula Okumu and Anneli Botha eds., *Understanding Terrorism in Africa: In Search for an African Voice*, Seminar Report, 6 and 7 November.
- Ewi, M. & Aning, K. 2006. Assessing the Role of the African Union in Preventing and Combating Terrorism in Africa, *African Security Review*, 15(3):23-46.
- Foreign Affairs Committee - Fourth Report. The UK's foreign policy approach to Afghanistan and Pakistan. Available at: <https://www.parliament.uk/business/committees/committees-a-z/commons-select/foreign-affairs-committee/news/publication-of-report-on-the-uks-foreign-policy-approach-to-afghanistan-and-pakistan/>.
- Francis, J.D. Ed. 2010. *US Strategy in Africa: AFRICOM, Terrorism and Security Challenges* Routledge Global Security Studies. London: Routledge.
- Glover, J. 1991. *State Terrorism*. Frey R.G. and Morris W.C. (eds). *Violence, Terrorism and Justice*. Cambridge: Cambridge University Press.
- Goldenberg, S. 2006. *President Bush Recently Admitted that Saddam was not Responsible for 9/11*. *Guardian*, September 12.
- Goredema, C. 2003. Initiatives Against Terrorism in Southern Africa: Implications for Human Rights. *African Security Review*, 12(1):1-8.
- Goredema, C. 2005. *Organised Crime and Terrorism: Observations from Southern Africa*, Occasional Paper 101, March 2005. Available at: <http://www.iss.co.za/index/php>.
- Government of Botswana. 1999. *Budget Speech, 1990-1999*, Gaborone: Government Printer.
- Government of Botswana. 2003. *Agreement Between the Government of the United States of America and Government of the Republic of Botswana regarding the surrender of Persons to International Tribunals*. Gaborone.
- Government of the United States. 2006. *The National Security Strategy of the United States*. Washington DC: Government of the United States.

- Gurtov, M. 2006. *Superpower on Crusade: The Bush Doctrine in US Foreign Policy* Boulder, Colorado: Lynne Rienner Publishers.
- Hamden, H.R. 2006. *Psychology of Terrorists: 4 types*, The Foundation for International Human Relations. Washington, D.C: Human Relations Institute Dubai, United Arab Emirates.
- Hewitt, S. 2017. Is there a link Between Foreign Policy and Terrorism? British intelligence thinks so. Available at: <http://theconversation.com/is-there-a-link-between-foreign-policy-and-terrorism-british-intelligence-thinks-so-78692>.
- Holt, A. 2004. *South Africa in the War on Terror*, Terrorist Monitor. Available at: <http://www.jamestown.org/terrorism/news/article.php?articleid=2368948>. Accessed 8 August 2018.
- Hübschle, A. 2005. *South Africa's Anti-terror Law Among the Least Restrictive? African Security Review*, 14(4):105-108.
- Kagiso, S.D. 2009 US Military Bases Unacceptable in Africa, 10-17 June. Available at: <http://www.African executive.com/modules/magazine/articles.php?article=4429&magazine=233>.
- Keorapetse, D. 2012. *Defence and Security budget and Accountability*. Gaborone: Government printers.
- Kgamanyane, N. 2012. Botswana commits to war on terror, Mmegi, 3 February.
- Khadiangala, G. 2005. *Legal, Human, and Accountability Challenges to Combating Terrorism in Africa*. Washington: National Defence University.
- Khunwane, T. 2015. Botswana alert to terrorism. The Daily News, Nov 30.
- Lia, B. & Skjøberg, K. 2004. *Causes of Terrorism: An Expanded and Updated Review of the Literature*, (Forsvarets Forskningsinstitutt, Norwegian Defence Research Establishment, Kjeller, Norway.
- Lia, B. 2011. Insight and hypotheses on causes of terrorism identified on the basis of a survey of the literature on terrorism Appendix 4. In Alex P.S. (ed.) *Handbook of Terrorism Research*. London: Routledge.
- Luckham, R. 2003. *Democratic Strategies for Security in Transition and Conflict*. In Luckham, R. and Cathwara, G. (eds.) *Governing Insecurity: Democratic Control of Military and Security Establishments in Transitional Democracies*. London: Zed Books.
- Lyden, M. World's Highest HIV/AIDS Prevalence Rate Highly Likely To Severely Impact US National Interests Over Next 10-15 Years. Available at: <http://nie.wikispaces.com/>. Botswana. Accessed on 12 February 2018.
- Mathala, S. 2018. Isaac Kgosi fired. The Voice, May 7.
- Mair, S. 2003. Terrorism and Africa: On the Dangers of Further Attacks in Sub-Saharan Africa, *African Security Review*, 12(1):107-110. Available at: <http://www.issafrica.org./pubs/ARS/12No1/Content.html>.
- Mmegi. 1997. BDF to Get Tanks from Austria. 30 May-5 June.
- Mmegi. 2018. Botswana commits to war on terror. 19 March.
- Mokongwa, K. 2004. Botswana's Legislative Capacity to Curb Money Laundering, Monograph No 107, October .
- Molomo, G.M. Civil-Military Relations in Botswana's Developmental State. *African Studies Quarterly*, 5(2):3:38-58.
- Mooketsi, L. 2005. Botswana police deny knowledge of terror suspect Mmegi, 8 April.
- Mooketsi, L. 2009. Police Brutality Worries Tsimako. Mmegi, 15 June.
- Moors, C. & Ward, R. (eds.) 1998. *Terrorism in the New World Disorder*, Chicago: Office of International Criminal Justice, University of Illinois.
- Motshipi, M. 2010. The Future of DIS. Botswana Gazette. 7 April. Gaborone: Government printers.
- Njini, F. 2011. Africa: Final Conquest for Pentagon's Global Military Sphere of Influence A US military Base in Africa, Global Research, September 6.
- Nkala, G. 2003. *Penetrating State and Business Organised Crime in Southern Africa*, edited by Peter Gastrow, Monograph, Number 89.
- Pheko, M. 2011. US Africa Command a Tool to Recolonize Continent. Pambazuka News, Issue 558, 16 November.
- Pintak, L. 2003. *Bloodshot Lens: America, Islam and the War of Ideas*. London: Pluto Press.
- Ploch, L. 2010. CRS Report R41473, Countering Terrorism in East Africa: The U.S. Response, November 3.
- Pool, J. 2005. *New Forum Positing Call for Intensified Electronic Jihad Against Government Websites*, Spotlight on Terror, Volume 3, Issue 8, 29 August. Available at: http://www.jamestown.org/terrorism/news/article.php?issue_id=3446.
- Ramatiti, K. 2018. Botswana Muslims suspicious of new anti-terrorism law, Weekend Post 18 June.
- Republic of Botswana. 2006. *Annual Economic Report Published as a Supplement to the 2006 Budget Speech*. Ministry of Finance and Development Planning. Gaborone: Government printers.
- Republic of Botswana. 2008. *Budget Speech 2008* Gaborone: Gaborone: Government Printers.
- Republic of Botswana. 2012. *Budget Speech by Honourable O.K. Matambo Minister of Finance and Development Planning Delivered to the National Assembly on 1st February 2012*, Gaborone: Government printers.
- Rifer, M. SADC and Terrorism Where is the regional strategy? Available at: <http://www.iss.co.za/pubs/asr/14No1/ERifer.htm>.
- Rigden, I.A. 2008. The British Approach to Counter- Insurgency: Myths, Realities and Strategic Challenges. Available at: <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA479660> check date.
- Roberts, A. 2008. The 'War on Terror' in a Historic Perspective. *Institute of Security Studies*, 17(2):42-60.
- Rubin, M. & Gershowitz, S. 2006. *Political Strategies to Counterterrorism: The Evolving Threat: International Terrorism in the post 9-11 Era*. July 12. Available at: <http://www.meforum.org/article/974>.
- Schmid, A. 1983. *Political Terrorism: A Research Guide to Concepts, Theories, Data Bases and Literature*. New Brunswick: Transaction;
- Schmid, A. 1997. The Problems of Defining Terrorism. In M. Crenshaw & J. Pimlott (eds.) *Encyclopedia of World Terrorism*. New York: M.E. Sharpe.

- Schmid, P.A. & Jongman, A.J. 2005. Political terrorism: a new guide to actors, authors, concepts, data bases, theories, & literature. New Jersey: Transaction Publishers.
- Schönteich, M. 1998. Laws as weapons: Legislating against terrorism. Boshoff, H., Botha, A. and Schönteich, M. *Fear in the city, ISS, Pretoria, September 2001 and South African Law Commission*. Discussion Paper 78, Project 105, *Review of Security Legislation*, Pretoria, November.
- Shanker, T., Schmidt, S.M. & Worth, F.R. 2011. In Baghdad, Panetta Leads Uneasy Moment of Closure. *New York Times*, 16 December.
- Shillinger, K. 2005. *After London: Reassessing Africa's Role in the War on Terror*. 6 September. Available at: http://www.aei.org/publications/pubID.23130,filter.all/pub_detail.asp.
- Southern African Development Community, 9 July 2002 AFR 01/008/2002. *Southern African Policing to Protect*. Available at: http://groups.google.com/group/misc.activism.progressive/browse_frm/thread/ec4bba8ae166280b.
- Staff Writer. 2009. Botswana: DIS eyes P1bn – major portion for 'high-tech surveillance platform'. Mmegi. Wednesday, 12 August.
- Taylor, I. 2010. The international relations of Sub-Saharan Africa, London: The continuum International Publishing Group.
- The Director General Directorate of Intelligence and Security, Keynote Address During the Security Association of Botswana Annual General Meeting, Gaborone, Oasis Motel, 11 August 2010.
- The U.S. Africa Command Public Affairs Office. 2011 United States Africa Command-The First Three Years, Headquarters U.S. Africa Command: Stuttgart, March
- The United States Federal Criminal Code. Chapter 113B of Part I of Title 18 of the Code defines terrorism and lists the crimes. Available at: <http://www.anthropeotics.ucla.edu/ap0801/terror.htm#n16>.
- The White House (Press release). 2003. President Bush Announces Major Combat Operations in Iraq Have Ended. May 1. Available at: <http://georgewbush-whitehouse.archives.gov/news/releases/2003/05/print/20030501-15.html>.
- The White House. 2003. National Strategy for Combating Terrorism, Washington, DC: 15-28 February.
- Throup, D. 2011. Botswana: Assessing Risks to Stability. Washington D.C: Center for Strategic Studies and International Relations.
- Trading Economics. 2018. Botswana Military Expenditure 1977-2018. Available at: <https://tradingeconomics.com/botswana/military-expenditure>. Accessed on 12 February 2018.
- Tumelty, P. 2005a. New Developments Following the London Bombings. *Terrorism Monitor*, 3(23):8-11.
- Tumelty, P. 2005b. An In-Depth Look at the London Bombers. *Terrorism Monitor*, 3(15):1-4.
- United Nations Security Council. 2001. Letter dated 27 December 2001 From the Chairman of the Security Council Committee Established Pursuant to Resolution 1373 (2001) Concerning Counter-terrorism Addressed to the President of the Security Council, S/2001/1267.
- United States Congress. 2001. Public Law 107-56 Stat. 115 Stat. 272. United States Congress, 2001.
- United States Government, Laws: Cases and Codes: U.S. Code: Title 18. Crimes and Criminal Procedure. Available at: <http://caselaw.lp.findlaw.com/cascode/uscodes/18/parts/i/chapters/113b/toc.html>.
- Volman, D. & Minter, W. 2008. AFRICOM: Making Peace or Fueling war? Available at: <http://www.ww4report.com/node/7239>.
- Ward, C.A. 2003. Building Capacity to Combat International Terrorism: The Role of the United Nations Security Council. *Journal of Conflict and Security Law*, 8(2):289-305.
- Wardlaw, G. 1982. Political Terrorism: Theory, Tactics and Counter-measures. (Cambridge: Cambridge University Press.
- Wills, E. Europe Faced 205 Terror Attacks last year... And more than half were reported in the *Evening Standard*, 20 June 2018.
- Zalman, A. AFRICOM: Controversial Command Suspected of Bringing US War on Terror to Africa. Available at: <http://terrorism.about.com/od/globalwaronterror/a/AFRICOM.Htm>. Accessed on 15 February 2018.
- Zalman, A. The Causes of Terrorism. Available at: http://terrorism.about.com/od/causes/a/causes_terror.htm. Accessed on 15 February 2018.
- Zhirkov, K., Verkuyten, M. & Weesie, J. 2014. Perceptions of world politics and support for terrorism among Muslims: Evidence from Muslim countries and Western Europe. *Conflict Management and Peace Science*, 31(5):481-501.
- Zunes, S. 2003. *Tinderbox: US Middle East Policy and the Roots of Terrorism*. London: Zed Books.

Community Assemblies and the Implementation of Local Economic Development Policy in Uganda

M Galukande Kiganda and O Kabatwairwe
Uganda Management Institute, Uganda

LB Mzini
North-West University, South Africa

Abstract: The study investigated the contribution of Community Assemblies (CA) in the implementation of the Local Economic Development Policy(LED). Two of the core assemblies studied were; Barazas and Neighbourhood Assemblies in Kayonza Sub County, Kayunga district from the period 2012 –2016. The study assessed the role of Barazas in LED and the contribution of Neighbourhood Assemblies in LED. It also identified the factors affecting effectiveness of community spaces in LED. The study used a qualitative descriptive design based on interviews, observations, document and literature review carried out in the district of Kayunga in Kayonza sub-county. Findings indicated that community assemblies play a positive role in the implementation of LED, in the awareness creation, monitoring and evaluation of government programmes, citizen mobilisation, as fora for engagement and introduction of government programmes. Community assemblies were accountability and feedback sharing forums and supported identification of local problems, acted as information centres as well as informed policy changes through recommendations. However, their work was affected by lack of sustainability, politics of public policy, limited citizens' participation, conflicting policies, poor coordination, human and capital resources, institutional challenges and limited follow up on the concern raised by the citizens through these assemblies. The study recommended participatory planning, coordination, implementation, monitoring and evaluation of government programmes. Similarly, the contribution of community assemblies ought to be recognised and enhanced to realise full economic emancipation, since this is the way to go to recognise an empowered citizenry.

Keywords: Community Assemblies, Community projects, Local Economic Development, Neighbourhood Assemblies

1. Introduction

Community Assemblies have been propounded as a new form of governance system for the realisation of Local Economic Development, (Andrea & Coelho, (2004). They encompass Neighbourhood Assemblies (NAs) and Barazas, with the objective of empowering citizens to realise full socio-economic potential (Amin, 2004). In Kenya, for instance, assemblies have enhanced the capacity of citizens to participate in the identification, planning, budgeting, implementation and monitoring of service delivery, which has enhanced ownership, sustainability of community projects and reduction of corruption risks (Christian Development and Partnership Association [CPDA], 2012; Gaventa, 2001). According to Avritzer (2002) and Fung and Wright (2003), assemblies are organized and work on the basis of social capital and use of local resources to interface between the community and the state to articulate their demands (Kearns & Turok, 2003). Much as community assemblies are in existence in Uganda, their programs are hindered by systematic and systemic bottlenecks as

evidenced by lack of coordination, conflicts, bureaucratic red tape, poor record keeping, and other institutional challenges (DENIVA, 2012; Kamugisa, 2015). As a result, citizens have not been empowered to realise their social economic potential. In fact, they have become complaining assemblies instead of working towards social economic improvement (Daily Monitor, March 2016, 13). Understanding the role, relations and benefits of Community Assemblies is imperative to appreciating the dynamics of Local Economic Development (LED).

The purpose of this study therefore, is to investigate the contribution of Community Assemblies in Local Economic Development, in Kayonza Sub County, Kayunga district. This chapter includes the background, problem statement, general and specific objectives, research questions, scope, and significance of the study, justification and definitions of concepts. The Government of Uganda has attempted to encourage LED through programs and projects such as Youth Livelihoods Programme, (YLP), Women's Entrepreneurship Fund (WEF) and

SACCO's to alleviate poverty in many parts of the country, of which Kayonza is a beneficiary. There have been capital enhancement and market accessibility (Annual Report of the Office of the Prime Minister's [OPM],2014), where skills, knowledge and information have been decentralized to the communities through two key spaces at the community level including the Barazas (OPM, 2009) and Neighbourhood Assemblies (CEW-IT, 2012). As a result, citizens have been organised through Barazas' and NAs and benefited local economic incentives inform of seeds, farm tools including animals and cash to engage in economic activities. Some of these groups have engaged in agriculture, small scale industries, retail trade and savings and loans associations (Kayunga District Website, 2016). Barazas and Neighbourhood Assemblies have been pivotal to the development of Kayonza, in the operationalisation of the LED policy. However, the objective of sparring local economic initiatives in poverty alleviation has not been fully realised. Part of the explanation is that there is lack of market, skills, absence of profitable local initiatives, uncoordinated avenues for information sharing, chronic poverty and the general lack of interest among the citizens in enhancing economic empowerment (National Policy on Public Sector Monitoring and Evaluation, 2013; USAID SDS Programme, 2016). If the situation remains unchecked, it will lead to failures in the realisation of LED. And the implication will be increased poverty and suffering among citizens. The purpose of the study therefore was to investigate how community assemblies contribute to LED in Kayonza Sub County, Kayunga district.

2. Theoretical Underpinning

The Empowerment theory advanced by (Perkins & Zimmerman, (1995) espouses the need for a realisation of the role of citizens' participation and an appreciation of local initiatives to strengthen development programmes. It is important to note that citizens shape their future, and for any efforts aimed at enhancing their capacity, citizens should be given time to conceptualise these efforts to enable them understand, relate and appreciate them. It may be difficult to impose an agenda to a community whose citizens are determined to do the contrary, therefore Empowerment theory advances the need for strong relationships with the community, active listening, understanding and working together with the community to realise their challenges and together identify issues that require attention. In many cases,

it requires staying more time within the community to appreciate their challenges to be able to find the right solutions, the development worker may also require assuming a facilitator's role. However, the Empowerment theory underrates the role of the Government planning processes for its citizens. Government may decide to introduce programmes across the country even with fewer consultations as civil servants and citizen representatives do know what the communities want. The cost incurred in consultations is also another issue that the theory undermines. With the merger resource envelope, and in growing low income states, most of the initiatives may not be introduced through consultation, meanwhile the rather Decentralisation process, such as during the development of the National Development Plan, may cater for issues of citizen empowerment and participation.

3. Conceptualisation

The key concepts in the study were Barazas, NAs, factors affecting effectiveness of community assemblies as the independent variable of the study, and citizen empowerment, citizens' local initiatives and citizen participation as the dependent variable. It is conceptualised that governance, policies and programmes, capacity, mobilisation, economic, institutional factors do have a role to play in the establishment of community spaces and realisation of economic development Canzeneli, (2000). Recognition of the relationship between providers and recipients of public service, the avenues for public participation and decision making informs the ultimate provision of quality services accessible to all (Kamugisa, 2015). A tripartite partnership to have local governments, private sector and community jointly and collectively engage in identification, mobilization, management and initiation of resources at the local levels is key (Ministry of Local Government [MoLG], 2013). It is important to enhance people power to manage their local resources and establish initiatives to improve their well-being as reflected to by (Zaaier & Sara, 1993).

4. Contextual

Citizens in Kayonza Sub County have engaged in the establishment of local initiatives to sustain their well-being (Kayunga District Website, 2016). Of these initiatives, are community assemblies, some have been established by local citizen's organizations and others by Government, such as

the Youth Livelihoods Programme (YLP), SACCOs, Women's Entrepreneurship Fund (WEF), Poverty Eradication Programmes, with an aim of improving the general wellbeing of the citizens as well as empowering them to start up local initiatives to salvage themselves from poverty (LED Policy, 2014). However, there is low community participation and involvement in development programmes which has also greatly affected the capacity of the citizens and the district to deliver quality social services as stated by the (USAID-SDS Programme, 2016). The area has decried the lack of ready market or alternative sources of value addition to increase the quality of the produce, impassable roads affecting transportation of goods and services, low capacity in terms of equipment (tooling), high electricity tariffs, low knowledge of processing, lack of domestic market arising out of a large subsistence production, high poverty levels and lack of household income to purchase processed commodities (Kayunga district website, 2016). As a result, there have been attempts to correct these failures through the introduction of Barazas and Neighbourhood Assemblies (CEW-IT, 2012; OPM, 2009) to address the issue of community participation and information sharing. However, according to (Daily Monitor, 2016, March 13) the assemblies have become complaining spaces. At the same time Rumanzi reported that Government officials have branded the assemblies as anti-government (Daily Monitor, 2012, September, 6), because they are said not to declare their work plans therefore; mainstreaming their contribution to LED with that of Local Governments is rather complex (Namara, Karyeija & Mubangizi, 2015). The implication is that funds invested by CSOs, Government and development partners are being wasted and the objective of poverty eradication may not be realised (Amin, 2004; Kamugisa, 2015). It is on the basis of such back ground that, this research will find out the contribution of Community Assemblies in Local Economic Development in Kayonza Sub County, Kayunga District.

5. Research Methods

The study adopted a descriptive qualitative study design. This is because, descriptive studies provide information about naturally occurring behaviours, attitudes, demonstrates associations and one time interactions with groups of people (Bickman & Rog, 1998). A descriptive study is one in which information is collected without changing the environment

(i.e. nothing is manipulated). Bickman and Rog (1998) add that descriptive studies can answer questions such as "what is" or "what was". The study relied on interviews, observations and Focus Group Discussions in describing the phenomenon (Creswell, 1998). The research adopted qualitative methods for data collection including; Interview, Focus Group Discussions and Observations.

5.1 Interviewing

An interview guide was used to ensure consistency and uniformity. As Turner (2010) observes, sometimes interviewees got off topic with certain questions either due to misunderstanding of the question itself or not wishing to answer the question directly. The researcher explored reconstructing questions to make them clearer. This served to reduce misunderstanding and misinterpretation of questions as Creswell (2007) states. Key Informant Interviews helped to gather vast information from many respondents; their information informed the study by providing insights and experiences to the real problem as well as identified measures to address the challenges thereof, the Center for Health Policy Research (2010). These were used to conduct in-depth interviews with Government officials and CSOs that had an idea on the variables.

5.2 Focus Group Discussions

The researcher conducted two FGDs in two NAs using FGD guiding questions. This was applied on NAs as local initiatives. The researcher purposively picked 10 members from each NA to make 20 respondents. The FGDs were held separately and results were compared to check whether they give common responses on discussion themes. They helped to generate deeper thoughts and insights about the study variables (Amin, 2005; Cresswell, 2004). The FGD comprised a total of 10 respondents in the selected NAs (Cresswell, 2004; Sekeran, 2003).

5.3 Observation

This method was applied on the initiatives such as nature of trade, farming, and other economic activities as well as the way of life established by the citizens in Kayonza in comparison with the programmes and assemblies they engaged in. This is the active acquisition of information from a primary source, conducted in an open and free manner Kawulich & Barbara (2005). Observation provided

a straight and easy reach to the study phenomena, enhanced flexibility in applying the research objectives to the study. Scholars, such as Bogdan & Biklen (1998:35), state that "qualitative researchers try to interact with their subjects in a natural, unobtrusive, and non-threatening manner".

6. Findings and Analysis

The study was grounded on the contribution of community assemblies as the independent variable and Local Economic Development as the dependent variable in the study of community as was be put on the formation, composition, nature of activities, governance structure, institutional capacity, citizen participation, capacity of members, the legal framework within these assemblies. The purpose of the study was to; investigate the contributions of community assemblies to Local Economic Development in Kayonza Sub County, Kayunga district, and the specific objectives were to; assess the role of Barazas in LED in Kayonza Sub County, Kayunga district; analyse the role of NAs in LED in Kayonza Sub County, Kayunga district; and to; establish the factors affecting effectiveness of community assemblies in LED in Kayonza Sub County, Kayunga district.

The study was grounded on three specific objectives with a focus on assessing the role of Barazas in LED. Literature found out that Barazas are foras for feedback, information sharing, planning and monitoring of social and economic programs (OPM, 2016), they are used to demand respect, engagement and cooperation with actors (Anne, 2004), and enhancing citizen participation in the decision making processes (The administrator, 2008). The findings were that; Barazas are relief assemblies; are avenues for reinforcement of policy change and ultimate economic development. Citizens are able to raise their problems looking at the officials whom they demand for feedback instantly and it is given. At a Baraza citizens and leaders interface and engage on community driven development concerns. Barazas enabled Kayunga district create awareness on LED. Government programmes such as Youth Livelihoods Programmes where youth have received funds after receiving information from the Barazas on the existence of this fund.

The second objective was to analyse the contribution of NAs in LED. Literature revealed that NAs are a community engagement and accountability measure for citizen mobilisation (CEW-IT 2016), citizen

empowerment to address poverty (MakhokaEn, 2002) are foras for access to credit facilities, capacity, information (Canzeneli, 2000), support monitoring service delivery, support identification of local issues, and create community cohesion, are organized at village level with 20-200 members, have clear guidelines, meet regularly (CEW-IT, 2012; Storey, 2001). The findings revealed that NAs have a membership of 100 citizens from the surrounding villages. They have a leadership of nine ministries of health, education, water, gender, speaker, convener, agriculture, information and security. We learnt a lot in the NA and have acquired knowledge and skills to better our community. The ministries are led by ministers who are elected democratically by members and are gender sensitive. Do a supportive role of monitoring around the villages to identify issues within the community. The issues they identify as of concern in the community are tabled at an NA meeting which normally happens twice a month and discussed. The NA sits twice in a month, given the needs within the community. NAs in Kayonza were organized and trained by AHURICA, a CSO in Kayunga. Most of the members in this assembly are farmers growing maize, sweet potatoes, beans, greens among others; this has enhanced their economic status.

The third objective was to establish the factors affecting effectiveness of community assemblies in LED. Literature was reviewed showing political, economic and institutional factors; a weak policy framework, limited citizen participation, lack of information, leadership gaps, limited resources, weak coordination, limited access to credit, market, inputs, weak structures and internal conflicts (Adamovsky, 2012; Wainwright, 2003; Amin, 2004; North, 1991). Findings revealed that poor coordination affects the work of community assemblies, lack of access to information about government programmes, Barazas are termed as accusation platforms for civil servants on what they have not done; the one off time meetings, poor infrastructure facilities affect the work of assemblies, limited citizen participation, lack of recognition of nongovernmental established platforms such as Neighbourhood assemblies, conflicting policies such as the Public Order Management Act which we, inclusive of government officials must abide with while running any community engagement programmes, we are wondering, how government can fight its own programme, in the end this affects sustainability of the initiatives put in place. In addition, follow up

on issues presented to leaders in the community assemblies is weak and limited human and capital resources.

7. Conclusion and Recommendations

The conclusions from the findings are that; Barazas play a crucial role in the local economic agenda; they are avenues for awareness creation, information sharing on government programmes, problem identification and resolving of local problems. They are platforms for feedback, planning, accountability and monitoring of social and economic programs but also help in institutionalizing democracy, power and authority to locals on public sector management. It is imperative that the challenges faced by these assemblies are addressed such as conflicting policies and politics, corruption, unending complaints, accusations, fault finding and have not addressed real challenges. The major role of sorting political challenges instead of being consultation avenues as noted by (Haugerud, 1997) should be enhanced. In addition to the above, while the existence of Barazas is majorly to decentralise power to the locals, enhance monitoring, accountability, information sharing and planning, they are faced with structural challenges, conflicting policies and politics, corruption, unending complaints, accusations, fault finding and have not addressed real challenges. In-fact, they are avenues for sorting political challenges instead of being consultation avenues (Haugerud, 1997). Therefore, it is imperative that the structural challenges are dealt with by refocusing the goal and objectives of Barazas, if LED is to be fully realized in Kayonza Sub County.

Furthermore, once well organised, coordinated, owned, structured and legalised; Neighbourhood Assemblies can be a recipe for successful implementation of government programmes, poverty alleviation and economic empowerment. These assemblies contribute to citizen empowerment, citizen mobilisation, and engagement on issues of development and social wellbeing. One unique aspect of the NAs is their indigenous mobilisation, owned and managed by citizens themselves; this establishes their sustainability because they are not dependent on any institution. They empower citizens to demand for accountability and start up their own initiatives and participate in decision making and governance. Their work ought to be augmented by government structures to have their voices heard. Institutional factors were found to be vital for LED. Such factors include members' skills capacity development, fair rules and regulations,

ownership, power sharing and social participation in combination with economic factors could contribute to create dynamic processes with higher levels of growth (Adamovsky, 2012; North, 1991). Results indicated that communities were dissatisfied with the way government handled LED implementation policy in Kayonza Sub County. Luisa (2003) urges that institutions that maintain strong cohesion with state agencies often get positive dividends with less political interference. In effect members may not feel that they are left out in the development process which would contribute to greater participation and ownerships of institutions. Therefore, factors that inhibit local development efforts in Kayonza Sub County should be dealt with by granting more involvement of local communities in implementation so as to effectively contribute to LED.

The study targeted 30 respondents from a population of 137. According to Gay (1990) and Creswell (2004) in a qualitative study any number of respondents below 30 is representative of the study population. The sample size was 30 on the basis of the above authority. The study planned to reach out to 30 respondents instead 28 were met. Two of the respondents were not in the district at the time the researcher conducted the field visits. The overall response rate was 93%. This implies that the study findings were a good representation of the survey population (Amin, 2005). The findings indicate that Barazas play a crucial role in LED as mechanisms for awareness creation, information exchange, dissemination of information on government programs, and resolving local issues by finding community based solution.

- Barazas are a relevant avenue for giving progress and accountability, planning, engagement with citizens, interface; we need to make it a better forum for it can create and destroy the work of Government. We need everyone to appreciate why Barazas not other spaces, the lower governments need to understand them first so that they know how to use them and for what purpose, there should be an increased coordination between the lower governments and central government on the effectiveness and role of this assembly.

The study findings showed that NAs train citizens, create unity among local people and empower citizens to fight poverty; they are avenues for information and knowledge sharing. Citizens have also

testified of accessing inputs, seeds and market through these assemblies. In effect, NAs play a positive role helping local citizens realise their potential by identifying common problems and finding solutions to resolve them. NAs are a recipe for a better community, for a for successful implementation of government programmes, poverty alleviation and economic empowerment. The findings are supported by works of Makhoka (2002) who argued that without NAs poverty reduction is not possible as they add efforts towards citizen empowerment.

- NAs should be devoid of unconstructive politics but use it positively to allow politicians to bring in resources, training for members on their roles, registration of NAs with local governments for mutual partnership and use of the NAs as forums for information sharing and sensitization on government programmes.

The findings from the study indicate a top-down approach to resolving local economic problems is not effective. The approach does not enable increased citizen participation, consultation and involvement. The work of Community Assemblies is affected by poor infrastructure, poor communication, poor coordination of government programs, inadequate accountability spaces, conflict in policy framework, harassment of civil servants, climate change, low resource capacity at sub county and failure to recognize the role played by NAs, skills capacity development, fair rules and regulations, ownership, power sharing and social participation thus ignoring their contributions to LED. It is important that governments at all levels enhance citizen engagement, participation and consultation at every stage of development of government programmes. The role of the various representatives at different levels of leadership should be enhanced and ably facilitated to reach out to the citizens through these assemblies, for better performance of government programmes, the citizen should be at the fore front. It should also be noted that, top down programmes should be introduced to the citizens right from the onset to have them understand and own them.

- Enhance the standard of living of the people in Kayonza; enhance infrastructure to ease accessibility and affordability of social services and sensitize citizens and leaders on their role. The district should utilise the available foras to bridge the information gap between citizens and leaders to enable citizens' appreciation and ownership.

References

- Adamovsky, E. 2012. Pots, Plans and Popular Power: the neighbourhood assemblies of Buenos Aires Updated information about Argentina's popular rebellion: Available at: www.nadir.org/nadir/initiativ/agp/free/imf/argentina/index.htm.
- Amartya, S. 1985. *Commodities and Capabilities*. North-Holland.
- Amin, A. 1999. An Institutional Perspective on Regional Economic Development. *International Journal of Urban and Regional Research*. 23(2):365-378.
- André, P. (with the assistance of P. Martin and G. Lanmafankpotin). 2012. Citizen Participation, In L. Côté and J.-F. Savard (eds.) *Encyclopedic Dictionary of Public Administration*. Available at: www.dictionnaire.enap.ca.
- Azfar, O., Kähkönen, S., Lanyi, A., Meagher, P. & Rutherford, D. 1999. *Decentralization, Governance and Public Services: The Impact of Institutional Arrangements*. A Review of the Literature. College Park: University of Maryland.
- Bakker, J., Denters, B., Oude Vrielink, M. & Klok, P.-J. 2012. Citizens' Initiatives: How Local Governments Fill their Facilitative Role. *Local Government Studies*, 38(4):395- 414.
- Bardhan, P. 2002. Decentralization of Governance and Development. *The Journal of Economic Perspectives*, 16(4):185-205.
- Bogdan, R. & Taylor, S.J. 1975. Introduction to qualitative research methods: A phenomenological approach to the social sciences. Chicago: University of Chicago.
- Bogdan, R.C. & Biklen, S.K. 1998. *Qualitative Research for Education. An Introduction to Theory and Methods*. United States of America. Allyn & Bacon.
- Bookchin, M. 1971. *Post- Scarcity Anarchism*. Ramparts Press United States.
- Canzanelli, G. 2001. *Overview and learned lessons on local economic development, human development, and decent work*, working paper 1, ILO Programme "Universitas".
- Chambers, R. & Conway, G.R. 1991. *Sustainable Rural Livelihoods: Practical concepts for the 21st century*. Institute of Development Studies.
- Chambers, R. 1974. *Managing Rural Development: Ideas and experiences from East Africa*: Uppsala: Scandinavian Institute of African Studies.
- Chambers, R. 1983. *Rural Development: Putting the last first*. New York: John Wiley.
- Chambers, R. 1993. *Challenging the professions: Frontiers for rural development*. London: Intermediate Technology Publications.
- Chambers, R. 1993. *Whose reality counts: Putting the first last*. London: Intermediate Technology Publications.
- Chambers, R. 2010. *Provocations for Development*. Rugby: Practical Action Publications.
- Chavis, D. & Wandersman, A. 1990. *Sense of Community in the Urban Environment: A Catalyst for Participation and Community Development*. *American Journal of Community Psychology*, 18(1):55-81.
- Citizens Watch with Information Technology – CEW-IT. 2012-2016. Strategic Plan.

- Cornwall, A. & Coelho, V.S.P. 2006. Spaces for Change? The Politics of Participation in New Democratic Arenas. London: Zed Publishers.
- Corsín, J.A. & Estalella, A. 2013. Assembling neighbours: The City as hardware, method, and 'a very messy kind of archive'. *Common Knowledge*, 20(1):150-171.
- Creswell, J.W. 1998. *Qualitative inquiry and research design: Choosing among five traditions*. London: Sage Publications.
- Creswell, J.W. 2007. *Qualitative inquiry and research design: Choosing among five approaches*: Thousand Oaks, CA: Sage.
- Decuir-Viruez, L. 2003. Institutional Factors in the Economic growth of Mexico. 43rd Congress of the European Regional Science Association: "Peripheries, Centres, and Spatial Development in the New Europe", 27th – 30th August 2003, Jyvaskyla, Finland, European Regional Science Association (ERSA), Louvain-la-Neuve.
- Dent, V.F. 2007. Local economic development in Uganda and the connection to rural community libraries and literacy. *New Library World*, 108(5/6): 203-217.
- Estrada, S. 2017. *Qualitative Analysis Using R: A Free Analytic Tool*. *The Qualitative Report*, 22(4): 956-968. Retrieved from <http://nsuworks.nova.edu/tqr/vol22/iss4/2>.
- Funck, L.F. 2014. *Local Economic Development activities in Northern Uganda and Karamoja*. Knowledge Network Dutch Consortium for Rehabilitation Research Brief # 11 DCR.
- Higher Local Government Statistical abstract, 2009. Kamuli district. Kampala: Uganda government printers.
- Kaldaru, H. & Parts, E. 2008. Social and institutional factors of economic development: evidence from Europe, *Baltic Journal of Economics*, 8(1):29-51.
- Kawulich, B.B. 2005. Participant Observation as a Data Collection Method. *Forum: Qualitative Social Research*, 6(2):43.
- Kearns, A. & Turok, I. 2003. *Sustainable Communities*, ESRC/ODPM Report. Glasgow: University of Glasgow.
- Kieffer, C. 1984. Citizen empowerment: A developmental perspective. In Rappaport, J. & Hess, R. (Eds.). *Studies in Empowerment*. New York: The Haworth Press.
- Lerner, J. & Megan, W.A. 2010. Chicago's \$1.3 Million Experiment in Democracy, for the first time in the U.S., the city's 49th Ward lets taxpayers directly decide how public money is spent. Chicago: Yes Magazine.
- Local Government Hand Book. 2014. *Decentralization and Local Development in Uganda*, Ministry of Local Government. Kampala: Uganda.
- Martin, E.A. 2005. *Social science research: conception, methodology and analysis*. Kampala: Makerere University.
- Mette Kjaer, A. 2004. Key Concepts: Governance. Cambridge: Polity Press.
- Namara, R.B., Karyeija, G.K & Mubangizi, B.C. 2015. Network governance and capacity of local governments to deliver LED in Uganda. *Commonwealth Journal of Local Governance*, (18):82-107.
- North, D. 1991. Institutions. *Journal of Economic Perspectives*, 5(1):97-112.
- Perkins, D.D. & Willamsburg, V.A. 1993. Empowerment theory, research and policy. Symposium conducted at the biennial conference proceedings on Community Research and Action.
- Perkins, D. & Zimmerman, M. 1995. Empowerment theory, research, and application. *American Journal of Community Psychology*, 23(5):569-579.
- Riger, S. 1993. What's wrong with empowerment? *American Journal of Community Psychology*, 21(3):279-292.
- Rumanzi, P. 2012. *Ruhamu platform irks Mrs. Museveni*, *Daily Monitor*. Available at: <http://uchaguzi-uganda.blogspot.ug/2012/08/ruhaama-platform-irks-ms-museveni.html>.
- Sarantakos, S. 1993. Social research. Basingstoke: Macmillan.
- Saunders, M., Lewis, P. & Thornhill, A. 2012. Research Methods for Business Students. Harlow: Pearson Education Limited.
- Schwandt, T.A. 2007. *The Sage dictionary of qualitative inquiry*. London: Sage Publications.
- Sseguya, H., Mazur, R.E., Wells, B. & Matsiko, F. 2015. Quality of participation in community groups in Kamuli District, Uganda: implications for policy and practice. *Journal of the Community Development Society*, 46(1):14.
- The Administrator. 2008. Newsletter of the Ministry of State for Provincial Administration and Internal Security. Kampala: Office of the president
- The Administrator. 2010. Newsletter of the Ministry of State for Provincial Administration and Internal Security. Kampala: Office of the president
- Turner, D.W. 2010. *Qualitative Interview Design: A Practical Guide for Novice Investigators*. *The Qualitative Report*, 15(3):754-760.
- Wainwright, H. 2003. *Reclaim the state, Experiments in popular democracy*. Verso New York.
- Woolcock, M. 1998. *Social Capital and Economic Development: Toward A Theoretical Synthesis and Policy Framework*. Brown University: Providence Kluwer Academic Publishers.
- Yasmine Miemiec. 2013. *The Impact of enterprise development in South Africa, Executive Development*. Cape Town: Stellenbosch University.
- Zimmerman, M.A. 2000a. *Empowerment and community participation: A review for the next millennium*. In José Ornelas (Ed.) *II Congresso Europeu de Psicologia Aplicada*. Lisboa: Instituto Superior de Psicologia Aplicada.
- Zimmerman, M.A. 2000b. *Empowerment Theory: Psychological, Organizational and Community levels of analysis*. In Jullian Rappaport and Edward Seidman (Eds.). *Handbook of Community Psychology*. New York: Kluwer Academic/Plenum Publishers.

Compliance with Procurement Processes and its Effect on Service Delivery: A Case of Selected Departments in Limpopo Province

HE Zitha

Limpopo Provincial Treasury, South Africa

MA Mamabolo and MP Sebola

University of Limpopo, South Africa

Abstract: Compliance with procurement processes has been at the centre stage of the findings and recommendations by Auditor-General of South Africa. This is necessitated by the fact that procurement has become a strategic function for the enhancement of service delivery in South Africa. This paper presents the findings on the study that investigated compliance with procurement processes and its effect on service delivery: a case of selected departments in Limpopo Province. The departments included in the study are: The Department of Education, Public Works, Roads and Infrastructure, Social Development and Economic Development, Environment and Tourism. The study used two paradigm of social research namely; qualitative and quantitative methods. Furthermore, for quantitative research method, questionnaires were used, whilst face-to-face interviews were used for qualitative method. The sampling strategy involved both purposive and random stratified sampling methods. In this regard the study focused on the sections responsible for the procurement function i.e. Demand and Acquisition Management units. The study revealed that government has made great strides with regard to the legislative and policy framework for enhancing compliance with procurement processes with the main focal point of improving the speed of delivering sustainable quality services to the people. Yet to be seen is translation of the great strides into the speedy delivery of quality service delivery expected by the citizenry. Furthermore, the study revealed that procurement officials agree that compliance with procurement process has an effect on service delivery. Political interference, conflict of interests were amongst the key issues that were raised by respondents as factors that negatively affect compliance with procurement process which have a gross effect on service delivery. Service delivery backlog and violent public service delivery protests were cited as issues attributable to failure to comply with procurement processes. Training and capacity building programmes introduced aimed at enhancing compliance with procurement processes, introduction of punitive measures and consequence management were mentioned as amongst other recommendations.

Keywords: Compliance, Procurement, Public finance, Supply Chain Management

1. Introduction

Currently, in many countries, Public procurement has become an issue of public attention and debate, and has been subjected to reforms, restructuring, rules and regulations (Tukamuhabwa, 2012:34). Mkhize (2004), National Treasury (2005), Ambe and Badenhorst-Weiss (2011) reiterate that procurement occupies a centre stage in the context of ongoing financial management reform process in the South African public sector. According to Roodhooft and Abbeele (2006), government departments have always been big purchasers responsible for dispensing huge budgets. Mahmood (2010) also reiterated that public procurement represent 18.42% of the world Gross Domestic Product (GDP). According to the Organisation for

Economic Co-operation and Development (OECD, 2005), public procurement is vital for the effective provision of social services and to achieve the Millennium Development Goals. Due to colossal amount of money dispersed through government procurement and the fact that such money comes from the public, there is a need for compliance with procurement process. Moreover, Lues (2007:219) argues that there are multitude of policies, strategies and programmes directed to the rendering of effective services to the citizenry of South Africa by public service. However, in spite of the pursuant to effectiveness and the condemning of non-compliance to procurement processes in public service, scandals such as misappropriate use of public funds still occur and allegations are still made against various government departments

regarding the compliance with procurement processes. According to National Treasury Instruction Note on enhancing compliance monitoring and improving transparency and accountability in Supply Chain management issued in May 2011, improper Supply Chain Management practices at institutions are seriously undermining sound financial management, weakening the spirit and ethos of the Public Finance Management Act (PFMA), as amended by Act 29 of 1999 and ultimately eroding scarce resources that are intended to improve service delivery (National Treasury, 2011).

In 2011, five Provincial Departments in Limpopo Provincial Administration were put under administration in terms of Section 100(1)(b) of the Constitution of the Republic of South Africa, 1996. This section provides that when a province cannot or does not fulfil an executive obligation in terms of legislation or the Constitution, the national executive may intervene by taking any appropriate steps to ensure fulfilment of that obligation, including assuming responsibility for the relevant obligation in that province to the extent necessary to maintain essential national standards or meet established minimum standards for the rendering of a service, maintain economic unity, maintain national security; or prevent that province from taking unreasonable action that is prejudicial to the interests of another province or to the country as a whole. The departments which were put under administration were Education, Public Works, Roads and Transport, Health, and Provincial Treasury. According to the Joint Ministerial Team in Limpopo Section 100 Intervention (2012), on 22 November 2011, it became clear that the province would not be able to pay teachers, doctors, nurses, social workers, service providers and other public sector employees. The report also indicated that Supply Chain Management processes were generally not in line with the legal requirements. Compliance with procurement processes is not only a challenge applicable to the departments under administration, but a transversal challenge affecting all government departments. Therefore, the purpose of the study is to investigate compliance with procurement processes and its effect on service delivery: a case of selected departments in Limpopo Province. The study will be focusing on four departments, namely; Department of Education, Public Works, Roads and Infrastructure, Social Development, and Economic Development, Environment and Tourism.

2. Literature Review

2.1 Theoretical Grounding

As cited by Defee, Williams, Randall and Thomas (2010), good research should be grounded in theory. There are various theories that did an exploration on the deviant behaviour of human beings. The theories explore why does deviance occur and how does it affect a society. Therefore, the researcher has adopted the social control theory to better assist in giving a broader understanding on why procurement official deviate from the legislative and policy framework for enhancing compliance with procurement processes and how such deviance affects service delivery. To this end, Hirschi's 1969 social control theory will be applied. This theory has been used by Hollinger (1986) to better explain employee deviance and literature proposed that this theory can also be used to better understand the ethical rule breaking (Sims, 2002). According to Hirschi (1969), social control theory refers to a perspective which predicts that when social constraints on antisocial behavior are weakened or absent, delinquent behavior emerges. This implies that when an individual has experienced a lack of social connections or a lack of social network that would normally prohibit criminal activity, the likelihood that the individual will participate in criminal activity increases. Reckless (1961) echoes the same sentiments by indicating that the individual is so isolated in contemporary society – so free to move from one context of external control to the other or even to escape from most of it – that internal control is the more basic factor in conformity. Thus advocating for the notion of internalization which he refers to it as the process by which social norms are taken so deeply into the self as to become a fundamental part of the personality structure (Reckless, 1961). Tittle (1995) made an innovative insight that people are not only objects of control but also agents of control.

2.2 Legislative Framework Governing Public Sector Procurement in South Africa

According to Hanks, Davis and Perera (2008) public procurement operates within a highly legislated environment set by national government and extended by provinces and local government bodies to specific policies, legislation and regulations. The focus of this chapter will only be limited to acts, legislative and policy frameworks which give guidelines

on the compliance with procurement processes and the enhancement of service delivery in South Africa.

2.2.1 The Constitution of the Republic of South Africa, 1996

Under the constitutional supremacy, the Constitution of the Republic of South Africa, 1996 is the bedrock for compliance with regards procurement of goods and services and a yardstick through which service delivery can be measured. More precisely section 217 of the Constitution of the Republic of South Africa, 1996 establishes the primary and broad secondary procurement objectives. Section 217(1) of the Constitution of the Republic of South Africa, 1996 provides for the basis of procurement and determines that when an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, procure contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective (Van Gruenen & Van Niekert, 2010). Ambe and Badenhorst-Weiss (2012) and Purera and Turley (2014) indicated that Section 217(2) of the *Constitution of the Republic of South Africa, 1996* makes it clear that procuring authorities are also empowered to implement procurement policies based on certain categories of preferences. Bolton (2008) asserts that section 217 of the Constitution of the Republic of South Africa, 1996 is the cornerstone against which procurement requirements, legislation and subsequent regulations are based.

2.2.2 Public Finance Management Act (PFMA) (Act No.1 of 1999)

The Public Finance Management Act, 1999 governs financial management practices in South Africa and establishes a regulatory framework for supply chain management within national, provincial and state owned enterprises. According to Purera and Turley (2014), this act makes provision for the use of procurement as a policy tool, and following the aforementioned five pillars outlined in the Constitution of the Republic of South Africa, 1996 which define the features of procurement system as fair, equitable, transparent, competitive and cost-effective. According to Ambe and Badenhorst-Weiss (2012) and van Wyk (2011), this act promotes the objective of good financial management in order to maximize service delivery through the effective and efficient use of limited resources and secure transparency, accountability and sound management. This Act advocates for accountability and responsibility of public servants in dealing with public resources.

2.2.3 Preferential Procurement Policy Framework Act (PPPFA) (No.5 of 2000) and its Revised Regulations

Parliament approved the Preferential Procurement Policy Framework Act No.5 of 2000 and its revised regulations to adhere to the requirements of the Constitution of the Republic of South Africa, 1996. This act gives effect to the government priority of empowering designated categories of persons through preferential treatment in procurement activities. According to Bolton (2006) preferential procurement is used as a wealth redistribution strategy in order to channel funds to discrete categories of economic actors. Bolton (2006) asserts that the act prescribes the preference points system for evaluating tenders. According to the Preferential Procurement Policy Framework Regulations of 2001, the price of the bid is no longer a deciding factor in evaluating and awarding of tenders.

2.2.4 National Treasury Regulations (2005) and Instruction Note

The National Treasury regulations reinforce the provisions of the PFMA, finalise the devolution of the procurement function to the accounting officer, and formalize the integration of various procurement function into supply chain management function. According to Hanks *et al* (2008) the national treasury regulations provide the broad framework for supply chain management and outline minimum requirements in the areas of supply chain and preferential procurement. Section 16A6.4 of the Treasury Regulations, 2005 stipulates that

"if in a specific case it is impractical to invite competitive bids, the accounting officer of accounting authority may procure the required goods or services by other means provided that the reasons for deviating from the competitive bids must be recorded and approved by the accounting officer or accounting authority".

From time to time, National Treasury issues instruction notes which provide guidance on how procurement processes must be applied.

2.2.5 Construction Industry Development Board Act (CIDB) (Act 38 of 2003)

The purpose of the Act is to provide for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters

connected therewith. Through this Act, government departments derive comfort from the fact that the work and financial capabilities of prospective bidders have been tested by CIDB before confirming the award of construction related bid. Compliance to this Act will see government contracting companies that have requisite skills and capability to execute construction projects. Furthermore, compliance with this act will assist government to curb against awarding contracts to service providers who will render poor quality services or abandon sites before completion due to works and financial incapability.

2.2.6 Private Security Industry Regulation Act (PSIRA) (Act No.56 of 2001)

The Act regulates the Private Security Industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and the interest of the Private Security Industry Itself. Through this Act, government departments derive comfort to the fact that prospective bidders (security companies) have been pre-tested by PSIRA to meet a certain criteria set by this Act. This minimises the undesirable consequences of appointing security companies without minimum requirement prescribed by PSIRA. Failure to comply with this act compromises the security of state property, thus exposing the property to theft and vandalism. Therefore, it remains imperative for government department to ensure that in the process of procuring security services, the provisions this act are taken into serious consideration to enhance the quality of service delivery.

2.2.7 Promotion of Administrative Justice Act (PAJA) (Act 3 of 2000)

The purpose of the Act is to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto. Through this Act, the disqualification of bidders and the passing over of bids can only be done if such decision is fair, reasonable, justifiable and can stand the test of time if tested before the courts of law. Although it has often prolonged the timelines for finalizing bids, however it does protect the state against possible litigations. Therefore, any compromise with regard to compliance with the provisions of this act has a gross potential of plunging government into legal battles. It is also

important to highlight that each time government is taken to court, there are cost in terms of time and financial resources which could have been used to accelerate service delivery. Therefore, compliance with this act will assist government in reducing the number of litigations with regard to procurement processes.

2.2.8 Broad-Based Black Economic Empowerment Act (BBBEE) (Act 53 of 2003)

In 2007, the B-BBEE became the basis of the preference point system that is used to protect or advance certain groups as provided for in the Constitution of the Republic of South Africa, 1996 and thus establishes a legislative framework for the promotion of black economic empowerment. The act also provides codes for good practice that are taken into account when government departments want to determine the preferential procurement policies (Pauw, 2011). The Act provides a broad-based charter to promote BEE and issue codes of practice that could include qualification criteria for preferential procurement and other economic activities (National Treasury, 2003). Therefore, this Act has been introduced to ensure that blacks and women are given a lawful preferential treatment to address the socio-economic imbalances introduced by the apartheid policies. It is through compliance with the above mentioned Act in which South Africa will be able to address the socio-economic imbalances of the past wherein blacks and women were deprived from participating and contributing meaningfully in the economic mainstream of the country.

2.2.9 Prevention and Combatting of Corrupt Activities Act (2004)

The Prevention and Combatting of Corrupt Activities Act (2004) makes corruption and related activities an offence, and establishes a Register in order to place certain restrictions on persons and enterprises convicted of corrupt activities relating to tenders and contracts. The Act places a duty on certain persons holding a position of authority to report certain corrupt transactions, including those related to the procurement function. Again, provinces and local governments are allowed to extend and develop these policies, systems and structures within the ambit of the national regulatory framework. It is through this act wherein departments can be able to implement punitive measure to those who circumvent procurement process. Combating corrupt practices will save government resources that could be used to improve the quality service delivery.

3. Policy Framework for Enhancing Service Delivery

The South African government has committed itself to service delivery through the enactment of various legislative frameworks and the creation of an enabling environment for service delivery. According to Maluka, Diale and Moeti (2014), the policy framework for enhancing service delivery is driven by three critical policies. Firstly, the White Paper on the Transformation of the Public Service (1995), which its purpose is centred on the establishment of a policy framework to guide the introduction and implementation of new policies and legislation aimed at transforming the South African public service. Secondly, the White Paper on Transforming Public Service Delivery (1997) the *Batho Pele* White Paper, 1997 which states that "the South African Public Service will be judged by one criterion: its effectiveness in delivering services that meet the basic needs of all South African citizens". Section 1.2.3 of the White Paper on the Transformation of Public Service Delivery, 1997 or the *Batho Pele* White Paper, 1997 calls on all national and provincial departments to make service delivery a priority. These provisions are applicable to all civil servants, however, they are more relevant and pivotal to procurement officials since they are executing a critical support function to service delivery. Thirdly, section two of the Public Service Regulations (2001) includes the code of conduct, which issues guidelines for the conduct of public officials' relationship with the legislature and the executive, the public and another employee, as well as performance of their official duties and the conduct of their private interests. The code of conduct prohibits an employee from using his or her official position to obtain gifts and benefits for herself or himself during the performance of his/her official duties. Section three of the Public Service Regulations (2001) requires senior managers (equivalent of a director) in the public service to declare their personal financial interests in private or public companies, directorships and partnerships, ownership in land and property, gifts and hospitality received (Public Service Commission, 2013). Without compliance to this act, officials will see their private interests overtaking their interest to serve the public which puts service delivery in jeopardy.

4. Research Methods

The paper adopted both qualitative and quantitative research approaches. The main reason for employing both methods was that the researcher wanted to

look at both breadth and depth, or at both causality and meaning. Welman, Kruger and Mitchell (2005:8); Webb and Auriacombe (2006) posit that there are two paradigms in social research, namely, quantitative research and qualitative research designs.

4.1 Population

The population of this study is officials working in the provincial departments of Education, Public Works, Roads and Infrastructure, Social Development, as well as Economic Development, Environment and Tourism. Therefore, in this study the targeted population was one hundred and thirty-seven officials attached to supply chain management units of the above mentioned four departments According to Bless, High-Smith and Kagee (2006:98) population is the entire set of objects or people which is the focus of the research and about which the researcher wants to determine some characteristics. Cooper and Schindler, as cited by Lushaba (2006) describe population as the total collection of elements about which the study wishes to make some inferences. Limpopo Province has twelve (12) departments namely; Agriculture, Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA), Education, Health, Economic Development, Environment and Tourism, Office of the Premier, Public Works, Roads and Infrastructure, Provincial Treasury, Transport, Safety, Security and Liaison, Social Development, and Sport, Arts and Culture.

4.2 Sampling

According to Bless, High-Smith and Kagee (2006:98) and Hanekom (2006:54) a sample is the subset of the whole population which is actually investigated by a researcher and whose characteristics will be generalised to the entire population. They posit that there are various sampling techniques that can be used. The sampling strategy in this study involved both purposive and random stratified sampling. Respondents were purposefully selected from the Demand and Acquisition Management units that are responsible for procurement function thus focusing on Directors and Chief Directors. The stratified random sampling was administered through questionnaires directed to officials selected from Demand and Acquisition Management units that are responsible for procurement function thus focusing on Admin Officers, Assistant Directors and Deputy Directors. The targeted respondents of the study in this regards were fifty-four (4) Chief

Table 1: Biographical Characteristics in Percentage

Designation	Gender	Age group	Educational levels
Administration Officers (45%)	Male (65%)	30 – 39 (42%)	Degree (35%)
Assistant Directors (25%)	Females (35%)	40 – 49 (34%)	Matric (25%)
Deputy Directors (15%)		50 – 59 (17%)	Post graduate (23%)
Directors (13%)		18 – 29 (5%)	Post matric (17%)
Chief Directors (2%)		60 – 69 (2%)	

Source: Authors

Directors, and eight (8) Directors who are at senior management echelon of their respective departments charged with the responsibility of ensuring that procurement process is implemented in line with the prescribed legislative frameworks.

4.3 Data Collection and Analysis

For the purpose of this article, data was collected through semi-structured interviews (qualitative method) and structured questionnaires (quantitative method). Researchers in Public Administration most probably use interviews as a data collection instrument due to its flexibility to allow the researcher to explain the questions to the respondents if they cannot clearly understand (Brynard *et al.*, 2014:42). Structured questionnaire was employed in order to provide standardized instruction on how to complete the questions and explain what is expected of respondents (Brynard *et al.*, 2014:48). The collected data was analysed by making use of tables, graphs and pie charts.

5. Findings and Discussions

The research methodology adopted both quantitative and qualitative methods, therefore the presentation of findings will be divide into two categories. The first category of findings will be for the data collected through quantitative method (questionnaire), whilst the second category will be for data collected through qualitative method (face-to-face interviews).

5.1 Presentation of Findings Based on Quantitative Methods (Questionnaire)

5.1.1 Biographical Characteristics of Respondents

Reference to Table 1 indicates the biographical characteristics in terms of designation, gender, age group and educational levels. Table 1 reveals that a high number of procurement officials occupying a lower level i.e. 45% of the respondents are Administration

Officers which poses a potential risk of such officials being susceptible to bribes.

Mafunisa (2002:195), Clapper, De Jager and Fourie (2002:30), Kuye, Thornhill and Fourie (2007:197) and Badenhorst (1994:744) argue that economic factors can prompt unethical behaviour of procurement officials. On the other hand, some respondents, however, argued that that the issue of level of procurement officials does not necessarily suggest that low level officials will not comply with procurement process since there are cases of senior management, well paid who also fall victims of accepting bribes, thus not complying with procurement processes. Therefore, government departments have a responsibility to ensure that the level of procurement officials is given a consideration, not only focusing on the salary per se but mainly the level of responsibility that goes with a particular designation. With regard to gender, Table 1 shows that procurement function is dominated by males which gives a question to ponder with regard a reflection on employment equity targets that South African government has set regarding gender. This poses a question to the departments with regard to the need to address gender disparity especially at management echelon. With regard to age group, it remains important for government departments to have a programme in place that will ensure that the skills and capacity of ageing procurement officials is harnessed and transferred to remaining workforce to ensure business continuity within the procurement function. Whilst appreciating the fact that the majority of the respondents have degrees, it remains critical to conduct a further study to understand if the degrees equipped respondents with the requisite skills and knowledge to execute procurement function i.e. the relevancy of their studies to procurement function.

5.1.2 Adherence to Procurement Guidelines

The respondents were asked whether they think public officials in the procurement division adhere

to procurement guidelines. The question is in line with General Procurement Guidelines issued by National Treasury (National Treasury, 2005), which highlights five pillars of public sector procurement as follows: value for money, openness and transparency, ethics and fair dealings, accountability and reporting, and equity. 79% of the respondents are of the view that procurement officials adhere to procurement guidelines. However, this finding remains an area of great concern since it gives a picture which is contrary to the literature from authoritative sources. The Auditor General report (2015-16) reveals that in total, R42 543 million (92%) of the irregular expenditure in 2015-16 was as the result of non-compliance with supply chain management legislation.

This contradiction remains a good reason for the researcher to ponder. Firstly, the respondents might have opted to give a positive impression about their employer i.e. painted an ideal world whilst reality on the ground paints a different picture altogether. Secondly, the sensitivity around public procurement could have resulted in them portraying their departments as institutions that are complying with procurement process. The third variable to the contradictions could be that the respondents gave a true reflection in terms of their level of operation taking into account that respondents in this regard are not decision making office bearers. This implies that an official who is responsible for the development of specifications, inviting bids, opening and closing of bids, when asked about compliance with procurement processes will only respond in line of his/her responsibility. These findings prompt the researcher to suggest that may be non-compliance issues as painted by the Auditor-General 2015-16 above might be happening at senior management echelons of the departments and not at the junior levels. Therefore, there is a need to further researcher to unearth the exact location where non-compliance with procurement process is taking place.

5.1.3 Adherence to Procurement Threshold Values

One of the question of the respondents was to understand if procurement officials adhere to procurement thresholds in with National Treasury Instruction SCM Number 08 of 2008 (National Treasury, 2008). The results above indicate that 91% of the respondents share the same sentiments that procurement officials adhere to procurement threshold values.

5.1.4 Awarding Contracts to Service Providers Registered in the Central Supplier Database (CSD)

The question in this section focused on establishing if contracts are only awarded to service providers registered in the Central Supplier Database in line with National Treasury in its section 2.1 of SCM Instruction No. 4A of 2016/17. 89% of the respondents are of the view that government contracts are awarded to service providers who are registered in the Central Supplier Database. However, 21% of the respondents argue that there are, however, some service providers who are awarded contracts outside the Central Supplier Database which amounts to non-compliance with procurement frameworks.

5.1.5 Contracts Awarded to Service Providers Who are Not Complying with the South African Revenue Services (SARS) Requirements

The question was aimed at establishing if contracts are awarded to service providers in compliance with SARS requirements in line with section 16A9.1(d) of the Treasury Regulations of 2005. 94% of the respondents are of the view that there are some service providers awarded contracts do not comply with SARS requirements. This remains a great considering the fact that the delivery of sustainable quality services is based upon the revenue collected by SARS. Therefore, awarding contracts to service providers not complying with SARS requirements has a gross negative bearing on the provision of sustainable quality service delivery.

5.1.6 Impact of Political Pressure on Adherence to Procurement Guidelines

Respondents were asked to give their own view if the political pressure has an influence on adherence to procurement guidelines. The majority of the respondents (87%) agreed that procurement guidelines cannot be adhered to due to political pressures. According to Mafunisa (2008:84) politicians are responsible for upholding high ethical standards and their conduct must be beyond reproach. They must portray exemplary leadership and must be seen a beacon of ethical moral fiber in the society.

5.2 Presentation of Findings Based on Qualitative Method (Face-To-Face Interviews)

5.2.1 The Absence of Procurement Guidelines in Departments

Respondents were asked to express their views on the implications of not having procurement

guidelines. All five respondents indicated that without procurement guidelines, compliance with procurement processes will remain a farfetched dream citing that it enables procurement process to be managed in a fair and transparent manner. One respondent further indicated that:

"I believe that procurement guidelines are a spring-board for compliance with procurement processes and without such guidelines, procurement function will be a nightmare".

5.2.2 Critical Nature of Compliance in Departments

The question in this section was on establishing how critical compliance is in departments. All respondents indicated that compliance is very critical in all departments however cited various reasons. Firstly, without compliance with procurement processes, delivery of quality services to the people will be highly compromised; secondly,

"government has an obligation to ensure that the socio-economic imbalances imposed by the apartheid regime are addressed and procurement is one of the vehicle through which this objective can be realised. This put lot of responsibilities amongst us since we are required by law to ensure that procurement is done without favors or prejudice".

Lastly, compliance with procurement guidelines enables government to use the limited resources efficiently.

5.2.3 Government Punitive Measures on Non-Compliance to Procurement Processes

The respondents were asked whether government is doing enough to punish non-compliance with procurement processes. Some respondents were of the view that government is not doing enough in this regard. In echoing the same sentiment, one respondent indicated that:

"I feel that heads of departments are letting us down in this regard. It is in the public knowledge that offenders are subjected on a long disciplinary hearing procedure and are put on suspension for a longer period with full pay".

This could be construed to mean that government is incentivising wrong doers especially when such officials are later seen back in the system. One respondent expressed different view that:

"I personally have seen situations wherein government take actions against transgressors, but also at the same time I feel that whilst acknowledging the efforts by government in addressing this matter, there is still a lot of work to be done in this regard to discourage non-compliance thereof".

The response from the respondents is also supported by authoritative sources. According to the Auditor-General report (2014/15), 20% (90) of the auditees did not implement adequate consequence management in response to the to the previous year's transgression. Section 16A9.1(a and b) of the Treasury Regulations of 2005, gives accounting officers authority to take necessary steps against officials or role players who circumvent supply chain management and ensure that such perpetrators are reported to the relevant treasuries (National Treasury, 2005).

5.2.4 Value of Procurement Plans in Enhancing Compliance with Procurement Processes

The question wanted to establish whether procurement planning contributes towards enhancing compliance with procurement processes, and also to test if procurement plans are utilised effectively. All respondents showed a great understanding of the importance of the procurement plans and confirmed that their respective departments do have procurement plans. According to Ambe and Badenhorst-Weiss (2011a) procurement planning defines the decision making processes that allows departments to procure at right time, right place and at the right cost. Moreover, Mofokeng and Luke (2014), inappropriate planning, under-spending of budgets and ineffective procurement form part of the root causes of poor service delivery, as this restricts the movement of resources to the right places. However, they were all of the view that procurement plans are not utilized effectively to enhance compliance with procurement processes. The following reasons were given in supporting their responses:

- there are no effective monitoring mechanisms
- timelines set in the procurement plans are not adhered to
- procurement officials not regarding the procurement plan as a strategic tool to enhance compliance
- procurement plan developed and submitted only for malicious compliance

- departments still advertise projects that were not included in the procurement plans
- there are no valid justification for amending the procurement plans.

5.3 Impact of Compliance with Procurement Processes on Service Delivery

Respondents were asked to confirm whether the compliance with procurement processes has an impact on service delivery and also the extent to which it affect service delivery. All respondents shared the same sentiments that failure to comply with procurement processes has adverse effect on service delivery and backed their responses as follows:

- It compromises the quality of service delivery
- Deprives citizens of their constitutional right i.e. sustainable quality service delivery
- It is contributing towards service delivery backlog
- It gives rise to violent public service delivery protests
- Erode public trust on government
- Dent the credibility of government procurement system
- It becomes the veritable ground for self-interest and corruption

The above assertions from the respondents are supported by literature review. According to Zitha and Mathebula (2015), unethical conduct of procurement officials may also result in service delivery protests and loss of life. The majority of the people are faced with inadequate health services, unclean water, poor educational services, badly maintained roads, inadequate housing and lack of food because state institutions have become so paralysed by corruption that they are unable to deliver on their promises (Frimpong & Jacques, 1999:125). According to South African Management Development Institute (SAMDI) SAMDI (2002) in Sindane and Nambalirwa (2012) service delivery in the Public Service is defined as a "systematic arrangement for satisfactorily fulfilling the various demands for services by undertaking purposeful activities with optimum use of resources to delivering effective, efficient, and economic services

resulting in measurable and acceptable benefits to the customer". On the other hand, respondents argued that compliance with procurement processes holds glorious benefits to the citizenry. Firstly, it remains a critical to be used as a strategic intervention to reduce poverty and inequality. Turley and Purera (2014) and The International Institute for Sustainable Development (2014) opine that with government procurement representing 19 per cent of the Gross Domestic Product (GDP), it has a significant potential to be leveraged to address South Africa's social, economic and environmental challenges. Secondly, all respondents are of the view that compliance with procurement processes can contribute towards restoring the integrity of government in delivering services to the community. This assertion is supported by Zitha, Sebola and Mamabolo (2016) who hold the view that non-compliance with procurement processes paralyses the state machinery for delivering services to the people.

5.4 Strategies for Enhancing Compliance with Procurement Processes

Respondents highlighted critical considerations that government has to employ in order to enhance compliance with procurement processes. Central to the strategies is their direct linkage with the delivery of quality services to the citizenry.

5.4.1 Procurement Planning

The responses from the interviewees linked with the literature shows that procurement plan must be accorded a strategic status and thus be elevated to the strategic agenda of each department. This implies that procurement plan must be part of the strategic planning of the department and its performance must be monitored and reported to the executive management on monthly basis. It is therefore the researcher's view that procurement plans must form part of the performance agreements of heads of supply chain management units and it be incorporated to their reporting frameworks. Ambe and Badenhorst-Weiss (2011a) who posits that procurement plan defines the decision making processes within an organisation with regard to how the procurement of goods and services will be executed.

5.4.2 Capacity Building and Training

All respondents hold the view that capacity building and training plays a crucial role in enhancing compliance with procurement processes. This assertion is

supported by Public Sector Supply Chain Management Review (2015) which revealed that supply chain management practitioners frequently do not have the skills, knowledge and experience that they need. While the system contains many excellent people, competency assessments show significant gaps in SCM skill and knowledge. Zitha and Mathebula (2015) proposed that there is a need for sense of urgency for government to invest on more on training and workshops on ethical conduct of public servants and not only procurement officials. Ambe and Badenhorst-Weiss (2012) posits that government training programmes must include the legislative environment, sourcing strategies, integrated supply chain management and technological advancements.

5.4.3 Integration of Procurement Risks into the Departmental Risk Management Strategy

In general, 85% of the respondents concur that integrating procurement risks into departmental strategic risk management can enhance compliance with procurement processes. They posit that without procurement risk integrated to the departmental management risk strategy, government will not be able to timely detect procurement risks and any other risk that has a potential to hinder government departments from awarding tenders on time. To the contrary, 15% holds different view in that they argue that the same people who integrate procurement risks into the departmental risk management strategy will develop new strategies on how to circumvent the fairness of the system.

5.4.4 Implementing Punitive Measures for Non-Compliance with Procurement Processes

All respondents hold the same view that sanctioning/criminalizing non-compliance to procurement processes can enhance compliance. They argue that it will send a message that when you do not comply with procurement processes you will be punished. One of the respondent indicated that:

"if government can be seen implementing consequence management non-compliance issues within public sector procurement can be minimized".

According to the Auditor-General report (2014/15), 20% (90) of the auditees did not implement adequate consequence management in response to the to the previous year's transgression. Section 16A9.1(a and b) of the Treasury Regulations of 2005, gives accounting officers authority to take necessary steps against officials or role players who circumvent supply chain

management and ensure that such perpetrators are reported to the relevant treasuries (National Treasury, 2005). Tittle (1995) made an innovative insight that people are not only objects of control but also agents of control. In his social control theory, he postulates that each person has a certain amount of control that he or she is under and a certain amount of control that he or she exerts.

5.4.5 Signing Declaration of Interests

Majority of the respondents acknowledge that signing of declaration of interests by officials responsible for the development of Terms of Reference/specifications, evaluation and adjudication of bids is very much important to enhance compliance with procurement process. They argue that this will assist in addressing conflict of interests that has grievously dented public procure system. McDonald (2002) and Grundstein-Amndo (2001:5) describe conflict of interests as a situation in which a person, such as government official, an employee, or a professional, has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties.

5.4.6 Code of Conduct and Policy Guidelines

All respondents are of the view that code of conduct and policy guidelines are very critical in providing procurement officials with better understanding of their work. This is supported by literature in that Mafunisa (2002:55) highlights that a code of conduct is necessary to promote public trust and confidence in the ethical performance of public employees. Furthermore, Rosenow and Rosenthal (1993:360) argue that formal code of conduct is defined as a set of principles that is adopted by associations or institutions to define specific principles for which the institution stands. Moreover, Hanekom, Rowland & Brian (1987:163) in Mafunisa (2008:86), posits that code of conduct is necessary to promoting and maintaining the responsible conduct of public employees, providing guidelines to public employees in their relationships with fellows' public employees, elected representatives and members of the public.

6. Conclusion

According to the literature review and the results of the empirical data collected, the paper has been able to indicate the importance of compliance with procurement processes. Furthermore, this article also unearthed the direct relationship that exists between compliance with procurement processes and service delivery. Moreover, the article displayed how

South African government values its citizenry and thus enacted legislation aimed at protecting, enhancing and advancing the aspirations of the majority of the people with regard to the delivery of sustainable quality services. Moreover, the paper also captured the strategies that that can be employed to enhance compliance with procurement processes. The proposed strategies do not only enhance compliance with procurement processes, but have direct positive impact on service delivery.

References

- Ambe, I.M. & Badenhorst, J.A. 2011. An exploration of public sector supply chains with specific reference to the South African situation. *Journal of Public Administration*, 46(3):1101-1113.
- Ambe, I.M. & Badenhorst, J.A. 2012. Supply Chain Management challenges in the South African public sector. *African Journal of Business Management*, 6(44):11003-11014.
- Auditor General South Africa, 2015 *General report of the Auditor-General on national audit outcomes* 2015-16. Pretoria.
- Badenhorst, J.A. 1994. Unethical behaviour in procurement: A perspective on causes and solutions. *Journal of Business Ethics*, 13(9):739-745.
- Bless, C., Higson-Smith, C. & Kagee, A. 2006. *Fundamentals of Social Research Methods: An African perspective*. Kenwyn: Juta and Co.
- Bolton, P. 2008. Protecting the environment through public procurement: The Case of South Africa. *Natural Resources Forum*, 32:1-10.
- Clapper, V., de Jager, J. & Fourie, L. 2002. The state of service ethics – an exploratory study. *Journal for the Political Sciences*, 21(1):25-36.
- Cloete, F. 2007. Data analysis in qualitative Public Administration and Management Research. *Journal of Public Administration*, 42(6):512-527.
- Defee, C.C., Williams, B., Randall, W.S. & Thomas, R. 2010. An inventory of theory in logistics and SCM research. *The International Journal of Logistics Management*, 21(3):404-489.
- Frimpong, K. & Jacques, G. 1999. *Corruption, Democracy and Good Governance in Africa*. Botswana: Lightbooks.
- Grundstein-Amado, R. 2001. A strategy for formulation and implementation of codes of ethics in public service organisations. *International Journal of Public Administration*, 24(5):461-478.
- Gumede, W. 2011. Tackling corruption. *The Journal of the Helen Suzman Foundation*, 1(60):15-23.
- Hanekom, S.X., Rowland, R.W. & Brian, E.G. 1995. *Key Aspects of Public Administration*. Macmillan: Pretoria.
- Hanks, J., Davies, H. & Perera O. 2008. *Sustainable Procurement in South Africa*. International Institute for Sustainable Development. Republic of South Africa: Pretoria.
- Hirschi, T. 1969. *The Causes of Delinquency*. University of California Press: Berkeley.
- Hollinger, R.C. 1986. Acts against the workplace: Social Bonding and Employee Deviance. *Deviant Behavior*, 7(1):53-75.
- Lues, L. 2007. Service delivery and ethical conduct in the public service: the missing links. *Journal of Public Administration*. 72(2):219-238.
- Lushaba, L.S. 2006. *Development as Modernity, Modernity as Development*. ASC Working Paper 69/2006. African Studies Centre: Leiden.
- Mafunisa, M.J. 2002. *Ethics and accountability in public administration*. (In Kuye, J.O., Thornhill, C. and Fourie, D. eds. *Critical perspectives on public administration*. Sandown: Heinemann
- Mafunisa, M.J. 2008. The role of codes of conduct in promoting ethical conduct in the South African public service. *South African Journal of Labour Relations*, 32(32):81-92.
- Mahmood, S.A.I. 2000. Public Procurement and corruption in Bangladesh. Confronting the challenges and opportunities. *Journal of Public Administration and Policy Research*, 2(6):103-111.
- Maluka, B., Diale, A.J. & Moeti, K.B. 2014. Transforming public service delivery within the Department of Public Service and Administration: the quest for good governance. *Journal of Public Administration*, 49(4):1019-1035.
- McDonald, M. 2002. *Ethics and conflict of interest, Centre of applied ethics*. Available at: <http://www.ethics.ubc.ca/mcdonald/confli.html>. Accessed on 28 June 2014.
- Mkhize, 2004. Supply Chain Management Conference: Transforming Government Procurement System. Durban, Republic of South Africa: 22-23 November.
- Moeti, K., Khalo, T., Mafunisa, M.J., Nsingo, S. & Makonda, T. 2007. *Public Finance Fundamentals*, Juta Academic.
- Mofokeng, M. & Luke, R. 2014. An investigation into effectiveness of public entities' procurement practices. *The Journal of Transport and Supply Chain Management*, 8(1):7-7.
- National Treasury. 2003. *Policy Strategy to guide uniformity in procurement reforms processes in government*. Pretoria: Government Printer.
- National Treasury. 2005. *Treasury Regulations for Departments, Trading Entities, Constitutional Institutions and Public Entities: Issued in terms of the Public Finance Management Act, 1999*. Pretoria: Government Printer.
- National Treasury. 2007. *Supply Chain Management: Threshold values for the procurement of goods, works and services by means of petty cash, verbal/written price quotations or competitive bids*. Pretoria: Government Printer.
- National Treasury. 2011. *National Treasury Instruction Note on Enhancing Compliance Monitoring and Improving Transparency and Accountability*. Pretoria: Government Printer.
- National Treasury. 2014. *National Treasury Instruction Note No. 3 of 2014/15: Tax Compliance Matters for persons doing business with the state*. Pretoria: Government Printer.
- National Treasury, 2015. *Public Sector Supply Chain Management Review*. Pretoria: Government Printer.

- Organization for Economic Co-operation and Development (OECD). 2005. Paris Declaration on Aid Effectiveness. Ownership, Harmonisation, Alignment, Results, and Mutual Accountability. OECD Publishing: Paris.
- Pau, J.C., Woods, G., Van der Linde, G.J.A., Fourie, D. & Visser, C.B. 2009. *Managing Public Money – A system form the South*. Sandown: Johannesburg.
- Republic of South Africa. 1995. White Paper on the Transformation of Public Service (No. 1227 of 1995). Pretoria: Government Printer.
- Republic of South Africa. 1996. The Constitution of the Republic of South Africa. Pretoria: Government Printer.
- Republic of South Africa. 1997. White Paper on Transforming Public Service Delivery (Batho Pele White Paper) (No. 1459 of 1997). Pretoria: Government Printer.
- Republic of South Africa. 1999. *Public Finance Management Act, 1999* (Act 1 of 1999) (as amended by *Public Finance Management Act, 1999* (Act 29 of 1999)). Pretoria: Government Printer.
- Republic of South Africa. 2000. *Preferential Procurement Policy Framework Act (PFMA)* (Act 5 of 2000). Pretoria: Government Printer.
- Republic of South Africa. 2000. *Promotion of Administrative Justice Act (PAJA)* (Act 3 of 2000). Pretoria: Government Printer.
- Republic of South Africa. 2001. *Private Security Industry Regulation Act (PSIRA)* (Act 56 of 2001). Pretoria: Government Printer.
- Republic of South Africa. 2001. Public Service regulations. Pretoria: Government Printer.
- Republic of South Africa. 2003. *Broad-Based Black Economic Empowerment Act (BBBEE)* (Act 53 of 2003). Pretoria: Government Printer.
- Republic of South Africa. 2003. *Construction Industry Development Board Act (CIDB Act)* (Act 38 of 2003). Pretoria: Government Printer.
- Republic of South Africa. 2004. *Supply Chain Management: A guide to Accounting Officers/Authorities*, Pretoria: Government Printer.
- Republic of South Africa. 2004. Prevention and Combating of Corrupt Activities Act (Act No. 12 of 2004). Pretoria: Government Printer.
- Roodhooft, F. & Abbeele, A.V.D. 2006. Public procurement consulting services evidence and comparison with private companies. *International Journal of Public Sector Management*, 20(7):622-637.
- Rosenow, R.L. & Rosenthal, R. 1993. *Beginning Behaviour Researcher: a Conceptual Primer*. New York: Macmillan.
- Sims, R.L. 2002. Ethical Rule Breaking by Employees: A Test of Social Bonding Theory. *Journal of Business Ethics*, 40:101-109.
- Sindane, A.M. & Nambalirwa, S. 2012. Governance and public leadership: The missing links in service delivery in South Africa. *Journal of Public Administration*, 47(3):695-705.
- South African Management Development Institute (SAMDI). 2002. Service Delivery.
- Steenkamp, L. 2011. OG tik hoë oor swak bestuur oor vingers. *Die Volksblad*, 20 January:2.
- Tittle, C.R. 1995. Control Balance: Towards a general theory of deviance. Boulder, CO: Westview.
- Tukamuwahabwa, B.R. 2012. Antecedents and consequences of public procurement non-compliance behaviour. *Journal of Economics and Behavioural Studies*, 4(1):34-46.
- Turley, L. & Perera, O. 2014. Implementing sustainable public procurement in South Africa: Where to start. International Institute for Sustainable Development: South Africa.
- Van Gruenen, D. & Van Niekert, J. 2010. Implementation of regulation based e-procurement in the Easter Cape provincial administration. *African Journal for Business Management*, 4(17): 3655-3665.
- van Wyk, H.A. 2011. Are the financial procurement policies for out outsourcing government functions adequate? *Journal of Public Administration*, 46(4):1338-1350.
- Webb, W. & Auriacombe, C.J. 2006. Research design in public administration: Critical considerations. *Journal of Public Administration*, 41(3): 588-602.
- Welman, C., Kruger, F. & Mitchel, G. 2005. *Research Methodology*. Oxford University Press: Cape Town.
- Zitha, H.E. & Mathebula N.E. 2015. Ethical conduct of procurement officials and implications on service delivery: A Case Study of Limpopo Provincial Treasury. *Public and Municipal Finance*, 4(3):16-24.
- Zitha, H.E., Sebola, M.P. & Mamabolo, M.A. 2016. Compliance to Procurement Processes, Deviant Behaviour and Effects on Service Delivery in the Public Sector. *Journal of Public Administration and Development Alternatives*, 1(1):59-76.

An Analysis of Gender Equalities on Leadership in Local Government: The Case of the Mpumalanga Province, South Africa

SK Mokoena

University of Limpopo, South Africa

Abstract: This paper explores the issue of gender mainstreaming in government, with a particular reference to leadership positions in the South African Local Government sphere. It asserts that since democracy, South Africa has committed to the promotion of gender equality through legislation and policy initiatives. The paper is biased to leadership of the Local Government sphere, namely; the Offices of the Executive Mayors, Speakers and Municipal Managers in the Mpumalanga Province, South Africa for the period 2014 to date. Existing research argues that women under representation remains a persistent feature of politics internationally. However, gender equality is enshrined as a fundamental human right in Article 1 of the United Nations (UN) Charter stating that one of the purposes of the UN lies in the "... promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion". Thus, in view of the fact that the Sustainable Development Goal (SDG 5) – aims to achieve gender equality and empower all women and girls – this paper reflects on the practical realities and used the above-mentioned leadership portfolios in municipalities as a case study. The research design used on this paper was in accordance with the qualitative approach. It uses a narrative-analytical approach with a focus on descriptive analysis of variables and their impact on the effective implementation of gender equality. This approach is relevant in predicting a future framework for the future. However, the International Parliamentary Union has ranked South Africa as a 4th national parliament worldwide with 44.5 % of women parliamentarians. The outcomes point to the fact that women in these municipalities remain under-represented on strategic portfolios. Notwithstanding that South Africa has made general advances achieved in the public sector in this regard. Based on the outcomes above, it is evident that a particular attention still needs to be given to local government by the South African Government since it is a sphere that is closest to the people.

Keywords: Gender equalities, leadership, local government

1. Introduction

The advent of democracy in 1994 brought about a new era of leadership and certain basic values and principles at all spheres of government. However, after twenty years of democracy, South Africa is still faced with the daunting task of fully affording equal opportunities to women as compared to men in leadership positions in government institutions. This article explores the issue of gender mainstreaming in the South African Local Government with particular reference to the Office of the Executive Mayors, Speakers and Municipal Managers in the Mpumalanga Province, South Africa. In view of the fact that South Africa is still a young democracy, issues of women's empowerment and gender equality serves as a guide to an analysis of transformative leadership. This article intends to identify issues that confront women hoping to occupy leadership positions in government institutions. The first part of this article examines the legislative framework

and progress that has been made in the appointment of women to leadership positions in the public service. Statistics are used to qualify the progress that has been made. The statistics were further used to answer the research question of this article, thus, "To what extent do women experience equal opportunities in the South African public service". The second part of the article analyses issues of barriers in the advancement of women in general. Lastly, the article presents some recommendations for future actions by policy makers to the advancement of women in the public service.

2. Legislative Framework

For the purpose of this article, it is necessary that legislation enhancing gender equality is discussed in order to clarify the fact that the environment has been made conducive by government for women to fully compete for leadership positions in both public and private sectors. According to Van der

Waldt (2007:40) in Nzimakwe (2010:510) legislation can be regarded as a collection of rules devised and enforced by a government that has authority over the public. It ensures that government bodies adhere to the spirit and stipulations of particular legislation in the design and execution of policy programmes. It is therefore understandable that there would be enabling legislation for gender equalities on leadership positions more generally, and, the focus of this article, in municipalities.

2.1 Constitution of the Republic of South Africa, 1996

Section 9 (1) and (2) of the Constitution of the Republic of South Africa, 1996 states that "everyone is equal before the law and has the right to equal protection and benefit of the law; equality include the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality legislative and other majors designed to protect or advance persons or categories of persons, disadvantaged by unfair discrimination may be taken". Thus, any government institution that fails to comply with this constitutional provision may be declared unconstitutional since this constitution is the supreme law of the country, South Africa. However, section 9(2) advances fair discrimination that promotes equal opportunity as legitimate when applied to redress the imbalances of the past, and in this case, advancement of women to leadership positions. Furthermore, section 9(3) indicate that "the state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth". This provision of the constitution indicates that neither the state nor any other person can disadvantage women by excluding them from leadership position in the South African public service. Moreover, section 195(1) of the constitution provide for the basic values and principles that govern public administration, and (i) specifically, state that "public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation". It is within this context that democracy can only be fully realised if all forms of discrimination as identified in the constitution are eradicated (Penceliah, 2011).

2.2 Employment Equity Act, 1998 (Act 55 of 1998)

The Employment Equity Act, 1998 (Act 55 of 1998) seeks to further the aspirations of the Constitution of the Republic of South Africa, 1996 in promoting equity in the workplace. However, equity is not possible if men and women competing for the same position are not equal due to previous policies that were not gender-sensitive. Section 2 of the act provide for the purpose of this act as to achieve equity at the workplace by "(a) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and (b) implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce". Based on this provision of the act, it is apparent that the effective implementation of gender equity depends on three key elements: namely; the elimination of unfair discrimination in human resource policies and practices, the efficient implementation of affirmative action to achieve equitable representation of women at all Senior Management Services (SMS) levels, and accelerating their advancement (Kahn, 2010, in Kahn & Louw, 2011).

2.3 Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000)

The Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000) defines equality as "the full and equal enjoyment of rights and freedoms as contemplated in the Constitution and includes *de jure* and *de facto* equality and also equality in terms of outcomes". *De jure* is the promotion of equality through legislation, while *de facto* is the promotion of equality through other measures (Kahn and Louw, 2011). In this connection, it is imperative that gender equality should be promoted in all sectors, and to be specific, in this case, in all leadership positions in municipalities.

2.4 White Article on Human Resource Management in the Public Service, 1997

Section 16 of the White Article on Human Resource Management in the Public Service, 1997 state that positions in the public service will be filled by either open, targeted or internal competition with an aim to "identify the most suitable person for the job

from the widest possible pool of talent; make the public service more accessible to all sections of society; achieve employment equity; and provide equal opportunities for advancement for people at all levels within the public service". It should be noted that this white article regards recruitment as the prime instrument for achieving equity by opening up the public service to people of all races, and to women in particular. Furthermore, the fact that the public service environment is unique compared to other sectors, it became important for the South African Government to have this specific white article for the implementation of women advancement to leadership positions in all its institutions.

3. Research Methods

The research design used on this article was in accordance with the qualitative approach. Garbers (1996:283) in Mokoena and van Rooyen (2012) state that the objective of qualitative research is to promote better self-understanding and increase insight into the human condition. He further argues that in qualitative research the emphasis is on improved understanding of human behavior and experience and researchers try to understand the ways in which different individuals make sense of their lives and describe those meanings. In qualitative research, empirical observation is important as researchers need to study real cases of human behavior if they are to be in a position to reflect on human condition meaningfully and with clarity. The fact that this article was conducted within a social sciences context or setting, the selected methodology was appropriate for probing in depth the complexities and processes involved and explored the operations of representation of women in leadership positions in municipalities through observation. The qualitative research method applied in this article was appropriate as it enabled the researcher to interact closely with the subjects in their natural settings.

4. South African Public Service Progress in the Advancement of Women to Leadership Positions

History has proved that women in South Africa were marginalised and treated with contempt. South Africa has a history of institutional racism whereby rights of opportunities depended on race and gender. Sociocultural theories defined women as inferior to men and regarded them as minors in the private and public spheres of life. This

historical patriarchy influenced formal and informal human relationships and the opportunities accorded women in the workplace (Hendrickse, 2004). Thus, the first democratic government developed the White Paper on Transformation in the Public Service, 1995 which stated the government's desire to bring about equality in the public service by setting a target of 30% of SMS posts should have been occupied by women by 1999. The South African Cabinet increased the representation of women to 50% at all SMS in 2009. This notable progress in achieving these targets would allow the public service to utilise the competencies of women optimally, and in that way enhance both women's representation at SMS levels and the public service's performance (Kahn and Louw, 2011). The Department of Public Service and Administration (DPSA) has recently released the Annual Report on Employment Equity in the Public Service for 2013/2014 which indicates a slight improvement on women advancement to SMS levels. It states that in the previous year, thirteen departments had met 50% employment equity target for women at SMS, and this number has increased to nineteen departments out of the forty-six in total. Table 1 on the following page presents the representation by race, salary levels and gender of the South African Public Service. The table serves to illustrate that the representation of women of all racial groups is higher from levels 00 to 10 with the pattern changing in favour of men from levels 11 to 16. This is very clear that the representation of men is higher than that of women in the decision making positions.

Furthermore, in comparing the representation of women in all the nine provinces of South Africa, good progress is noted in Gauteng, KwaZulu-Natal and national departments with women at above 40%. However, the lowest representation of women at SMS levels is found in the Free State province, while Mpumalanga Province which forms the base of this article, is ranked number seven. Table 2 on the following page presents the representation of women at SMS levels per province.

Based on the tables on the following page, it appears that the Sustainable Development Goals (specifically *Goal 5: aims to achieve gender equality and empower all women and girls*) remain a challenge to some government institutions as the pace of implementation remains slow. Furthermore, it should be noted that this particular trend is not experienced by South Africa alone. It stretches to

Table 1: Representation by Salary Level, Race and Gender

Persal Salary Level	Unknown	African	Asian	Coloured	White	Female	African	Asian	Coloured	White	Male	Grand Total
0	17	0	0	1677	0	0	0	0	0	0	0	17
1	3039	18201	192	2410	247	20317	9056	139	1681	212	11088	34,444
2	172	34546	194	4405	290	37440	24473	196	2151	361	27181	64,793
3	145	53466	327	1823	776	58974	38305	371	3707	543	42926	102,045
4	34	17504	155	12214	512	19994	12301	173	1390	303	14167	34,195
5	455	114240	1943	6861	5139	133536	85952	1457	9099	1699	98207	232,198
6	134	46046	1453	15002	6247	60607	37851	1305	5546	2153	46855	107,596
7	821	160533	5393	6781	21998	202926	80578	2582	7745	10860	101765	305,512
8	66	65021	2105	6549	8737	82644	38986	1451	5654	6909	53000	135,710
9	107	51448	3143	2551	9032	70172	26604	1552	3895	3329	35380	105,659
10	24	22387	1255	1298	4145	30338	14679	1024	1799	3109	20611	50,973
11	216	10501	1609	736	3620	17028	11876	1193	1587	3289	17945	35,189
12	35	6526	1138	227	2583	10983	9387	1410	1072	3553	15422	26,440
13	18	2128	186	71	387	2928	2946	246	316	545	4053	6,999
14	5	650	68	18	129	918	938	96	127	186	1347	2,270
15	2	171	16	6	28	233	268	35	44	61	408	643
16	1	38	0	62629	5	50	89	6	11	13	118	169
Grand Total	5291	603406	19177	1677	63875	749087	394289	13236	45824	37125	490474	1,244,852

Source: Annual Report on Employment Equity in the Public Service (2016/2017)

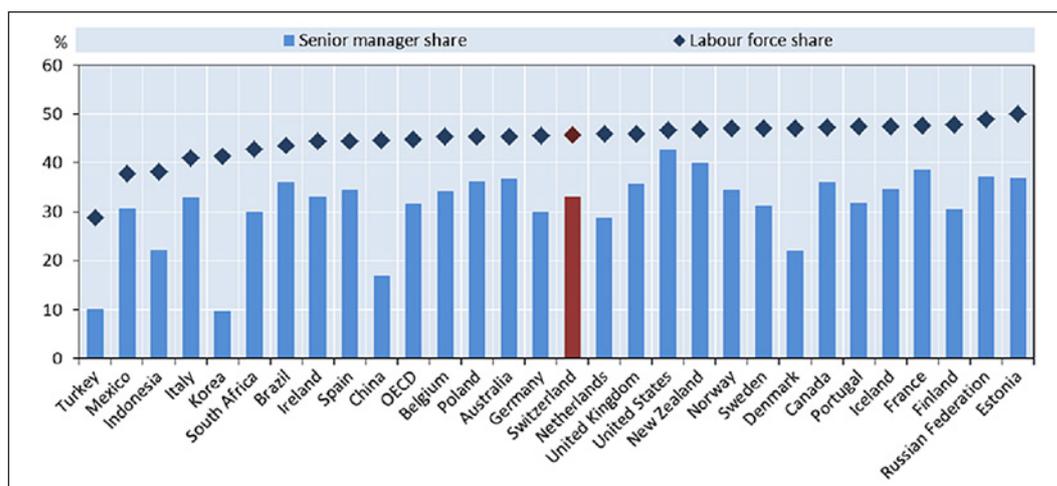
Table 2: Representation of Women at SMS per Province and Gender

Province	Female	Male	Total	%	Ranking
Eastern Cape	256	414	670	38.2%	5
Free State	102	226	328	31.1%	10
Gauteng	322	414	736	43.7%	1
KZN-Natal	232	342	574	40.4%	3
Limpopo	196	294	490	40%	4
Mpumalanga	119	212	331	35.9%	7
National Department	2166	3118	5,284	40.9%	2
North West	112	204	316	35.4%	8
Northern Cape	88	166	254	34.6%	9
Western Cape	141	244	385	36.6%	6
Grand Total	3734	5634	9368	100.00%	

Source: Annual Report on Employment Equity in the Public Service (2013/2014)

all sectors globally. The Organisation for Economic Co-operation and Development (OECD) Report, 2014 indicates that gender equality remains a big challenge notwithstanding the important gains that have been made in women's education and employment outcomes in recent history. Most OECD countries have achieved gender parity in education attainment, but women remain severely under-represented in key, growth-enhancing fields of education such as science, technology, engineering and mathematics. Labour markets exhibit

many "gender gaps". Women are less likely to work for pay, and are more likely to have lower hourly earnings, do more unpaid housework than men and in general the gender gaps of disadvantage in the labour market are more pronounced in the Asia/Pacific region than across the OECD. Women are also underrepresented in business leadership. Figure 1 on the following page shows that there is a significant gap between the participation of women in the labour force and their presence in senior management functions in OECD countries as

Figure 1: Women's Shares in the Labour Force and Senior Management

Source: Organisation for Economic Co-operation and Development (OECD) Report (2014)

Table 3: Representation of Women in Leadership Positions at the Municipalities of Mpumalanga Province, South Africa

EXECUTIVE MAYORS	SPEAKERS	MUNICIPAL MANAGERS
Male: 11 (55%) Female: 9 (45%)	Male: 10 (50%) Female: 10 (50%)	Male: 16 (80%) Female: 2 (10%) Vacant: 2 (10%)
TOTAL: 20	TOTAL: 20	TOTAL: 20

Source: SALGA Mpumalanga Women Commission

well as China. While women across the OECD and in China make up almost 45% of the labour force, they constitute only some 30% of legislators, senior officials and managers. Despite the potential benefits that firms can derive from giving women a more prominent role, they remain under-represented in the business sector in all countries (OECD Report, 2014).

5. Results and Discussions

The gender profile in the above identified leadership positions in municipalities in the Mpumalanga Province, South Africa serves as a good example of a slow pace of the full implementation of gender equalities in the workplace. The province comprises of twenty-one municipalities.

Table 3 above indicates that the municipalities have failed to meet the 50-50 target for leadership positions, notwithstanding that South Africa in general, has fared far better in some national and provincial departments as alluded to above. The Executive Mayor's category seems to have progressed fairly since nine (45%) are women and eleven (55%) are men. The Speaker's category reflects the 50-50

target being met as women are ten (10%) compared to their men counterpart with ten (10%). There is no indication of dominance of men in the Office of Speakers. In terms of the Municipal Managers' category, two (10%) are women while sixteen (80%) are men. The further two (10%) represents the current vacancies. This is an example of purely resistance to change irrespective of the existence of regulations as briefly explained above. This kind of findings has opened a lot of dialogue on this matter. In annual reports, such breakdowns are not explicitly dealt with since reports have a tendency of presenting some consolidated statistics.

6. Barriers to the Advancement of Women

For the purpose of this paper, it is important to highlight some barriers as identified by Shin and Bang (2013):

6.1 Societal Level Factors

The societal level factors refer to the broad societal forces and policies perpetuate assumptions and stereotypes which present challenges to women

in leadership roles. The examples of policies are the once related to employment equity, human rights, access to affordable day care and reproductive rights have a profound impact on the ability of women to advance in the workplace.

6.2 Organisational Level Factors

Organisational level factors refer to the conflict between work and family. It is argued that many women workers are also mothers. Their husbands and children may provide some burden that may negatively impact their chances at work's leadership position.

6.3 Individual Level Factors

It is argued that at the individual level, women show lack of confidence to succeed often leads to making decisions that affect their careers prospects. The examples in this regards relate to the sense of diminished self-efficacy and communication style.

6.4 Male Stereotyping

This phenomenon is an example of a sense of diminished self-efficacy identified above. Male stereotyping is one of the key barriers to the advancement of women. It argued that gender stereotyping occurs when employees are judged according to traditional stereotyping based on gender.

6.5 Conflicting Roles

As mentioned above, women sometimes encounter difficulties in balancing work and family responsibilities. Perhaps women have to answer the question "What aspects of family commitments are perceived as restricting career progress?" But this question should not be seen as the only one to answer; indeed, women do make difficult choices related to career advancement.

6.6 Lack of Support from Other Managers in the Public Service

Research indicates that there is lack of support amongst women leaders themselves. It can be argued that if an initiative could be formed whereby women at the workplace could engage on their general work challenges confronted on their different work environment may reach to a level of a uniform

concerted approach. Such initiative will be a supportive programme for newly promoted women learning from each other.

7. Conclusion and Recommendations

This paper examined the representation of women within SMS of the South African public service. Reference was further given to the leadership positions in municipalities of the Mpumalanga Province, that is, Executive Mayors, Speakers, and Municipal Managers. The statistics analysis revealed that as at March 2014, there were 9 368 filled SMS positions of which 3 734 (39.8%) were filled by women and 5 634 (60.2%) were filled by men. Of the 39.8% posts occupied by women, 72% consisted of African women, 14% Whites, 8% Coloureds and 6% Asians (Annual Report on Employment Equity in the Public Service 2013/2014). As mentioned above, in the Mpumalanga Province the Executive Mayor's category seems to have progressed fairly since nine (45%) are women and eleven (55%) are men. The Speaker's category reflects an equal distribution trend as women are 10 (50%) and 10 (50%) for men. There is no indication of dominance of men in the Office of Speakers. In terms of the Municipal Managers' category, two (10%) are women, another two (10%) appears as current vacancies while sixteen (80%) are men. These results suggest that it will take very long time for women to gain equality with men in leadership positions in the South African government institutions. Although the government's legislation favour women to realise the 50-50 representation, it still not been met in 2018. Government needs to continue to remove the bearers and put much stronger measures to achieve equal representation in its institutions on the one hand, and on the other hand, women must also show interest on this administrative leadership positions. Based on the above barriers and the South African public service situation, South Africa is still dominated by men in leadership positions in government institutions. A radical integrated strategy which affects change at societal, organisation and individual levels should be established by the South African Government. One can recommend that *firstly*, women must have the support and commitment of executive leadership who have the power to influence change across organisations and society. This action will force a quick implementation of the legislation and strategies of women advancement. Furthermore, the aspect of men stereotyping could disappear. *Secondly*, balancing work and family

should not be a challenge only if there is willingness from organisations to introduce programmes that would empower women to balance work and family obligations. *Thirdly*, stories about women's successes must be shared in both organisations and society. The media should be used extensively in this regard. *Finally*, organisations or government institutions must continue providing mentorship programmes and other training to women so that they can realise their potential and strength in the workplace. These recommendations are limited to the barriers discussed above.

References

- Department of Public Service and Administration. 2015. Annual Report on Employment Equity in the Public Service 2013/2014. Pretoria: Government Printers.
- Gardner, J.D. 1996. Effective Research in the Human Sciences. Cape Town: Van Schaik Publishers. In E.J. van Rooyen, and S.K. Mokoena, 2013. The Role of Ward Committees Towards Enhancing Public Participation: The Case of the Mpumalanga Province, South- Africa. *Journal of Business and Economics*, 4(8):675-689.
- Hendrickse, R. 2004. Public Sector Transformation: A critical Evaluation of the Gender Machinery (1994 and Beyond). Article presented at the SAAPAM conference held at the Tshwane University of Technology in Pretoria, 13-14 May 2004.
- Kahn, S.B. 2010. Gender Equality in the South African Defence Force. *Administratio Publica*, 18(3):66-89.
- Organisation for Economic Co-operation and Development, 2014. Enhancing Women's Economic Empowerment through Entrepreneurship and Business Leadership in OECD Countries. Paris: OECD Publishing.
- Penceliah, Y. 2011. Gender Mainstreaming with Special Reference to Senior Management in Local Government. *Journal of Public Administration*, 46(1.1):868-879.
- Shin, Y.A. & Bang S.C. 2013. What are the Top Factors That Prohibit Women from Advancing into Leadership Positions at the Same Rate as Men? Student Works. Cornell University South Africa. 1996. Constitution of the Republic of South Africa Act. Pretoria: Government Printers.
- South Africa. Republic. 1997. White Article on Human Resource Management in the Public Service. Pretoria: Government Printers.
- South Africa. Republic. 1997. White Article on Transforming Public Service Delivery (Batho Pele). Pretoria: Government Printers.
- South Africa. Republic. 1998. Employment Equity Act (Act 55 of 1998). Pretoria: Government Printers.
- South Africa. Republic. 2011. Statistics South Africa. Pretoria: Government Printers.
- Van der Waldt, G. 2007. Fostering local democracy. Cape Town: Juta.

ICT Policy Development and Implementation in South Africa: Towards an Improved E-Government Implementation

MB Mosehlana

University of Limpopo, South Africa

Abstract: The application of Information and Communication Technologies (ICTs) in government operations has become inevitable given an environment in which public administration find itself in the 21st century. South Africa is not immune to this environment and is required to continuously improve the use of ICTs in government administrations to fully reap the benefits of e-government. A progressive e-government requires a strong and robust ICT policy environment, however, the South African government has lacked behind between 2001 and 2015 in ensuring that the country continues to have an effective and up-to-date ICT policy that addresses the interconnected nature of the ICT environment. As a result, implementation of e-government in the country experienced a wide range of policy, leadership and administrative problems including outdated ICT policy framework, weak political leadership, lack of coordination and overlapping roles amongst institutional role players causing divisions and dubious transfer of power, poor management of the e-government portfolio, poor maintenance and preservation of ICT investments, concerns with IT training and skills development, lack of Public Private Partnerships in e-government, lack of societal ICT uptake due to skills and capacity shortages, which ultimately hindered e-government progress in the country. The establishment of a recently updated White Paper on National Integrated ICT Policy, 2016 provides better prospects and pave a way towards an improved e-government implementation in the country, which seeks to address these concerns. A number of considerations are essential in ensuring an improved implementation e-government implementation.

Keywords: E-government, ICT policy, Information Communication Technology (ICT), policy implementation, South Africa

1. Introduction

Wescott (2005:1) explain e-government as the use of ICTs to facilitate a more efficient, cost-effective, and participatory government to promote convenient government services, greater public access to government information and a more transparent and accountable government to its citizens. ICTs can be internet-based and non-internet electronic facilities. The definition overtly highlights the multi-facets benefits of the e-government phenomenon, which are already deliberated on by many researchers in the field. E-government continues to take centre stage in current academic, political and administrative dialog due to its potential to transform public administration. This is largely due to developments and influence brought forth by the phenomenon especially in redefining relations amongst government, citizens and the business community. He also acknowledges that e-government also has its imprints in NPM, an argument supported by Bonina & Cordella (2008) and Torres, Pina, & Acerete (2006:279) as well as the Governance paradigms. Apart from its multi-facets benefits, e-government adoption in government processes (service delivery,

governance and operations) has demonstrated a number of challenges, which if not adequately addressed can hamper its success and cripple its potential.

As part of its e-government mandate to ensure that it reap the benefits brought forth by this phenomenon, the South African government has made attempts to create an enabling environment for a successful e-government adoption. Such efforts are demonstrated through policy intentions from the mid-90s at dawn of democracy. Nokia Siemens Networks, Nokia Corporation and Commonwealth Telecommunications Organisation (2008:06) support that the South African government sought to prioritise initiatives towards the development of a strong G2G ICT infrastructure and enabling processes to build a solid internal state capacity for successful G2C and G2B programmes. DPSA (2007:11) confirms that this strategic viewpoint is endorsed since back-office operations play a key systematic role in service delivery, whose success affects the success of front-office operations. Such attempts shortly became unsuccessful due to factors rooted within policy development and

implementation. This paper seeks to deliberate on such factors as well as to provide a way forward by highlighting a number of considerations for the recently updated National Integrated ICT White Paper, 2016 to support a successful e-government implementation in South Africa.

2. Benefits of E-Government

Apart from its challenges, adoption of e-government in government administrations has brought forward multi-facets benefits. The benefits of e-government include inter alia; reinforced innovation (Mphidi, 2011), ICT as an innovative and modern tool of development and societal growth (Ifinedo, 2012:8), provides an alternative channel of interaction and delivery (Brynard, Cloete & de Coning, 2011:158), a model that Kitaw (2006:7) refers to as a transformational pattern of delivery, while Ifinedo (2012:8) views it as a modern or innovative tool which promotes development in the society. Ondari-Okemwa and Smith (2009:35) considers e-government as an enabler of customer-focused services and knowledge society.

The unique automated feature of ICTs converts processes inexpensively and in a productive manner – which translates to efficiency and effectiveness (Brynard *et al.*, 2011:158). Mukonza (2014:499) affirms that e-government lead to improved efficiency and public participation which is symbolised by; decreased costs in the distribution of information services (Almarabeh & AbuAli, 2010:36), enhanced citizen participation in decision making processes through e-participation and e-decision-making platforms (Bhatnagar, 2002:5), open channels of communication amongst government agencies (Mphidi, 2011 online), improvement in government operations and services (Kitaw, 2006:14). E-government provides the opportunity for equal public service delivery (Lips, 2010:281) by promoting accessibility, connectivity, answerability, efficiency and successful social, political and economic development (AL-Kaabi, 2010:650).

In a nutshell, if citizens are able to gain access to government information, download different forms and government reports for evaluation, transparency in government operations is then enforced and public servants will be held accountable (Joseph & Kitlan, 2008:5). The wide-ranging benefits of e-government complement the current environment in which public administration find itself, commonly referred

to as the 'information age' or 'the digital age' whereby information and knowledge distributed through digital platforms drives development in society. This environment is constantly changing which requires the society and more particularly, government administrations as vehicles of service delivery to adapt to changing times and societal needs. A requirement that the South African government is not immune to, and so is its ICT legislative framework.

3. Historic Account of ICT Policy Development in South Africa

It is particularly for the benefits highlighted that the South African government laid a foundation that sought to pave a way for ICTs to benefit its course and the society it serves by employing e-government as an essential tool of operation in its administrations. The government made early attempts in capturing the benefits of e-government through various policies that sought to promote electronic processes in its operations. Hence South Africa was benchmarked an African leader in 2003 (although for a brief period) in accordance with the United Nations (UN 2003) global e-government rankings. Firstly, South Africa forms part of the international community on ICT and partakes in the World Summit on the Information Society (WSIS). The aim of WSIS is to advise governments to establish and implement information policies that guarantee efficient, equitable and universal access to relevant information or to e-government services and ICTs. Most governments worldwide developed ICT policies which are shaped by the Geneva and Tunis agenda, South Africa included (Kaisara & Pather, 2009:6).

Secondly, commitment by the South African government is demonstrated through the establishment of the Telecommunications Act of 1996 under which the Universal Services Agency (USA) was formed to promote ICT access to groups previously disadvantaged by the apartheid regime. This Act was later updated and renamed Electronic Communications Act of 2005 in cognisance of the changing patterns of the ICT environment in order to promote universal access to electronic communications services and electronic communications network services to all areas and communities in the country. The Agency was also renamed Universal Service and Access Agency of South Africa – USAASA (Kaisara & Pather, 2009:7; Electronic communications Act

of 2005). The Electronic Communications and Transactions Act 25 of 2002 is another important piece of legislation which aims to promote universal access of ICT mainly to the underserved regions as well as electronic delivery of services (Kaisara & Pather, 2009:7; Electronic Communications and Transactions Act, 2002). Due to compelling nature of ICTs and its inevitable nature for integration in service delivery processes, Department of Public Service and Administration (DPSA) was compelled to write a report in 2001 titled the 'Electronic Government: Digital Future' which then served as an e-government specific policy whose objectives were to ensure cost effectiveness, increased productivity and improved service delivery (DPSA, 2001). This report served as the public service's IT policy framework to promote the delivery of e-government services since 2001 to 2015 (period of over a decade) without any reviews and update to the policy.

Constant changes and improvements in ICTs require governments to continuously update their ICT policy frameworks to stay relevant so they can fully reap the benefits of e-government (Hassan, Shehab & Peppard, 2010:601; Almarabeh & AbuAli, 2010:32). However, South Africa on the other hand failed the task which rendered its good and early attempts futile. As a consequence, the country experienced a wide range of challenges which may also explain its loss to Mauritius in 2004 as an Africa e-government leader (UN, 2003:34) as well as its overall international position from 45 to 55 (UN, 2004:46). The country has since never regained its position, rather subsided in performance with its worst performance in the 6th place continentally (UN, 2014). South Africa currently ranks 3rd continentally and 76th globally (UN 2016:113). This period of underperformance matches the period in which the country's ICT legislative framework was considered obsolescence.

4. E-Government Implementation Challenges in South Africa

E-government implementation in South Africa over the past decade has been crippled by a variety of leadership, technical, organisational and policy challenges. Lack of legislation has been a common concern as cited in various scholarly work and is argued as the undoing of the South African e-government implementation. Cloete (2012:133) believes that e-government implementation in the country is

worsened by vague, non-satisfactory and an outdated policy which failed to respond to an ever changing and convergence nature of ICT. A Public Service IT Policy framework, 2001 served for over a decade without necessary reviews in cognisance of the dynamic nature of the ICT environment. This failure is an error that e-government best practice requirements advises against. Another incompetence of this policy is reflected through what Trusler (2003:3) regard as substantial dependence on individual government departments to derive their own implementation strategies and e-government projects. The ripple effects of such inactions are highlighted by Cloete (2012:133) as including amongst others; lack of coordinated e-government projects, dismantled e-government potential and capacity. Singh (2010:226) affirms that there is lack of clear records on e-government implementation in the country as a consequence of uncoordinated e-government efforts stimulated by lack of clarity on legislation and policy direction.

5. Overlapping Roles of Key Role Players

Other policy related concerns which hindered progress in the implementation of e-government involves the overlapping roles of key or strategic role players who are collectively tasked with the responsibility to facilitates and guide activities and efforts to ensure a successful e-government implementation in South Africa. According to Cloete (2012:133), overlapping roles of the Ministry of Communications (now Telecommunications and Postal Services) and Public service and Administration also hampered progress in the adoption of ICT for service delivery. Lack of clarity with roles, especially with regard to policy development (and policy review and update thereof) between the two ministries translated to lack of accountability for the e-government mandate. This is in particular because they both have policy mandates, one with regards to regulation of the ICT sector – DTPS (DPSA 2001:13) and the other with legislation pertaining e-government implementation in the public service – DPSA. Lack of coordination, dedicated e-government leadership and accountability as well as power competition between the two strategic players was due to ambiguity in roles, negatively affecting e-government progress in the country (Cloete, 2012:133; Trusler, 2003:3). Singh (2010:226) express that dubious transfer of power is one of the negative effects of identified lack of clarity in roles and policy direction,

which saw DTPS taking the leadership role as the "director of ICT initiatives and coordinator of the ICT policy" in the country (Singh, 2010:217).

6. ICT Infrastructure and Access, Skills Development and ICT Awareness

Apart from legislative challenges, Mtimunye (2011) also identified training and skills development, organizational change in the public sector, establishment of mutually beneficial partnerships throughout the public sector and maintenance and preservation of deployed ICT investments as some of e-government implementation challenges facing South Africa. Singh (2010:220) affirms that lack of priority in infrastructural investments has resulted in failure to sustain some of the e-government programmes in the country. In addition, National Integrated ICT Policy Green Paper (DTPS, 2014) cite low levels of electronic skills by citizens, low levels of internet use due to high cost of broadband, lack of access to ICT facilities, network connections and unavailability or unreliable electricity in rural and remote areas, lack of e-government awareness by citizens, unwillingness by network providers to roll-out services in unviable areas, weak government ICT infrastructure, cybercrime and shortage of IT specialists as some of factors that hinders successful e-government implementation in South Africa. These challenges highlight ICT-supply inefficiencies.

7. New Policy Prospects

The South African ICT sector received a lot of criticisms in the past decade for not creating an environment which promotes a flourishing ICT sector, resulting in overall poor e-government performance in the country. Concerns with e-government progress were largely alluded to policy development and implementation inadequacies. The private sector also suffered the negative effects of a poorly regulated and fragmented ICT sector as opposed to innovatively regulated sector which according to DTPS (2014:3) calls for ICT convergence. As a result, progress both in e-commerce and e-government was hampered in the country. The state of affairs forced DTPS to take action in order to reform SA's ICT policy by initiating a policy review process in 2012, reviewing the 2001 ICT policy; a process which incorporated the entire ICT sector and produced a comprehensive National Integrated ICT Policy White Paper in 2016.

8. A Way Forward and Implementation Considerations

In cognisance of the newly updated ICT policy and looking at some of the most concerning e-government challenges experienced in the country, the paper seeks to draw attention and place emphasis on chapters 4, 5, 9, 10 and 13 of the policy to deliberate on the way forward for an improved e-government implementation.

9. Development of a Digital Society in South Africa

Chapter 10 of the policy focuses on transforming South Africa into an inclusive digital society whereby "a single cohesive strategy is essential to ensure the diffusion of ICTs in all areas of society and the economy. Like energy and transport, ICT is an enabler – it can speed up delivery, support analysis, build intelligence and create new ways to share, learn and engage" (National Integrated ICT Policy White Paper, 2016). This section seeks to create an enabling environment for general members of the society to adopt and apply various relevant ICTs in their day to day lives to improve their socio-economic and political milieu. In order to ensure that the South African society is digitised, four core pillars are identified to drive the process: (1) the digital transformation of government; (2) promotion of digital access by all citizens; and (3) digital inclusion (National Integrated ICT Policy White Paper, 2016).

Digital transformation of government drives the demand for e-government services and promotes growth in e-commerce. This pillar provides an e-government framework to support and strengthen processes in demand for e-government services. With this policy objective in mind, issues related to lack of coordination and synchronisation of e-government efforts by various departments should be key target areas that the e-government framework and e-government implementation strategy should immediately rectify. Taken as lessons from past failures measures need to guard against activities that may create divisions and incoordination. Almarabeh & AbuAli (2010:32) indicate that institutions can learn from their past success and failures to improve implementation in e-government related activities. The e-government strategy needs to make it a priority that issues of programme coordination are adequately dealt with by putting in place necessary, tried and trusted measures that are subjected

to constant monitoring and review if there is to be success in the overall e-government implementation in South Africa.

10. Creation of an Enabling Institutional Environment

There are confirmed cases of institutional challenges facing e-government in South Africa, which includes among others; fragmented e-government projects, divisions amongst role players, power competition and clack of clarity in roles cited by various scholars (Thakur & Singh, 2013; Cloete, 2012; Singh, 2010; Trusler, 2003). The ICT policy (ss.13.1.1 of the National Integrated ICT Policy White Paper, 2016) acknowledge these concerns as having hampered progress in e-government implementation in South Africa and place special emphasis on regulation of the internet and ICT value chain amongst various government institutions. The ICT policy provides an institutional framework that highlights a number of interventions to address identified challenges pertaining institutional capacity to drive a positive e-government implementation. Such interventions involve creating coordinated leadership, enhancing public value and clarifying roles and responsibilities.

The policy provides for the establishment of an Inter-Ministerial Digital Transformation Committee (IDTC) to ensure the achievement of an inclusive digital society. The committee is therefore tasked with the responsibility to ensure coordination of e-government related activities and efforts across different government departments and entities (ss. 13.4 of National Integrated ICT Policy White Paper, 2016). The committee served as a redress mechanism addressing issues of working in silos to provide for a strong and coordinated leadership that will promote e-government champions. It also important to highlight that Presidential National Commission on Information Society and Development (PNC on ISAD) was established within the Presidency as a committee responsible to provide e-government leadership and coordination, however failed at task. Cloete (2012:133) argue that critical role players such as PNC on ISAD has also not made much visible contribution and has proved to work in isolation contrary to its coordination role. Indeed, PNC on ISAD has not made a visible mark as expected, and its role and existence was not common knowledge by employees within the president's office. It is of paramount importance that the newly established committee is proactive

in its role and guard against areas that derailed the achievement of e-government objectives due to lack of strong, determined and coordinated leadership. Kitaw (2006:13) argue that successful e-government applications and implementation requires top officials to be champions and great supporters of ICTs. Bhatnagar (2002:5) and Ojo, Janowski & Estevez (2005:321) adds that strong leadership that inculcates a positive mind-set in the public service towards e-government.

It has therefore become clear that issues of uncoordinated leadership or lack thereof contributed to delayed e-government progress in South Africa. This state of affairs must be taken as an opportunity to fast-track implementation. In this regard, Abuali, Alawneh & Mohammad, 2010:172) supports and encourages initiatives that are directed towards growth and preservation of political-will and e-government champions within the South African government. These efforts need to be accompanied by what Thakur and Singh (2013:42) refers to as an understanding of the value of ICT by the leadership. Creation of trust in e-government activities is equally significant (Lips, 2010:275) and trust requires strong and stable e-government leadership. Maumbe, Owei & Taylor (2007:1541) speaks of an e-government trust 'balance sheet' which has to be infused in the implementation of e-government programmes in South Africa. This will also help revive e-government trust lost (businesses that are pro e-commerce and individual supporters of e-government initiatives) which may be perceived as lack of prioritisation in ICT driven initiatives by the leadership.

Chapter 10 of the policy (National Integrated ICT Policy White Paper, 2016) states that "a single cohesive strategy is essential to ensure the diffusion of ICTs in all areas of society and the economy" – a requirement that led to the development of a National E-government Strategy and Roadmap in 2017. Establishment of the e-government strategy in the country is a huge milestone which should pave a way for a progressive e-government implementation in South Africa, provided that the country has been operational without this much needed plan of action. Establishment of the country's e-government strategy is also an important provision made in the Electronic Communications and Transactions Act, 2002. The achievement of the three pillars of a digital society stipulated in the ICT policy is largely dependent on a proactive e-government strategy.

11. Clarifying Roles for Enhanced E-Government Implementation

One of the principles guiding the institutional framework is ensuring that government institutions have distinct mandate with clearly expressed goals (ss. 13.3 National Integrated ICT Policy White Paper, 2016) to address identified e-government challenges and discrepancies that occurred due to lack of clarity in roles and responsibilities. The country's e-government strategy explains and clarifies the roles and responsibilities of various e-government players which has been a challenge since early 2000. Key e-government role players (ss. 12 of the National E-government Strategy and Roadmap, 2016) include; IDTC, National e-government Executive Committee (NEEC), National e-government Steering Committee, Government Information Technology Officers Council (GITOC) DTPS, DPSA, National Treasury, National, Provincial and Local Government and State Information Technology Agency (SITA). This institutional arrangement supports the notion of whole-of-government which promotes a well-coordinated e-government environment across all spheres of government, amongst government departments, agencies and appropriate government structures in the country – thus demonstrating a multi-stakeholder partnership. An approach endorsed by the UN (2014:7) as significant in addressing complex and wide-spread e-government challenge.

The country's e-government role players have been re-defined and their roles and responsibilities revised, particularly the roles of DPSA, SITA, OGCIO and DTPS. Additional role players are identified to facilitate a well-coordinated, cooperative, regulated, accountable, monitored and regularly reviewed ICT sector to adequately address current e-government challenges. The role of SITA in government is re-emphasised as a developer of digital government solutions, responsible for development and management of a government-wide integrated e-government platform. This mandate is attainable through the provision of transversal services to support e-government, determination of digital norms and standards and also importantly, the design and management of the one-stop digital platform. The National E-government Strategy and Roadmap 2017 (ss.12.2) further highlight the role of SITA as mandatory in the provision of services which enables an effective e-government implementation, particularly within national and

provincial administrations. The current issues with regard to lack of uniformity in various governmental websites, issues with systems compatibility or interoperability should become priority areas for SITA. The Batho Pele Gateway also need to be constantly updated, monitored and reviewed in line with the best international practices to ensure fit for purpose as a country's one-stop shop. It is also important to acknowledge that building a one-stop shop needs a capacitated centralised leadership for widespread coordination, and this function must be taken seriously because it has always been challenging to achieve (Bhatnagar, 2002:4).

The country's e-government strategy makes provision for revision of the roles of GITOC to ensure that the council's e-government responsibility is enhanced in line with the current e-government policy. GITOC has a technical and advisory support role regarding matters of digitisation of e-government services in the public service. The National E-government Steering Committee as another key player is tasked precisely with the responsibility to ensure success implementation of the National e-government Strategy and Roadmap. NEEC is the IDTC support structure which will coordinate and secure commitments by different department to the national e-government programme; and also provide strategic guidance on issues of e-government. The committee comprise of Director Generals of the Presidency, DTPS, DPSA, National Treasury and CEO of SITA (ss.12.1 of the National E-government Strategy and Roadmap 2017).

The role and responsibilities of DPSA is now clearly stipulated which deals precisely with a very crucial aspect of change management and process-reengineering within the public service (Section 12.2 of the National E-government Strategy and Roadmap 2017). Change management has been predominantly cited as one of factors hindering successful e-government implementation. South Africa is also the culprit. Trusler (200:3) cite resistance to change by public officials (also the general public) to embrace a move from traditional based delivery approach to electronically mediated processes – an inevitable requirement of the current information age. Brynard *et al.* (2011:159) confirms that there exists some level of resistance to proactively adopt and improve the use of ICT tools in government functions which can be in part due to low electronic-literacy levels, lack of ICT resources, difficulty in digitising traditional programmes and

government priorities. In effort to manage change and promote of e-government culture in the public service, DPSA has to consider reasons behind reluctance to change. This will assist the department in putting into place appropriate counter measures and activities which drives e-government culture in South Africa. Training and awareness are the most common measures (Al-Naimat, Abdullah & Ahmad, 2013:396; Bhatnagar, 2002:6; Almarabeh & AbuAli, 2010:39).

The National treasury provides funding for the National E-government Programme guaranteeing an e-government specific budget to be drafted by DTSPS. This financial interventional arrangement will assist in curbing the current financial problems with regard to funding for e-government projects by providing required financial resources and ensuring accountability through appropriate reporting mechanisms. National departments are required to identify different types of e-government services and of which must be coordinated throughout the national, provincial and local offices. SITA must facilitate delivery of such services and must also be reported to DTSPS and DPSA. Provincial administration on the other hand has the responsibility to coordinate provincial and municipal e-government services through liaison with relevant stakeholders and to raise e-government awareness to the general public (ss.12.2 of the National E-government Strategy and Roadmap 2017).

The much needed awareness of the value of e-government in society must be re-emphasised within this institutional arrangement. Mphidi (2011) indicates that the most challenging activity is the government's ability to influence individual citizens to make use of ICTs to their great advantage. The South African government should continuously improve their efforts towards educating the society about the unavoidable importance of ICTs in improving their lives since e-government services are useful only if the citizens have the knowledge of them. A fast-growing use of mobile applications (m-government) in developing countries highlight high levels of tolerance and interest in the use of electronically-driven services by the society, which may in a long run counteract societal resistance to technology. South Africa need to capitalise on mobile applications to deliver not only basic services, but to encourage adoption of interactive and internet-based services. According to the UN (2016:96) and Asian Development Bank Institute

– ADBI and Economic and Social Commission for Asia and the Pacific –ESCAP (2005:iii), governments must create conducive environment through policies and initiatives that create awareness and teach citizens in disadvantaged and marginalised communities to access and use e-government services using technological devices at their disposal. Mobile devices with internet access are highly demanded in the society and affordability is becoming less of a concern. In a nutshell, clarification in roles and responsibilities will foster the culture of accountability, cooperation and coordinated efforts for improved national e-government programme implementation in South Africa.

12. Ensuring Universal Service and Access to the Poor

Issues related to ICT infrastructural development or investment which influences the uptake and use of e-government services in the society is identified as one of the factors that hinders successful e-government implementation in South Africa (Mtimunye, 2011; Singh 2010; DTSPS 2014). To promote an inclusive digital society, ICT infrastructure needs to be accessible and affordable to the majority of less privileged in the society, especially remote rural areas and underserved urban townships (Bhatnagar, 2002:5; Ojo *et al.*, 2005:321; AL-Kaabi, 2010:652). Careful considerations need to be applied to guard against worsening the digital divide in South Africa. As one of the critical objectives in the creation and development of an inclusive digital society, Chapter 9 of the National Integrated ICT Policy calls for a rapid deployment of ICT infrastructure. Mutually beneficial public-private partnerships (PPP) across the country's ICT sector are important in creating a flourishing and robust ICT sector characterised by well-developed maintained ICT infrastructure (Thakur & Singh, 2013:42).

As a result of re-defined roles and responsibilities of the e-government role players in South Africa, USAASA has been dissolved and the Universal Access Fund (UAF renamed Digital Development Fund in efforts to re-vitalise ICT access initiatives that cater for all in the society. Chapter 5 of the National Integrated ICT Policy provides a foundation and commit to universal service and access to ICT infrastructure and service to marginalised communities to address issues of digital divide in South Africa. A promise has been made which states that "we are fully committed to turning this digital divide into a

digital opportunity for all, particularly for those who risk being left behind and being further marginalised" (National Integrated ICT Policy White Paper, 2016). Such a statement of intent also requires substantial efforts to be realised including commitment by the e-government leadership, adequate management of the universal service and access portfolio and the Digital Development Fund as well as building trust in e-government. Trust building initiatives in South Africa should include inter alia; lifting confidence levels of users via e-literacy programs – e-skills, e-learning and closing digital divide (Bhatnagar, 2002:5; Kaisara & Pather, 2009:5). If these areas are not given adequate attention, they can quickly dissolve e-government trust in the country.

13. Conclusion and Recommendations

In South Africa, progress with regard to e-government implementation has been non-satisfactory, dating back to 2004 when it lost its position as an African leader. A number of challenges have been identified as factors that hampered the country's e-government development. Implementation challenges are largely concerned with policy development. South Africa failed to regularly update its 2001 Public Service IT Policy Framework, developed by DPSA which was supposed to regulate and create a healthy ICT sector to support progressive e-government and e-commerce. The policy was scrutinised by various scholars as unclear, out-dated and failed to respond to the convergence nature of the ICT sector. Irregularities in that policy resulted in numerous implementation challenges ranging from leadership, coordination and ICT access and adoption concerns including; lack of coordination amongst key role players; lack of dedicated e-government leadership, uncoordinated e-government projects; poor management of the e-government portfolio; lack of leadership by PNC on ISAD, poor and ICT infrastructure in remote rural and underserved urban townships, lack of e-government awareness by citizens. As a result of these challenges, e-government potential was dismantled, demonstrated through slow e-government progress and poor implementation. What was once considered early attempts, through adoption of various Information policies, quickly became futile and irrelevant.

A major breakthrough for e-government in South Africa was seen in early 2016 through an updated National Integrated ICT Policy White Paper, and a subsequent National E-government Strategy and

Roadmap established in 2017. These developments serve as major milestones for the country in creating a robust ICT sector that supports the country's e-government mandate. The current e-government challenges can be addressed by taking into account a number of considerations which should be built within the e-government work-plan. Such considerations are success factors aimed at addressing implementation challenges by focusing attention on considerations in creation of digital society, an enabling institutional environment, clarification of roles, and ensuring universal service and access to the poor. Achievement of these important objectives may place South Africa in a positive space to regain its position as an African e-government leader.

References

- Abuali, A., Alawneh, A. & Mohammad, H. 2010. Factors and Rules Effecting in E-Government: *European Journal of Scientific Research*, 39(2):169-175.
- AL-Kaabi, R. 2010. Secure and Failure Factors of e-Government Projects Implementation in Developing Country: A study on the Implementation of Kingdom of Bahrain: *World Academy of Science, Engineering and Technology*, 68:650-653.
- Almarabeh, T. & AbuAli, A. 2010. A General Framework for E-Government: Definition Maturity Challenges, Opportunities, and Success: *European Journal of Scientific Research*, 39(1): 29-42.
- AL-Naimat, A.M., Abdullah, M.S. & Ahmad, M.K. 2013. The critical success factors for e-government implementation in Jordan: *Proceedings of the 4th International Conference on Computing and Informatics*, ICOCI 2013 28-30 August, 2013 Sarawak, Malaysia. Universiti Utara Malaysia. Paper no 120:391-398.
- Asian Development Bank Institute – ADBI and Economic & Social Commission for Asia and the Pacific – ESCAP, 2005. *Designing e-government for the poor*. Thailand: United Nations.
- Bhatnagar, S. 2002. E-government: Lessons from implementation in developing countries. *Regional Development Dialogue*, (24):1-9.
- Bonina, C.M. & Cordella, A. 2008. The new public management, e-government and the notion of 'public value': lessons from Mexico. *Proceedings of SIG GlobDev's First Annual Workshop, Paris, France*. 13 December 2008.
- Brynard, P., Cloete, F. & de Coning, C. 2011. 'Policy Implementation', In Cloete, F. & de Coning, C. *Improving Public Policy: theory, practice and results*. Pretoria: Van Schaik Publishers.
- Cloete, F. 2012. 'E-government lessons from South Africa 2001-2011: institutions, state of progress and measurement: Section II: Country perspectives on e-government emergence', *The African Journal of Information and Communication*, (12):128-142.

- Department of Public Service and Administration – DPSA. 2007, *Improving the performance of the public service: Lessons of the transformation process*. Pretoria: Government printers.
- Department of Telecommunications and Postal Services – DTPS, 2014, *National Integrated ICT Policy Green Paper*. Republic of South Africa. RSA: Government printers.
- DPSA. 2001. *Electronic Government: The Digital Future. A Public Service IT Policy Framework*. Pretoria: Government printers.
- DTPS. 2016. *National Integrated ICT Policy White Paper*. RSA: Government Printers.
- DTPS. 2017. *National E-government Strategy and Roadmap*. RSA: Government Printers
- Hassan, H.S., Shehab, E. & Peppard, J. 2010. Toward Full Public E-Service Environment in Developing Countries: *World Academy of Science, Engineering and Technology*, 66: 618-622.
- Ifinedo, P. 2012. Drivers of e-government maturity in two developing regions: Focus on Latin America and sub-Saharan Africa: *Journal of Information Systems and Technology Management*, 9(1):5-22.
- Joseph, C.R. & Kitlan, D.P. 2008. 'Key issues in e-government and public administration', In Garson, D.G. & Khosrow-Pour, M. 2008. *Handbook of Research on Public Information Technology*. New York: IGI Global.
- Kaisara, G. & Pather, S. 2009. E-Government in South Africa: e-service quality access and adoption factors: *Informatics & Design Papers and Reports*, 9(1):1-17.
- Kitaw, Y. 2006. *E-Government in Africa: Prospects, Challenges and Practices*. Published thesis, Swiss Federal Institute of Technology, École Polytechnique Fédérale de Lausanne.
- Lips, M. 2010. Rethinking citizen – government relationships in the age of digital identity: Insights from research: *Information Polity*, (15):273-289.
- Maumbe, B.M., Owei, V. & Taylor, W. 2007. Taking a Back seat? Integrating trust in e-government service Delivery in South Africa. *IRMA International Conference: Managing Worldwide Operations & Communications with Information Technology*, 1539-1543.
- Mphidi, H. Digital divide and e-governance in South Africa. Research, Innovation and Partnerships. Available at: http://www.ais.up.ac.za/digi/docs/mphidi_paper.pdf. Accessed 15 August 2011.
- Mtimunye, M. 2011. Driving e-government success in South Africa. Available at: http://www.itwebinformatica.co.za/index.php?option=com_content&view=article&id=3644:driving-e-government-success-in-south-africa&catid=71:effective-e-government-2009&Itemid=113. Accessed 23 July 2011.
- Nokia Siemens Networks, Nokia Corporation and Commonwealth Telecommunications Organisation. 2008. *Global summary report. Towards effective e-governance: The delivery of public services through local e-content*. Finland: Nokia Siemens Networks and Nokia Corporation.
- Ojo, A.K., Janowski, T. & Estevez, E. 2005. Determining progress towards e-government: What are the core indicators? *5th European Conference on e-Government*. University of Antwerp, Belgium, 16-17 June 2005, 312-322.
- Ondari-Okemwa, E. & Smith, J.G. 2009. The role of knowledge management in enhancing government service-delivery in Kenya: *SA Jnl Libs & Info Sci*. 75(1):28-39.
- RSA. 2002. *Electronic Communications and Transactions Act 25 of 2002*. RSA: Government Printers.
- Singh, S. 2010. The South African 'Information Society', 1994-2008: Problems with Policy, Legislation, Rhetoric and Implementation: *Journal of Southern African Studies* 36(1):210-277.
- Thakur, S. & Singh, S. 2013. Study of Some E-Government Activities in South Africa: *African Journal of Computing & ICT*, 6(2):42-54.
- Torres, L., Pina, V. & Acerete, B. 2006. E-Governance Developments in European Union Cities: Reshaping Government's Relationship with Citizens: *An International Journal of Policy, Administration, and Institutions*, 19(2):277-302.
- Trusler, J. 2003. 'South African E-Government Policy and Practices: A Framework to Close the Gap', in Traunmüller, Roland (Ed.), *Electronic Government, 2nd International Conference proceedings, EGOV 2003*, Prague, Sep. 2003, Lecture Notes in Computer Science, SpringerVerlag: Berlin, 2003, pp.504-507.
- UN: DESA. 2003. *UN global e-government survey 2003*. New York: United Nations.
- UN: DESA. 2004. *UN global e-government readiness report 2004: towards access for opportunity*. New York: United Nations.
- UN: DESA. 2014. *E-government survey 2014: E-government for the future we want*. New York: United Nations.
- United Nations – UN: Department of Economic and Social Affairs – DESA, 2016, *E-government Survey 2016: E-government in support of sustainable development*, New York, United Nations.
- Wescott, C.G. 2005. E-government and the applications of technology to government services. Working Paper of Pacific Basin Research Center. In Rondinelli, D.A. & Heffron, J.M. 2005. *Globalization in transition: Forces of adjustment in the Asia Pacific Region*. Baltimore: The Brookings Institution Press.

Assessing the Demand for Public Private Partnerships in Botswana's Water Utilities Corporation: The Case of Lobatse Management Centre

T Molokwane
University of Botswana

Abstract: The water authority in Botswana has been experiencing increasing challenges of water supply and distribution since the reform of the sector in 2009. The centralization of water supply and distribution on the Water Utilities Corporation stemming out of the implementation of the water sector reforms resulted in the prominence of water supply shortage in various parts of the country (both urban and rural) raising questions on government's decision to reform the sector. The water supply service was previously provided by the Town and District Councils, The Department of Water Affairs and the Water Utilities Corporation. This paper investigates the possibility of engaging private companies through public private partnerships in the operations of the water service at Water Utilities Corporation's Lobatse Management Center. The methodological approach of this study is mixed method approach. The research strategy adopted is a survey under an interpretivist paradigm. The study's findings illustrate that the corporation is overstretched in terms of its operational activities. The study's findings also establish causes of water shortage as well as levels of (dis)satisfaction on service provided. The demand for engaging private companies is ascertained hence the need to consider the public private partnerships at the Lobatse Management Centre.

Keywords: Assessing, Demand, Distribution, Public Private Partnerships, Supply

1. Introduction

The public sector has traditionally been the main actor in the production and distribution of public goods and services. Provision of services basic such as water, sewerage and electricity as well as infrastructural projects of the same were long seen as typical cases of natural monopolies and public goods (Thoenen, 2007:1). The role of the public sector in development however, changed substantially in many countries, especially from the mid-1980s (Ngowi, 2009:34). Public goods and services were now to be provided by the private sector. The rapid and widespread private sector participation (PSP) in the provision and financing of infrastructure became more apparent in the 1990s (Harris, 2003:1) with the role of the state now reduced to that of a facilitator for the private sector-led economic development and growth (Ngowi, 2006:3,4). In today's global economy, modern and efficient infrastructure and services are a necessary precondition for successful and sustainable economic growth (Partnerships Kosovo, 2009:1). A private sector-led economic growth and development has generally been more efficient (both productive and allocative efficiencies) and effective. In this evolution of provision of public goods and

services, governments have now resorted to Public Private Partnerships (PPPs).

PPPs, long-term agreements between a public authority and the private sector to provide public services, have become a popular approach to provide infrastructure development (Moszoro & Kryzanowska, 2011:1). The concept entails various forms of collaboration between public and private sector organisations in service delivery (Ngowi, 2009:34). By implementing PPPs public authorities seek to benefit from cooperation with specialised partners (Batan, Essig & Schaefer, 2005:128) where resources, skills benefits and risks are shared. The aim is improved delivery of publicly funded goods and services (Dutz & Harris, 2006:1). According to Rao and Vokolkova (2006:2,3), if implemented well, PPPs would help in the accelerated implementation of projects with new approaches and better management techniques. PPPs also empower local contractors and consultants through participation of the private sector (Republic of Botswana, 2005:158). Conversely, Kinder & Wright (2009:1) however contend that in spite of the desired need for the private sector to play a significant role in PPPs, international and local private organisations have now become reluctant to provide expertise

and finance for infrastructure in the developing world due to negative experiences and high risks.

Internationally, countries such as Argentina, Bolivia and the United Kingdom (UK) adopted PPPs in the 1990s (Izaquire, 1998:1). The Asian experience shows that Vietnam received financial support for pilot projects whose impact has been positive (Public Private Infrastructure Advisory Facility, 2010:1). Western and Central African countries such as Mali, Côte d'Ivoire, Burkina Faso and Gabon also experimented with PPPs in the water sector (World Bank, 2009:1). In the Southern African Development Community (SADC) region, Mozambique, South Africa and Botswana are among countries that adopted PPPs (Farlam, 2005:20). In the SADC region, SADC has a PPP Network whose mandate is to serve as a platform for exchange of information and experiences to boost public and private sector capacity in PPPs across the region including providing guidance and support, facilitating policy programme and capacity building (Southern African Development Community, 2013). For Botswana, the need for PPPs has also been felt throughout the years. The water sector in Botswana is experiencing problems of service delivery and these could be improved in many ways, including the introduction of PPPs, among others. By implementing PPPs, the government will be able to provide infrastructure and services all sectors including water.

2. Water Sector Reforms in Botswana

The Government of Botswana (GoB) developed its first National Water Master Plan (NWMP) in the early 1990s which was reviewed in 2006 because government believed there were too many authorities responsible for water management (Mudanga, 2011). Following the review, the provision of potable water and wastewater services was centralised on the Water Utilities Corporation (WUC). The servicing of land for water was however retained by the Department of Water Affairs (DWA) and District/Town Councils (Mudanga, 2011). In 2008, the World Bank was engaged by the GoB as a consultant to examine the recommendations of the 2006 NWMP review. It was found that the Water Sector Reforms (WSR) were necessary (Mudanga, 2011). Before the implementation of the WSRs, potable water was supplied by the DWA, District Councils and the WUC. The DWA operated in seventeen major villages and formulated policy for the whole water sector. The sixteen District Councils, which fell under the Ministry

of Local Government, provided water in rural villages, while the WUC operated in six urban centres. The District Councils and the WUC also operated wastewater systems (Kgomotso & Swatuk, 2006:3; Mudanga, 2011).

3. Public and Private Sector Participation in Infrastructure Development

As in many other developing countries, Botswana faces challenges of delivery in public services and infrastructure development, including maintenance and operational obligations. New infrastructure needs to be provided and existing infrastructure upgraded or rehabilitated to deliver public services more effectively or extend access to services than at current levels (Rao & Vokolkova, 2006:4). The GoB carries out some of its projects through outsourcing to private contractors. The bulk of government projects outsourced continue to exceed their budgets straining the government coffers. For instance, in April 2011, a local publication reported that 200million Pula was paid in the construction of the Kang-Hukuntsi road under questionable circumstances. In the same period, it was also reported that tax-payers may lose millions in the Sir Seretse Khama International Airport project (Daily News, 2011).

The inability to establish a vibrant private sector after independence resulted in GoB creating specialised agencies that would not only focus on specific areas, but would also help in avoiding a bureaucratic system of administration and facilitate a close relationship between the government and private sector (Simukonda, 1998:51). However, a trend visible in the history of parastatals in Botswana is that these institutions have been retained in spite of their weak performance and high reliance on government. To this day, parastatals continue to operate under hefty government subvention despite operating at a loss year after year. A case in point is the Botswana Power Corporation (BPC) which was reported to have lost P1.57 billion in the 2009/2010 financial year. The organisation's operating loss according to the Auditor General's end of year report, based on an audit by Deloitte Certified Public Accountants, was P 563.57 million for the same year (Daily News, 2011). Meanwhile between 2010 and 2011, BPC received close to P2 billion from government to continue running (Botswana Guardian, 2013). The contemporary public outcry on the BPC is the ever soaring prices of prepaid electricity.

4. Conception of Public Private Partnerships in Botswana

PPPs are a recent phenomenon in Botswana, having been first mentioned in the Privatisation Policy of Botswana (Republic of Botswana, 2000:iv,v). PPPs are regulated through the Public Private Partnership Policy and Implementation Framework, which was introduced in 2009. The government announced through the 2002/2003 Budget speech and NDP 9 that PPPs would be used extensively as a form of procuring and financing infrastructure projects in the public sector. This would ensure sustainable investment in infrastructure as well as soundness in public finances and to bring down the budget deficit to a sustainable level (Republic of Botswana, 2009:1).

In an effort to establish a strategic framework for PPPs, the government engaged a consultancy to undertake an assessment of the privatisation environment for consideration of PPPs with a view to establishing whether policies, laws and sustainable institutions existed that could facilitate implementation of projects. The consultancy was also entrusted with determining additional measures that could be required to create a conducive environment for PPPs in the country (Rao & Vokolkova, 2006:3). The initiative was undertaken in the association with PEEPA and SADC Banking Association, with financial support from the Canadian International Development Agency (Rao & Vokolkova, 2006:3; Republic of Botswana, 2009:2).

4.1 PPP Policy Implementation Challenges

The introduction of the PPP Policy and Implementation Framework came with its own challenges. The challenges include absence of standardised approaches and processes guidelines to deal with the structure of PPP projects and uniform framework to guide treatment of tendered and unsolicited proposals. Furthermore, there is no clear role of government agencies and departments such as PEEPA, MFDP, and Ministry of Works and Transport, etcetera (Republic of Botswana, 2009:2). To date, PPPs have benefited only a handful construction projects in Botswana. These include the Ombudsman and Land Tribunal Office (OLTO), the SADC Headquarters building and the rehabilitation and maintenance of 827 kilometres of roads under the output and performance-based contracts. There are, however, other PPP agreements such as management contracts (Daily News, 2012:2).

PPPs in Botswana have also been implemented in the health sector. In 2004, the Initiative on Public Private Partnerships for Health conducted a study looking into how PPPs could improve access to drugs for HIV/AIDS-related issues.

5. Research Methods

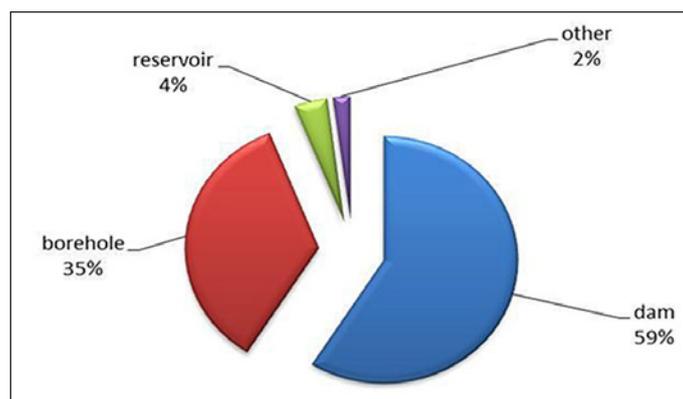
This study applied a mixed method approach. Triangulation of research strategies namely, research survey, case study and desktop research was applied in this study. The study further triangulated applying both qualitative and quantitative approaches. The study type is descriptive. According to Burns and Grove (2003:201), descriptive research "is designed to provide a picture of a situation as it naturally happens". It may be used to justify current practice and make judgment and also to develop theories.

There are several types of triangulation and these include: data triangulation that involves time, space and persons (Molefhe, 2011:99); investigator triangulation, which uses multiple observers (Eisenhardt, 1989:538); theory triangulation that uses more than one theoretical perspective to interpret the study phenomenon (McCreary, Seekamp, Cerveny & Carver, 2012:475) and methodological triangulation, which involves using more than one methodological strategy during data collection (Bryman, 2006:105; McEnvoy & Richards, 2006:71-76; Schell, 1992:15,16). Triangulation has raised an important methodological issue in naturalistic and qualitative approaches to evaluation in order to control bias and establish valid propositions because traditional scientific techniques are incompatible with this alternate epistemology. Triangulation further provides in-depth data, increases the confidence in research results as well as enables different dimensions of the problem to be considered (Golafshani, 2003:603).

5.1 Sampling Method

Purposive sampling was used to select respondents. As Neuman (2007:142) points out, purposive sampling is used in situations where a researcher uses judgment in selecting cases with a specific purpose in mind. Three situations that apply to purposive sampling make this approach relevant to the study. First, purposive sampling is used to select unique cases that are especially informative; second, to select members of a difficult-to-reach, specialised population; and third, to identify particular types of cases for in-depth

Figure 1: Main Source of Water



Source: Author

investigation. In purposive sampling, the purpose is less to generalise to a larger population than is to gain deeper understanding of types (Neuman, 2007:143). The second sampling technique used was the systematic sampling where the researcher accessed every 3rd house from the starting point.

5.2 Data Collection and Data Analysis

The study was conducted within the WUC LMC. Observation and survey research mainly applying questionnaires were techniques for conducting research. Questionnaires were administered in 5 villages namely Goodhope, Pitsane, Mogojogojo, Mogobane and Bethel. The population of the sampled villages was 13439 as per the last national census (Republic of Botswana, 2011:22,24,37). Data was analysed using descriptive data analysis technique that involves the design of tables, bar charts, column charts and pie charts.

6. Findings and Discussions

This section presents the results based on the research questions that include among others: sources of water; water usage and water situation over a three-year period. The section also presents results on the maintenance of boreholes and pump stations as well as to identify areas in which the private sector can play a role. Lastly, the section presents result on the WUC billing.

6.1 Water Sources and Water Supply

Main sources of water in rural communities are mainly either dams or boreholes or even reservoirs. In some instances, there can be both reservoirs and dams and boreholes.

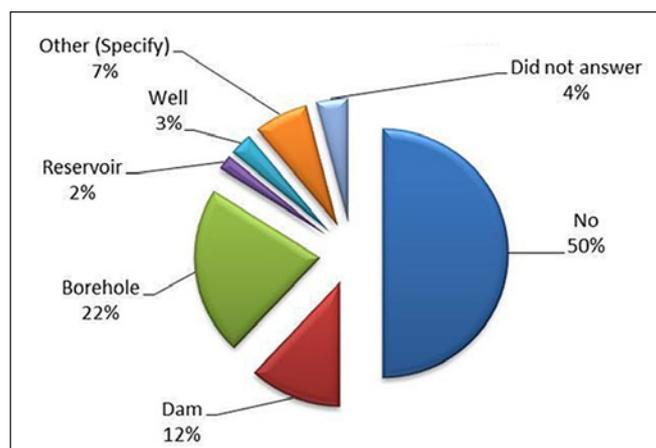
Responses from members of the community illustrate that 59% of the respondents stated that the main source of water in their villages are dams. 35% indicated that boreholes are a main source of water in their villages while 4% mentioned a reservoir as the main source and 2% noting other sources such a stream. Numerous communities use various sources of water. Such differs from one community to the other. Due to drought and other related limitations' alternative sources of water are not easily available. See Figure 1.

Half (50%) of the respondents stipulated that there is no alternative source of water in their village. 22% mentioned boreholes as an alternative source of water while 12% provided dams for the same answer. 2% indicated a reservoir as the alternative source and 3% said their alternative source was a well. 7% of the respondents did not specify what the alternative source of water is in their villages while 4% did not respond to the question. See Figure 2 on the following page.

Responding to a question seeking their views regarding water situation in the past 3 years, 31% of the members of the community indicated that the situation was satisfactory while 22 were of the view that the situation was somewhat satisfactory. 11% also thought that the situation was very satisfactory. This bring to a total, 64% of responses on the satisfactory side indicating that in general, the water situation was satisfactory 3 years ago. 6% of the respondents did not answer the question while a 3% figure is for responses that were not applicable. See Figure 3 on the following page.

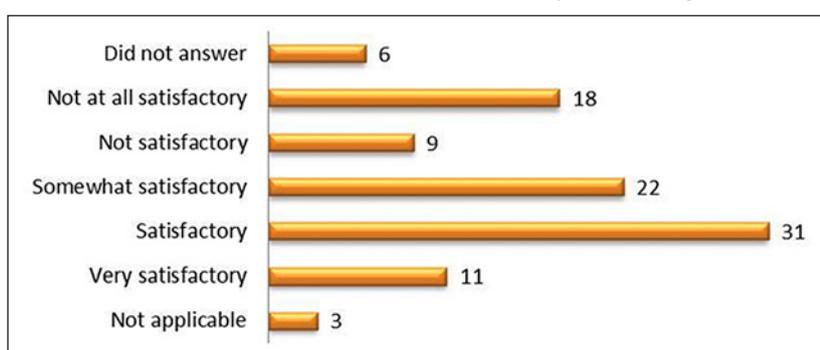
86% of the respondents stated that they had experienced water shortage in a period of 3 months. 12%

Figure 2: Alternative Source of Water



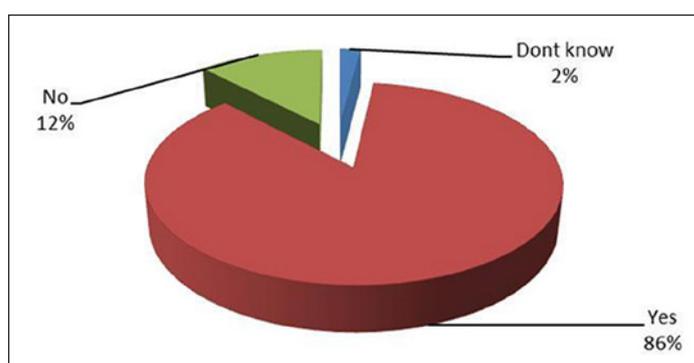
Source: Author

Figure 3: Water Situation Over a Three-Year Period in your Village, Town or Community



Source: Author

Figure 4: Water Shortage in the Past 3 Months



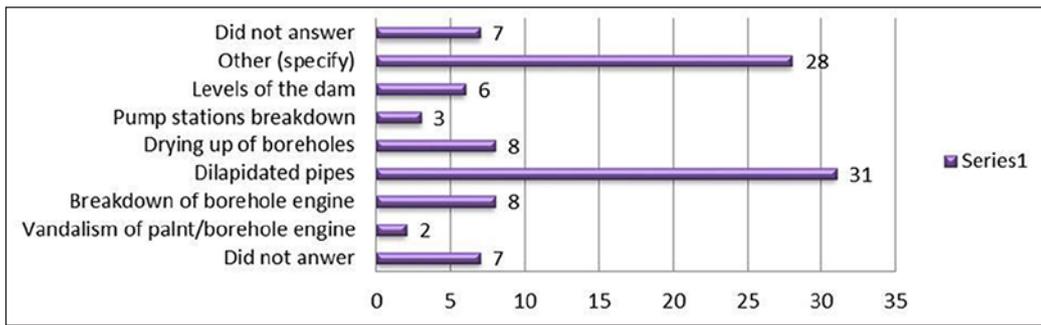
Source: Author

said that had not experiment any shortage while 2% of the respondents either were not sure or did not know if there was any shortage of water. 31% of the respondents had experient water shortage at least once while 23% had experiented water short- age 5 times. 15 respondents experiented water shortage twice, 9 respondents experiented water shortage on three occasions and 5 respondents had four encounters with water shortage. 5 respondents

did not answer while 12 responses were not appli- cable to the question. See Figure 4 above.

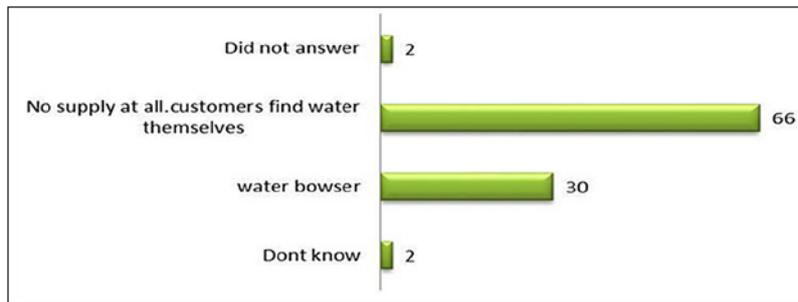
A major cause of water shortage according other respondents from the community category is dilapi- dated pipes. The next major cause of water shortage is other factors not listed in the questionnaire. For instance, in a number of villages, respondents blamed their borehole operators for the shortage

Figure 5: Causes of Water Shortage/Interruptions



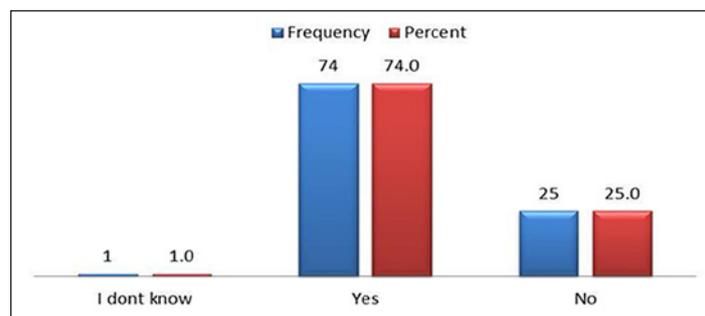
Source: Author

Figure 6: Water Supply when there is a Shortage in your Village/Town



Source: Author

Figure 7: Contracting of Private Company's to Assist WUC in the Delivery of Water Services



Source: Author

of water. Others mentioned shortage of diesel used to fuel borehole engines as a cause while others blamed lack to equitable distribution of water in their villages. See Figure 5 above.

A huge 66% of the respondents stated that they find water themselves when there is water shortage. 30% indicated that a water bowser serves as a relief when there is no water. A small percentage of 2 for each response are for those who did not know and did not answer the question. See Figure 6 above.

6.2 Maintenance and Repair of Boreholes

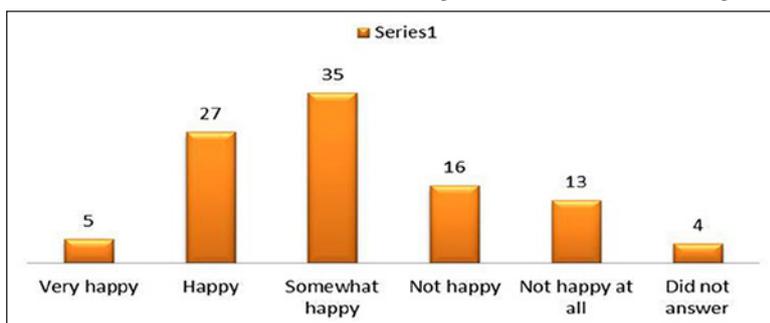
Members of the community confirmed with a response rate of 62% that the repair and maintenance

of boreholes is carried out by the WUC. Only 1% said the repairs and maintenance are carried out by the DWA. A tiny 5% provided PrivateCos for the same question. 16% of the respondents did not answer and 16 responses were not applicable to the question.

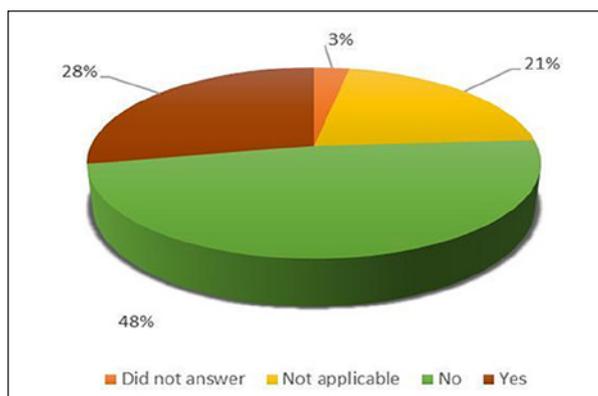
74% of the respondents stated that they would like PrivateCos to be contracted in the delivery of water service. A small figure of 25 % said they did not see the need to contract PrivateCos. Only 1 respondent was indifferent regarding government contracting PrivateCos in the service of delivering of water. See Figure 7 above.

6.2.1 If so, Where Should PrivateCos be Contracted?

Varying responses were provided when the respondents were asked to provide their views as

Figure 8: Satisfaction Towards Delivery of Water Service in your Area

Source: Author

Figure 9: Satisfaction Towards Monthly Billing

Source: Author

where they would like PrivateCos to be contracted. 11 respondents said that PrivateCos should be contracted in connecting towns and villages, 10 respondents would like the water bowing activity to be performed by PrivateCos, 12 of the respondents are of the view that companies should be given the responsibility of distributing water within villages, 17 want the companies to carry out the repairs and maintenance of boreholes only four believe that companies should service land in new areas. 3 respondents did not answer while 4 were of the views that PrivateCos can be contracted in areas other than those provided as alternatives in the questionnaire. 23 responses were not applicable as the respondents saw no need to have PrivateCos contacted in the delivery of water services. A small number of 3 respondents did not answer the question.

When asked how happy they were with the delivery of water service in general, 35% of the respondents stated that they were somewhat happy with the service, 27% said they were happy while 5% were very happy with the delivery of water. 16% stated that they were not happy, 13% said they were not happy

at all with the service while 4% of the respondents did not answer. See Figure 8 above.

6.3 Billing

This study used the term 'bill' rather than tariff for ease of understanding by respondents.

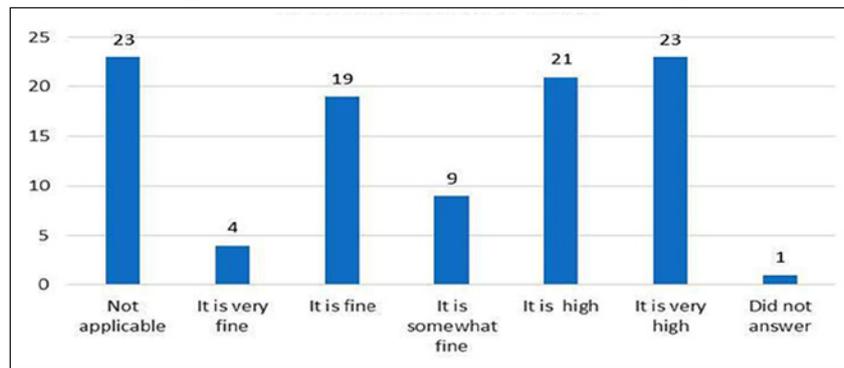
Regarding customer satisfaction to monthly billing, almost half (48%) of the respondents were not satisfied with their monthly bills. 28% were happy with their bills while no response could be retrieved from 21% of the respondents as they did not have household water connections hence no bills. Only 3% of respondents did not respond. See Figure 9 above.

6.3.1 Do You Receive Your Bills Regularly?

Just over half (51%) of the respondents indicated that they do not receive their bills regularly. 26% of the respondents however said they received their bills regularly by mailbox. The question was not applicable to 21% of the respondents and 2% did not answer.

Of the 100 respondents interviewed, 23 indicated that their monthly bills were very high while 21 said

Figure 10: How Do You Rate Your Billing?



Source: Author

that their monthly bills were high. 9 respondents stated that theirs was somewhat high and 19 were of the view that their bills were fine. A small number of four respondents said their monthly bills were very fine. See Figure 10 above.

7. Discussions

The findings illustrate that water is utilised by members of the community mainly for domestic purposes. This includes consumption, cooking and laundry. The respondents strongly felt that a considerable amount is taken by construction of houses. Such an observation was noted mainly in newly occupied parts of villages where new structures were being erected. Regarding shortage of water in a three-year period, a trend was established whereby the water situation declined continuously. Prior to this, the water situation was satisfactory. This is supported by a cumulative 67% of responses being located on the satisfactory side of the spectrum in Figure 3 against a cumulative 27% arguing to the contrary and the rest of response wither being not applicable or did not answer. Dilapidated pipes were found to be the leading cause of water shortage. This testifies that either the infrastructure is seriously dilapidated or is not well maintained. Whichever the case is true, the WUC faces a significant challenge in delivering water to its clients. 66% of the respondents (see Figure 6) stated that they individually look for water if when there is water shortage. Majority of the respondents indicated that they did not a mode of transport while some had donkey carts and a few owning vehicles. Transport is a key factor in seeking water from either parts of the village or from a neighbouring village. For instance, residents of Pitsane relied on the services of donkey cart owners to sell them water fetched from a neighbouring village called Tlhareselele. They also emphasised that their water shortages were frequent and were at times long.

The Majority of the respondents (74%) would like PrivateCos to be contracted in the delivery of water service. A lesser figure of 25% said they did not see the need to contract PrivateCos (see Figure 7). Within the 25 percentage of the respondents who answered in the negative some were of the view that contracting PrivateCos would bring about residual effects such as high billing charges as PrivateCos operate to make profits. Members of the community showed confidence in PrivateCos sighting efficiency as the main reason for their choice. Some indicated that they were aware that a PrivateCo would demand higher charges while some likened the WUC to a PrivateCo as it was not a department within government like the DWA but a public enterprise.

When a general question was posed to the respondents regarding how happy they were with the delivery of services, despite indicating how dissatisfied they were with the delivery of services in other questions such as those of water shortages, the respondents provided a moderate answer to the same. What frequented the responses however, was the comparison of the WUC and the DWA. Respondents gave different views on the question regarding improving of the billing system. Some of the responses were repetitive throughout different villages thus emerging as main concerns and recommendations from respondents. Although some of the responses were not mentioned a lot, they are crucial in that they could bring about considerable improvement in the delivery of services in the water sector. Some of the respondents strongly recommend that the billing system should be overhauled and replaced by a new one. A considerable number of respondents called for the return of the DWA and Districts councils as the tariffs changed under the authorities two were affordable. Some of the respondents were of the view that a PrivateCo could

do a better job if engaged to conduct billing. They said that a PrivateCo would be effective in ensuring that bills would be accurate and would reach clients constantly and timely. Most of the responses were not out of the ordinary as they were mostly about service delivery. Respondents called for their monthly bills to be deposited at their main Kgotla's (Tribal Authority offices) where they could easily collect them. There were complaints regarding the high tariffs with some of the respondents pleading for the tariffs to be considerate towards the indigent persons. Still on service related concerns, respondents stated that the WUC should build more offices where they can pay bills as well as raise concerns regarding billing. Where offices exist, respondents were of the view that the WUC should hire more employees to curb waiting time for payment or querying of water bills. A small number of respondents suspected that some of the water meters were either faulty or damaged. They advised that the WUC should be checked regularly if they are functioning well. They said that the meters should also be serviced and where there is need they should be replaced.

8. Conclusion and Recommendations

This study interrogated the question of engaging PrivateCos in the form of PPPs at the WUC's LMC. The demand for the same has been ascertained and this comes as a recommended solution to the water problem at the LMC. The causes of water shortage have been identified. Operational deficiencies within the corporation have also been established. The aforementioned led to recommendations that will help the WUC to streamline its operations by among others, shedding off some of the non-core functions to the private sector through PPPs. This will improve operational efficiency of the WUC as well as inform future strategic as well as policy decisions

The following recommendations relate specifically to the applicability of PPP to the water sector at the LMC. The recommendations are based on the findings of the study and should be understood to be relevant to the time during which the study was conducted. First among the multiple recommendations this study advances are that unused and capped boreholes should be uncapped, rehabilitated and re-used. It is estimated that over 21,000 boreholes exist in the country, but many are not used and are capped. Groundwater supplies two-thirds of the

water consumption (Matlok, 2008:2), while the rest are provided by other sources. Following to this is the need for the WUC to engage PrivateCos (OSC) to replace dilapidated pipes and reduce leakages. The Private Company's is responsible for the project cost and efficiency is achieved as repetitive bidding increases competition. Additionally, PPP will be of medium to long term in nature and can have a quick and substantial impact on system operation and efficiency, while providing a vehicle for technology transfer and development of managerial capacity. They enable governments to accomplish tasks for which, there is insufficient demand to develop using internal resources (Canadian Council of Public Private Partnerships, 2001:5).

The WUC should reform its administrative processes and procedures governing operations of its main office as well as satellite stations. It is evident from the study that the cause of frequent water interruptions in most villages is shortage of resources as well as administrative inefficiency on the part of the WUC. It was established that some of the borehole operators have not performed their duties effectively, leading to water shortage. There were also reports of diesel shortage. Diesel is used in fuelling both borehole engines and vehicles used in the daily operations of satellite stations. Shortage of vehicles used for various activities was also mentioned as well as the unreliability of the few vehicles available as they would often be taken for service or repairs. The WUC should hire a borehole operator to operate boreholes within a radius of ten kilometres. The borehole operators should be equipped with means of communication such as cell phones and transport so that they are able to communicate with the satellite station whenever the need arises. The operators should also have spare parts for borehole engines within reach so that the turnaround time for repairing boreholes is shortened to a maximum of 24 hours.

Public education on water conservation should be stepped up. During dry seasons, the WUC implements water restrictions and rationing. Public education on water conservation is carried out simultaneously with the water rationing exercise. However, indications are that water consumption reduces minimally, forcing the WUC to step up water rationing. The WUC should improve on its water conservation education strategies to achieve the desired results. The WUC should have a clear response strategy to water shortages and ensure

that the strategy is fully implemented at all times. Where the WUC does not have capacity to provide water using a water bowser, the corporation should contract a private party to bowser water. The WUC should play the role of a regulator to ensure that the private party complies with all obligations of the contracts, including those relating to the safety of water. As security of water is vital, the WUC should devise strict controls regarding the handling of water by private parties, while simultaneously carrying out regular inspections of the water bowsers. The WUC should introduce additional service centres within reach and for the convenience of its clients. The service centres could be introduced in the form of mobile stations, porter camps, renting of space in the Rural Administration Centres (RAC) or property belonging to individual owners. Awareness of the general public should be raised regarding the implementation of WSR which brought about government's decision to centralise the supply and distribution of water in the WUC. The formulation of the WSRs did not cascade down well to the general public. Their implementation equally caught the general public off guard. Lack of information on the part of customers regarding what the WSRs are and what they were formed for seriously placed the customers at a disadvantage as the policy lacked the necessary buy-in from the general public.

Lastly, consideration should be given to provide tariffs for the indigent. The poor often cannot afford tariffs due to their condition of being unemployed and having no alternative source of income. The standardisation of connection the fee and tariffs subsequent to the implementation of the WSRs clearly disadvantaged the poor. It should be noted that as Parastatal, the WUC's is expected to operate in a business-like manner. This could be reason for increasing connection fees as well as tariffs the corporation however maintains that the change in connection fees and tariffs is motivated by cost recovery. According to Rosenthal and Alexander (2003:35), the economies of scale with a monopoly give the incumbent company 'market power' to charge prices higher than it could command under competition.

References

- Batran, A., Essig, M. & Schaefer, B. 2005. Public-Private Partnerships – As an Element of Public Procurement Reform in Germany, p.128. Available at: www.unpcdc.org/media/6268/public-private-partnerships-as-an-element-of-public-procurement-in-germany.pdf. Accessed on 18 August 2011.
- Botswana Guardian. 2013. Government Bails out BPC again. Botswana Guardian Newspaper, Gaborone, Available at: <http://www.botswanaguardian.co.bw/news/item/356-government-bails-out-bpc-again.html>. Accessed on 26 April 2018.
- Bryman, A. 2006. *Integrating Quantitative and Qualitative Research: How is it done?* London: SAGE Publications.
- Burns, N. & Grove, S.K. 2003. *The practice of nursing research: Conduct, critique and utilization*. Toronto: WB Saunders.
- Canadian Council for Public Private Partnerships. 2001. Benefits of Water Service Public-Private Partnerships, Paper to Walkerton Commission on PPPs: p. 5. Available at: <http://www.pppcouncil.ca/>. Accessed on 23 March 2011.
- Daily News. 2011. Botswana Press Agency. No. 23, March 2011. Gaborone: Government Printer.
- Daily News. 2011. Botswana Press Agency. No. 87, 11 May 2011. Gaborone: Government Printer.
- Daily News. 2012. Botswana Press Agency. No. 48, 12th March 2012. Gaborone: Government printers.
- Dutz, M. & Harris, C. 2006. *Public Private Partnerships Units, Public Policy for the Private Sector*. Washington DC: World Bank Group.
- Eisenhardt, M.K. 1989. Building Theories from Case Study Research. *The Academy of Management Review*, 14(4):538.
- Farlam, P. 2005. *Working Together Assessing Public-Private Partnerships in Africa*. Johannesburg: South African Institute of International Affairs.
- Golafshani, N. 2003. The Qualitative Report, Vol. 8 (4), SAGE, Ontario, Canada, p.603. Available at: <http://www.nova.edu/ssss/QR/QR8-4/golafshani.pdf>. Accessed on 15 June 2012.
- Harris, C. 2003. Private Participation in Infrastructure in Developing Countries: Trends, Impacts, and Policy Lessons. *World Bank Working Paper* No. 5. Washington, DC: World Bank
- Izaquire, A.K. 1998. *Private Participation in the Electricity Sector – Recent Trends, Private Sector*. Washington: World Bank.
- Kgomotso, P.K. & Swatuk, L. 2006. *The Challenges of Supplying Water to Small, Scattered Communities in The Lower Okavango Basin, Ngamiland, Botswana: An Evaluation of Government Policy and Performance*, Paper prepared for presentation at 7th Annual I meeting of water. NET/Warfsa/GWP/SADC Lilongwe, Malawi, p. 3.
- Kinder, C. & Wright, D. 2009. *Better Public Service Delivery through Public Private Partnerships: A New Approach to Infrastructure Development*. Commonwealth Business School.
- Matlok, M. 2008. *Water Profile in Botswana*. Cleveland: The Encyclopaedia of Earth
- McCreary A., Seekamp, E., Cerveny, L.K. & Carver, A.D. 2012. Natural Resource Agencies and their Motivations to Partner: The Public Lands Partnership Model, *Leisure Sciences. An Interdisciplinary Journal*, 34(5):475.
- McEnvoy, P. & Richards, D. 2006. A Critical Realist Rationale for using a Combination of Quantitative and Qualitative Methods. *Journal of Research in Nursing*, 71-76.

- Molefhe, K. 2011. *Understanding Adoption, Implementation and Outcomes of New Public Management Reforms in Developing Countries: A Case Study of Botswana*, University of Newcastle, Australia, p.75. (Doctoral Thesis).
- Moszoro, M. & Krzyzanowska, M. 2011. *Implementing Public-Private Partnerships in Municipalities*. Madrid: University of Navarra.
- Mudanga, G. 2011. Water Supply in Urban Areas: Takeover of Rural Areas and Wastewater Management. A presentation by the WUC Executive Director at the Water Pitso Symposium in Selebi Phikwe on 9th June 2011. (Unpublished).
- Neuman, W.L. 2007. *Basics of Social Research – Qualitative and Quantitative Approaches*, New York: Pearson Education Inc.
- Ngowi, H.P. 2006. Public Private Partnership in Service Delivery: Application, Reasons, Procedures, Results and Challenges in Tanzania, pp.3,4.
- Ngowi, H.P. 2009. Public Private Partnership in Service Delivery: Application, Reasons, Procedures, Results and Challenges in Tanzanian Local Government Authorities (LGAs) African Association for Public Administration and Management, Africa Growth Agenda, p.34.
- Partnerships Kosovo. 2009. *Public Private Partnerships*. Ministry of Finance and Economy. New York: United State Agency for International Development.
- Public Private Infrastructure Advisory Facility. 2010. PPIAF Supports Private Sector Participation in Vietnam Water Projects, p.1.
- Rao, N.T. & Vokolkova, V. 2006. Public Private Partnerships in Road Partnership in Botswana, pp.2,3,4.
- Republic of Botswana. 2000. Privatisation Policy. Gaborone: Government Printing and Publishing Services
- Republic of Botswana. 2005. Privatisation Master Plan. Gaborone: Government Printing and Publishing Services.
- Republic of Botswana. 2009. Public Private Partnerships Policy and Implementation Framework. Gaborone: Government Printing and Publishing Services.
- Republic of Botswana. 2011. Population and Housing Census: Population of Towns Villages and Associated Localities, Statistics Botswana, UNFPA, Census Botswana – Central Statistics Office, 2009. Gaborone: Government Printing and Publishing Services.
- Rosenthal, S. & Alexander, I. 2003. *Private Sector Participation and the Poor: Realizing the Full Potential of Transactions in the Water Sector*, pp.33-34, 39.
- Schell, C. 1992. *The Value of the Case Study as a Research Strategy*. Manchester Business School, pp.15,16.
- Simukonda, P.H. 1998. *The Role and Performance of the Parastatals, in Public Administration and Policy in Botswana*, Hope Snr. K.R. and Somolekae G. (eds.). Cape Town: Juta & Co.
- Southern African Development Community. 2013. SADC PPP Newsletter, 2(3), March, 2013.
- Thoenen, P. 2007. Private Sector Participation in the Provision of Basic Infrastructure – Economic Commission for Africa, *African Trade Policy Centre*, online publication, p.1.
- World Bank. 2009. Public Private Partnerships to Reform Urban Water Utilities in Western and Central Africa. 5th World Water Forum Istanbul, Turkey, 16 March 2009.

Reconfiguring Military Capabilities into the 21st Century: Reflections on Selected Operational Activities for Development

SB Ramokgadi and KI Theletsane
Stellenbosch University, South Africa

Abstract: The nature of the authoritarian colonial legacies in most countries southern African suggests the need for a transformative agenda in public administration and South Africa is not an exception. In pursuit of this transformative agenda, the researcher argues that the national security and defence management offers the opportunity to build such a theoretical trajectory or theory building in public administration. The common African defence and security policy provides the architectures for the regional competitive strength in promoting non-traditional military responsibilities relating to the protection of people's social, political, economic and cultural values and ways of life – a deviation from the authoritarian colonial legacies that view the citizens as military targets. The regional best practices in support of these non-traditional military responsibilities are explored within the contest of the military knowledge system in pursuit of theory building on military operational activities for development (MOAD). In building this substantive theory, the researchers depend of grounded theory methodology. The central argument in this study advocates the military role in alleviating the socio-spatial inequality in South Africa.

Keywords: Defence management, Grounded theory, Military operational activities for responsibilities, National security, Socio-spatial inequality

1. Introduction

The current debate on theory building in public administration raises major concerns on the fate of the authoritarian colonial legacies in southern African. In the mist of increasing "wave of efforts to reform executive government actions across the world over the past decades" (Hood & Pittsburgh, 2004:267) little or no changes have been made to the devoted "authoritarian legacies of colonialism ... seen in parts of the [African] continent" (Annan 1989). Although some scholars would agree on the "major adjustments to conventional theory" (Kiggundu *et al.*, 1993:66) in view of effecting the transformative agenda in public administration, little is possible in the absence of any research agenda in that line of direction – the decolonisation of public services in southern Africa and include defence and security services. In this particular case, public service is understood as a social phenomenon and interactions among public officials performing administrative and management responsibilities intended to satisfy societal needs in a particular space and time (Thornhill & Van Dijk, 2010:101).

For purposes of mapping the global best practices in providing public services while striving to contribute

towards theory building in the substantive areas of security and defence, the researchers take cue from the lessons learned from selected military experiences in southern Africa. The central line-of-argument in this article purports that the historical military experiences suggest the possibilities for the reconfiguration of current military capabilities, structures and procedures (administrative arrangements) in pursuit of the agenda for durable peace and sustainable development in the 21st century. Furthermore, this article argues that the military responsibility to protect the state, its people and its territorial integrity may be overextended beyond the traditional military role in conflict management to include operational activities for development in Africa – the responsibility to satisfy the basic need of destitute societies within a particular space and time.

In expounding on the foregoing theoretical line of thinking, the following ontological question (Behn, 1995:313; Kirlin, 1996:416) in public management arises:

how do the African people aspire to live, and what is the role of governments in the construction of such a desirable life style within their tradition, space and time?

The simple answer to the foregoing ontological question is that governments regulate the operational activities for development to ensure that 'no one gets left behind or forgotten'. For purposes of contributing towards theory building in the field of public management, the researchers argue that durable peace as a desirable life style in promoting sustainable development is the legitimate responsibility of the national military organisations – the most acceptable policy mandate within the international public sphere of governance.

In justifying the forgoing claims on the basis of ground-breaking research work, four key assessment principles remain relevant (Shepherd 2017:77):

- **A simple theory is a better theory:** In restricting the theory to fewer assumptions, three observations are central to this article: (1) the theoretical connection exists between the military role and durable peace; (2) the theoretical connection exists between durable peace and sustainable development; (3) possibilities exist for the theoretical connection between the military role and sustainable development.
- **A broader theory is a better theory:** In broadening the scope for the emerging facts, the thesis expands the base-line data by engaging relations between the attributes or properties of the military role, durable peace and sustainable development with the view to build substantive theory on the military operational activities for development (MOA4D).
- **A theory with explicit mechanism is a better theory:** The proposed connection between the military role and sustainable development depends on the existing social mechanisms – the existing pieces of legislations, policy frameworks and complementary scholarly contributions that explains the question 'why'.
- **A theory with fewer acceptable alternative explanations is a better theory:** In challenging the alternative claims on the military role, the researcher extends the theory of militarization beyond the traditional military functions related to conflict management and focuses on the non-traditional responsibilities that advance the protection of society and nature within the context of the global agenda for sustainable development – the African dream entrenched in the Defence Review 2015 (South Africa).

Given the foregoing theoretical line of thinking, the aim of this article is to contribute towards theory building in the fields of Public and Development Management Research (PDMR). In doing so, the researchers depend on the existing pieces of legislations, policy frameworks and complementary scholarly contributions that enable the linkages between the military role and durable peace; between durable peace and sustainable development; and possible connection between the military role and sustainable development. In pursuit of the aforesaid research purpose, the article is arranged in five sections. The first section situates the topic within both fields of PDMR and governance practices. The second section addresses methodological issues and justifications. The third section outlines the concepts framing the study. The fourth section seeks to connect the three key concepts: military role, durable peace and sustainable development. The last section is the preliminary conclusions and recommendations.

2. Reflection on Global Governance Practices and Theorization in Public Administration

In the article entitled, "Pan-Africanism since decolonization: from the organization of African Unity (OAU) to the African Union (AU)", Nzongola-Ntalaj the primary objectives of the OAU was to promote the African interests, namely "political self-determination, economic self-reliance, and Pan-African solidarity" (2014:32). These policy objectives guided the activities of the OAU and its subsidiary organs during the Cold War era with reference to three operational dimensions that read as follow (Nzongola-Ntalaj, 2014:32):

- The struggle for the total independence of Africa from colonialism and white settler rule;
- Peaceful resolution of interstate conflict through negotiation, mediation and conciliation; and
- Greater solidarity and economic cooperation among African states.

Besides the foregoing commitments, the existing evidence points to the failure of the OAU in "exercise its right of intervention in cases of state-sponsored terrorism and heinous crimes, including ethnic cleansing and genocide" (Nzongola-Ntalaj, 2014:33). For purposes of this thesis, the notion of armed

struggle is understood as state-sponsored aggression in pursuit of heinous objectives by perpetrators – both governmental and non-governmental practices of commission or omission. Since the replacement of the OAU in January 2002, the African Commission and the regional economic communities (RECs) continue to play greater roles as the regional competitive strengths. Relevant to this study is the regional innovation network that seeks to promote the agenda for sustainable development in southern Africa – the regional competitive strengths that include the rapid military responses to the uncertainties of life in southern Africa.

In exploring the regional competitive strengths in southern Africa, the researcher depends on the theory of regulation that is "largely a theory of control" (Cooke 1992:365) in public administration. The existing evidence points to the existing pieces of legislations and policy frameworks that seek to promote and/or regulate the regional competitive strength in southern Africa through various innovation networks. For example, the Common African Defence and Security Policy (CADSP) extends the definition and scope of defence to encompass the "less traditional, non-military aspects which relate to the protection of the people, political, cultural, social and economic values and ways of life".¹ This innovative policy architecture of common defence and security further places emphasis on human security with reference to the political, social and economic imperatives – the multidimensional notion of security that embraces the following key aspects²:

[H]uman rights; the right to participate fully in the process of governance; the right to equal development as well as the right to have access to resources and the basic necessities of life; the right to protection against poverty; the right to conducive education and health conditions; the right to protection against marginalization on the basis of gender; protection against natural disasters, as well as ecological and environmental degradation.

In promoting the foregoing policy prescripts, the international governmental organisations have been tasked at their various levels of competitive advantage factors. For example, amongst other values forming the basis for the CADSP is the recognition of fundamental link and symbiotic

relationship that exist between security, stability, human security, development and cooperation, in a manner that allows each to reinforce the other. This implies that the competitive advantage of the military role in the protection of the state, society and environment is capable of reinforcing human security, sustainable development and regional cooperation – the symbiotic relationship between the military role and sustainable development that is regulated through pieces of legislations and policy frameworks as a means ensuring that 'no one gets left behind or forgotten'. Furthermore, Thornhill and Van Dijk (2010:99) the government practices of involving the military organisation in development projects is traceable to the national state as the most dominant model in the 16th century – the Prussian administrative arrangement that have succeeded in strengthening the military competence in pursuit of implementing various policy frameworks.

Although Nkuna and Sebola state that "public administration is developed from various strands with diverse approaches" (2012:80) the theorisation of the military role becomes clearer within the confines of military knowledge systems. In the absence of any theoretical strand that deals with the military operational activities for development, Nkuna and Sebola would agree that the current intellectual schema on military governance constitutes a theoretical disaster in pursuit of multidimensional innovation networks. In theorising the organisational role in operational activities for development Thornhill and Van Dijk (2010:106-7) would agree that the discipline of public Administration finds application within the military, political, social, economic and environmental dimensions that define various ways of life.

3. Methodological Issues and Justifications

In an attempt to do justice to the raised ontological question, the researcher find it necessary to separate it into two parts:

1. How do the African people aspire to live;
2. What is the role of governments in the construction of such a desirable life style within their tradition, space and time?

¹ Common African Defence and Security Policy, paragraph 5.

² Ibid, paragraph 6.

The simple answers to the first question relate to global governance practices and suggest that the African traditions aspire to durable peace and sustainable development in people's life time and space³. On the second question, most African constitutions mandate the military organisations to protect the state, its people and its territorial integrity as its primary responsibility or role – the role of government in constructing a desirable life style within the African traditions, space and time.

In deviating from the given simple answers, the researchers take advantage of the existing wealth of empirical evidence (in southern Africa) while optimising "theory building from cases, particularly multiple cases" (Eisenhardt & Graebner, 2007:25). In doing so, the researchers enhance the robustness of the philosophical epistemological and methodological issues⁴ that underpin this study (Carter & Little, 2007:1316; Greene *et al.*, 2008:143).

Philosophical epistemological issues: Although Carter and Little (2007:1317), and Greene and others (2008:148), agree that philosophical epistemology refers to the origin, nature, limits and justification of human knowledge, the latter scholars argue that the nature and limits of knowledge do not point to its simplicity or certainty "but rather what kinds of claims have the potential to be justified as knowledge" (Greene *et al.*, 2008:148) – the emphasis is not placed on the knowledge itself but on how do you know? This implies that the epistemological question seeks to unravel the motive for a person or group of people to believe in something – the curiosity to understand what justifies this particular group or individuals to hold such a belief. In this particular instance, the curiosity to understand what justifies the government to deploy military organisations in operational activities for development – unravelling the external sources such as public authority statements, official reports, formulation and implementation of legislation, policy-decisions and executions as well as archived materials and artefacts. In exploring these primary source materials, Carter and Little advice on the use of reconstructed logic as an "attempt to explicitly formulate, articulate, analyse, or evaluate logic-in-use"⁵ (Carter & Little, 2007:1317).

Methodological issues: The concept of methodology is operationalized as a theory and systems of principles, practices, procedures, expectations, explanations and justification applied in a particular field of knowledge on how research should be conducted (Carter & Little, 2007:1317; Peffers *et al.*, 2007:49-50). Amongst other systems, the research methodology determines the tools to be used in drawing from the existing theories and knowledge; in coming up with answers to pre-determine problems as well as effective communication to the audience–balanced contribution towards knowledge building.

In proving an explicit explanation on the procedures followed, the researchers take cue from Peffers and other (2007:50) on the use of existing theories as the point of departure. In this particular study, the researchers use grounded theory methodological analysis to generate data from the existing pieces of legislations and policy frameworks with the view to establish the theoretical connections between the military role and durable peace, between durable peace and sustainable development, and possible connection between the military role and sustainable development – the connections that underpin the substantive theory on military operational activities for development. Kaplan (1964:18) warns us that methodology in an explanation of the pathway to research and not the method itself. Important at this stage is the observation that methodology justifies the method to be used in this study and include grounded theory approaches, case-based method and phenomenological traditions. (Cater & Little, 2007:1318).

The case-based reasoning is central to this study and focuses on selected legislations and policy frameworks on the military role in promoting peace and durable peace in promoting sustainable development with the view to generate common ideas, concepts, metaphors, attributes, properties and categories that are necessary in substantive theory building. The theoretical sampling and constant comparison are used in generating data and formulation of the envisaged higher order constructs – the military operational activities for development.

³ Report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa. This report emphasised the importance of DDR in peacekeeping missions, identified the proliferation of small arms as a threat to peace in Africa, and urged the Council to address the issue of illicit arms trade.

⁴ Philosophical epistemology defined as the study of knowledge and how claims of knowledge can be justified (Greene *et al.* 2008:143).

⁵ Kaplan defines logic as what researcher do when they are performing well and use the term logic-in-use to refer to the logic used by the researcher in producing knowledge (2007:1317-8).

4. Concepts Framing the Theory on Military Operational Activities for Development

This section reflects on the key concepts that frame the notion of military operational activities for development. Although these key concepts represent the common ideas, metaphors and categories from the existing pieces of legislations, policy frameworks and complementary scholarly contributions, the researchers submit that the recursive synthesis and analysis of these source materials enable various changes and relationships in the meaning-making process, thus the forthcoming preliminary reflections should be viewed as fundamental.

4.1 Military Knowledge System

The military knowledge systems offer the opportunity to understand the functional strategies underpinning the military operational activities for development (MOA4D). In the discussion that seeks to link the theory of military knowledge system and traditional military practices, surfaces the feature of the MOA4D that enable the theoretical alignment of the military role, durable peace and sustainable development. These distinguishing features are important in establishing the direct relationship between the military role and sustainable development.

Most important is the two mainstream military - theoretical hypothesis used in projecting the nature of future warfare, namely Military Technology Revolution (MTR) and Revolution in Military Affairs (RMA). The concept of MTR is based on the Russian belief that technological capabilities would minimize the use of large ground forces to establish dominance in the battle space. On the other side, the concept of RMA is based on the initial American belief that dominance through superior technology would reduce the relative power of the enemy forces to insignificance. These initial thoughts were adapted following undesirable experiences during Gulf War that led to concomitant asymmetric warfare (e.g. Iraqi insurgency and Osama bin Laden). Furthermore, the unforeseen consequences of the Gulf War affirmed the significance of major considerations that relate to the social, political and economic contexts of warfare – the rationale for re-configuring the military structure and procedures in response to defence and security challenges in the 21st century.

Although the RMA and MTR, as military knowledge systems, may be viewed as American and Russian respectively, both knowledge systems continue to influence decision making in the global military affairs. Amongst others, the RMA is known for projecting the pro-American ideology into future administrative arrangements (structures and procedures) in the use of armed forces while the MTR advocates the totalitarian ideology. In the latter instance, the concept of MTR is a representation of totalitarianism whereby (Bailes, 2015:10):

[A] single group seeks to monopolize all levels of power in order to carry out rapid changes. Such a group seeks particularly to use modern technology and modern bureaucratic organization to achieve the total mobilization of a society for its goals. Its manifest goals are embodied in an ideology: an organized system of thoughts and values that serve as a guide not only to interpreting the world, but also, in the word of Marx, to changing it.

The foregoing discussion illuminates on the concepts of MTR and MRA as the mainstream military knowledge systems that continue to influence critical decisions in the greater global sphere of governance and strategic management issues.

5. Strategic Management

Most strategic management theories focus on the building of competitive advantage factors within various strategic levels and include functional strategy. These levels include, but are not limited to industrial, corporate, business and functional responsibilities while their point of convergence is defined through possible structural and functional integration – the horizontal and vertical networks. The functional level strategy is important for purposes of theory building in this study and is defined as the level at which (Hill, 2017:19):

[D]ifferent functions have the principal or shared responsibility for supporting those factors in a company's market on which it competes. Invariably, the company will compete in several markets and hence each function will need to develop a strategy appropriate to each of these markets. Functional strategy concerns investing in and developing the necessary capabilities to bring this about.

Having borrowed from Hill, the researcher situates the notion of the functional level strategy within the

context of the military knowledge systems⁶ with reference to functional strategic planning. In this particular instance, the functional strategic planning refers to (Joint Publication 5-00.1:105)⁷

The conduct of military operations in peacetime or non-hostile environments. Examples include plans for disaster relief, national assistance, logistics, communications, surveillance, protection ... and evacuation, humanitarian assistance, peacekeeping, peace enforcement, and continuity operations.

Given the foregoing descriptions on the notions of 'functional level strategy' and 'functional strategic planning' the researcher submits that the concept of 'military operational planning' and 'military operational activities' present possible linkages to the former set of functions – the 'functional level strategy' and 'functional strategic planning' respectively. Put differently, the *military operational planning* is a *functional level strategy* while the *military operational activities* are manifestations of the *functional strategy planning*.

The foregoing theoretical linkages suggest possible connections between the military operational activities and decision-making at the level of strategic management. For example, the dropping down of an American U-2 reconnaissance airplane over the island of Cuba on 'Black Saturday', the 27 October 1962, by the Soviet surface-to-air missile (SAM) represents a military operational activity that manifested as an escalation of war by the Russians in the understanding of the American strategic management. Although the American President, Frederick Kennedy's goal was to get rid of the Russian missile (i.e. military operational plan) from the start "by all means possible" (Levchuk, 1917:60), he could not respond militarily to the SAM incident – pointing to the potential of the military operational activity in influencing the decisions of strategic management. In this particular instance, the desirable option for the functional strategic planning was the withdrawal of the nuclear missiles by both the Americans and Russians as a policy solution –the impact of the mutual constitutive nature of military knowledge systems and strategic management decisions.

6. Military Operational Activities

In examining the military operational activities in the post-Cold War period, Richardson and other (2000:25) would suggest the emerging field of Operations Other Than War (OOTW) as the lens through which to explore the changing nature of the military role in the 21st century. These scholars would agree that the scope of OOTW-type problem situations require a comprehensive stance in examining the various features that define the target society and include the natural infrastructure, social-environmental systems and cultural feature such as the role of indigenous institutions. In doing so, the explorer is not required to question the analytical observations around possible "operational activities" but should explore the implication of these basic observations in constructing the functional strategic plan that guides the envisaged military operational activities – the doctrinal linkage between the functional strategic plan and military operational activities.

Although Richardson and other provides a wealth of knowledge on the epistemological grounding of OOTW as a new military perspective in the post-Cold War era, much emphasis is placed on complexity science as opposed to substantive theory building that seeks to addresses specific OOTW-problem situations. The exiting evidence points to the fluid nature of public policy challenges and related policy responses that are bounded within the existing pieces of legislations and policy frameworks as opposed to the uncertainties embraced in chaos theory – the fundamental principle in complexity theory. Put differently, the military response to OOTW-problem situation is confined to the existing pieces of legislations and policy frameworks that are amenable to scientific examination that is relevant for purposes of theory building – the substantive theory building on military operational activities for development.

7. The Process of National Development Assistance

In situating the military operational activities within the agenda for national development assistance,

⁶ Joint doctrine that guides the interagency coordination between the department of defence, government agencies, non-governmental organisations and regional and international organisation in pursuit of a common policy objective.

⁷ Joint Doctrine for Campaign Planning, dated 25 January 2002 - doctrine that governs the joint activities and performance of the Armed Forces of the United States in joint operations and provides the doctrinal basis for US military involvement in multinational and interagency operations

focus is given to the existing development processes that seek to alleviate regional inequalities in southern Africa. Although the political concerns around economic growth continue to provide guidance to policy formulations in addressing regional inequalities and imbalances, little is known about the patterns of uneven achievements of development goals in southern Africa with reference to social and spatial inequalities. In expounding on the impact of social and spatial inequalities in determining and explaining patterns of the uneven distributions in the achievement of predetermined development goals, it becomes necessary to lay the foundation by exploring the processes of national development assistance.

7.1 Spatial Inequalities and Processes of National Development Assistance

In advancing relations between spatial inequalities and processes of national development assistance, the cue is taken from the most popular expansion or capacity-building strategies and are limited to four approaches, namely the restructuring of the state functions, flexibility in regulating the mode of production and consumption, international financialization and selective intervention (Cassiers & Kesteloot, 2012:1912).

7.2 Restructuring of the State Functions

State Cassiers and Kesteloot would agree that multinational corporations that operate in the private redistributive sphere have taken over the production of public good and services – the move that excludes the poorest communities from equitable access to both public goods and biodiversity services at various functional strategic levels of governance. Example of the state responsibilities at the functional strategic level include governance, water, agriculture, food, energy, public health, emergence services, defence industry, chemical industry, banking and finance, information and telecommunication, transportation, postal and shipping (Bush, 2003:35-69).

7.3 Flexibility in Regulating the Mode of Production and Consumption

Flexibility in this instance involves the most prominent mode of organization of production and

depth-financed consumption. The former mode of flexibility advocates the economy of scope and scale of accumulation while the latter advances the expansion of the capital market as opposed to a "single and stable mode of consumption" (Cassiers & Kesteloot, 1912:1811-2). In both instances, flexible regulations in relation to the autonomy of the architecture of the mode of production creates a penetrative divide between the strategic manager and consumers of services on one side, and between the deskilled⁸ and flexible employee on the other side – the foundation for inequitable access to the labour market and consequential uneven⁹ access to the mode of consumptions.

7.4 International Financialisation

The nature of this expansion strategy is informed by the aggressive raising of interest in 1979 by the Americans in view to stabilize the American dollar "as the undisputed centrepiece of a new international financial system" (Küblböck *et al.*, 2010:84). This American expansion system emerges at the collapse of the Bretton Wood system and in response to the pressure against the dollar. Consequent to this unilateral raising of the interest rate, the following observation becomes relevant (Küblböck *et al.*, 2010:84-5):

The dollar exchange rate rose along with interest rates, the swift and dramatic impact on the periphery. Many countries were plunged into a debt crisis and forced to take out IMF loans as their only hope of warding off bankruptcy. ... loans coupled to conditions which included ... radical liberalization of the financial sector ... encouraged financial flow – largely from increased debt service and capital flight – towards the industrial countries of the Northern Hemisphere. ... at the expense of the global South, which experienced a "lost decade" in terms of its development.

Although financialisation as an expansion strategy creates new forms of capital accumulation in response to the deteriorating strategies of accumulation, the recurrent consequences have always been spatial inequalities. For purposes of this study, spatial inequalities are limited to inequitable access to the following public goods: governance, water, agriculture, food, energy, public health, emergence

⁸ The increasing technological innovation reduces the level of the skill of some working class or renders some of these skills obsolete.

⁹ Affordability of various mode of consumption is unevenly distributed among societies

services, defence industry, chemical industry, banking and finance, information and telecommunication, transportation, postal and shipping. Important to note is the impact of neoliberal economic policies in deregulating the markets for public goods and services; and the monetary policy that stabilizes commodity price in a privatized space – leading to "greater inequality in the distribution of income and asserts" (Küblböck *et al.*, 2010:86).

7.5 Selective Interventions

The notion of selective intervention is increasingly gaining popularity in criminal justice system. These concepts are popularly used to in designing programs intended to prevent the first offenders from being fully submerged into the criminal justice system. On the other side, the same concept is used in mental health setting to denote measures of preventing suicide amongst particular groups of societies categorised as being at a higher risk compared to the so-called 'normal' vulnerability to suicide. For purpose of this thesis, the concept of *selective intervention* is understood in line with the theorization of its founding father, Oliver Eaton Williamson who places emphasis on the market and hierarchies. In theorizing the market, Williamson purports that the concerns over the market failure should be understood within the wider policy failures – the social, political, judicial and internal organizational type failures. For example, the absence of policy intervene in response to extreme poverty in a democratic developmental state constitutes a wider social policy failure that is free from concerns over the market dynamics.

The government role is to make executive decisions within the hierarchy of administrative structure and procedures in response to any policy problem situation, and include the concerns over the market. In this particular instance, *selective intervention* is the function of government to regulate the operational activities for development to ensure that 'no one is left behind or forgotten'.

7.5.1 Social Inequalities and Processes of National Development Assistance

7.5.1.1 Social Segregation in a Welfare State

Although racial and ethnic segregation seem to enjoy more political and scholarly attention in the southern Africa, little attention is given to social and economic segregation in southern Africa. This challenge is evident due to the increasing mixed

racial-ethnic categories and poverty concentration in former colonial cities. In the absence of any mono-ethnic or mono-racial groups in a particular human settlement area, it becomes unfounded to speak about racial and/or ethnic segregation in the provision of public good and services. Given the limitation of the conceptualisation of segregation on the basis of race and ethnicity, the new form of segregation involves social and economic factors. In this particular instance, social segregation refers to the "spatial segregation of the population according to their social or socio-economic position" (Musterd, 2005:333). In the absence of a single standard for the spatial level social inequality, then the comparison between the metropolitan areas and peripheral rural regions, therefore, may provide the differences and possible indicators of extreme poverty.

7.5.1.2 Participation in Labour Force

Much has been written on various differences across group that participate in the labour force (Calvo-Armengol & Jackson, 2004:2). This studies suggests that most drop-outs differences is influenced by the level of the educational and race amongst other attributes – the "important part of the inequality is wage across races and that accounting for drop-out actually increases the black-white wage gap" (Calvo-Armengol & Jackson, 2004:2). Given this observations, Calvo-Armengol and Jackson suggest that the existing labour "networks relationships can change as workers are unemployed and loose contact with former connections" (2004:24). Important to this study is the generation of a de-socialization process that emerges from the long-standing unemployment spells and latent internal forces, with resultant removal from the labour market opportunities and the spiralling of the unemployment trap – the formula for inequitable labour market on the basis of marginal educational level and poor social networks.

7.5.1.3 Market-Orientated (Neo-Liberalism) Political Doctrine and Social Cohesion

The reciprocal rise of neo-liberalism and globalisation and the accelerating deterioration of the welfare state point to the changing social structures and steady advancement of capitalist societies (Coburn, 2000:135). Although income inequalities remain neither necessary nor inevitable, the context of inequality continues to influence our understanding of the causal pathways involved in inequality-security/defence status relationship. In this particular instance, any consideration of the

social determinants of security/defence have to take into account the dynamics of a democratic developmental state – the buffering effects of selective intervention or policy frameworks and general regulations that promotes multi-dimensional innovation networks and possible social cohesion. In doing so, Coburn (2000:139) would agree that redistributive policies in democratic developmental states have proven to be important in reducing social inequalities.

The foregoing reflections provide the base-line concepts that frame this study. Furthermore, these concepts are used to probe the selected pieces of legislation, policy frameworks and complementary scholarly contributions in pursuit of theory building in the field of Public and Development Management. These selected sources provide the primary data as a point of departure towards theoretical synthesis and qualitative analysis that underpin this study.

8. Theory Building, Qualitative Synthesis and Analysis

In conceptualizing the notion of theory building, it becomes necessary to begin with the understanding of the meaning of theory in public administration. In doing so, this article takes cue from the study conducted by Shepherd and is entitled "Theory building: A review and integration". This study is relevant since it addresses various approaches used in the building of theory in public administration. In contributing towards theory building in the field of public administration, this article subscribes to the conceptualization of theory that reads as follows (Shepherd, 2017:75):

[A] statement of concepts and their relationship that specifies who, how, and/or why a phenomenon occur within a set of boundary assumptions conditions ... general purpose ... to organize (parsimoniously) and communicate (clearly) ... by offering conjectures that allow for refutation or falsification, and testing.

Given the challenges of ascertaining whether the outcome of relations between concepts will lead to an acceptable theory or not, Shepherd advises on the theorizing outcomes that may be examined in terms of a continuum as opposed to a dichotomy (yes or no). In doing so, the continuum enables the establishment of substantive theory within a mainstream knowledge for purposes of further theorization into a grand theory. In evaluating the

emergent substantive theory, Shepherd establishes that the envisaged theoretical contribution must bridge a gap between two existing theories as the foundation for future research. For purposes of this study, the gap is identified between the theory of *military-peace nexus* and the theory of *peace-development nexus*. In closing this gap, the researchers depend on the existing pieces of legislation and policy frameworks that are synthesized and analysed in pursuit of substantive theory building on the military operational activities for development.

9. Synthesis in Qualitative Research

There is an increasing acknowledgement on the importance of "synthesising qualitative research" (Thomas & Harden, 2008:45) to build theory in the discipline of Public Administration. In this particular instance, thematic synthesis is used to analyse data from the selected pieces of legislation and policy frameworks. Also, the most cited scholarly contributions, including the international authorities that links the military role, durable peace and sustainable development are examined to strengthen the central line-of-argument in this research work. This study is limited to the systematic synthesis (i.e. 'bringing together') of the existing pieces of legislations and policy frameworks into three key issues, namely the military role, durable peace and sustainable development. The thematic synthesis of source documents is intended to 'bring together' the common ideas and concepts, attributes and metaphors into high-order categories while facilitating the explicit production of new concepts and higher-order constructs. The researchers depend on the use of computer software to code the emerging data and to develop new concepts and higher-order constructs. The process of 'bringing together' the common ideas, concepts, attributes, metaphors and emergent constructs with the view to develop new concepts and higher-order constructs constitutes is also depended on qualitative analysis of the emergent data.

10. Analysis in Qualitative Research

Since the concepts of synthesis has been described as the 'bringing together' of pieces of legislation and separated policy frameworks with the view the intention to formulate a new coherent whole, the concept of 'analysis' is defined as 'breaking down' these pieces of legislations and policy frameworks into parts or components (Ritchey, 1991:21), with the intention to build substantive theory on military

operational activities for development (MOA4D). In an attempt to establish the relationship between the concepts of *analysis* and *synthesis*, the following statement becomes relevant (Ritchey, 1991:21):

Analysis and synthesis, as scientific methods always go hand in hand; they complement one another. Every synthesis is built upon the results of the preceding analysis, and every analysis requires a subsequent synthesis in order to verify and correct its results.

Important to note is the 'bringing together' (synthesis) of common ideas, concepts, metaphors and attributes from various pieces of legislations and policy frameworks into three key categories, namely military role, durable peace and sustainable development; that goes hand in hand with the 'breaking down' of the emergent higher categories into new attributes and/or properties and their resultant synthesis into higher-order constructs. This recurrent process in the building of theory involves data coding, categorization and thematic analysis (Table 1). For purposes of this research, data is derived from the official source documents that are interrogated using case-based reasoning and grounded theory methodological analysis.

Case-based and metaphorical reasoning with grounded theory methodological analysis: Case-based reasoning involves the response to policy problem-situation by retrieving relevant cases from memory or archives with similar problem-situations, policy-solution options, and annotations about the courses-of-action taken. This initial step is followed by various adaptations that are informed by grounded theory methodological analysis

(theoretical sampling, coding, constant comparison) to the point of saturation. The most desirable policy solution and action plan that effectively respond to the identified problem-situation are then examined in line with the existing pieces of legislations, policy frameworks and complementary scholarly literature.

In examining the selected legislations and policy frameworks, the researchers follow the metaphorical reasoning that views sustainable development as 'ways of life', military role as a 'way of life' and durable peace as the most 'desirable condition'. Ways of life is defined as the African values, attitude and stance that are entrenched in the existing public legislations and policy framework. In this specific case, the source documents are limited to the national constitutions, national development plans, defence acts, the agenda for sustainable development, and defence reviews of nine countries in the southern Africa region, namely Angola, Botswana, Democratic Republic of Congo, Mozambique, Namibia, South Africa, Tanzania, Zambia and Zimbabwe. In doing so, the researchers establish the common ideas, concepts, attributes, metaphors and categories emerging from this source document. For example, the 2030 Agenda for Sustainable Development and South African Defence Review 2015 share the notion of durable peace as the most desirable condition for development. Emergent in this value, attitude and stance is the shared view that durable peace is a 'way of life'. Furthermore, the constitutions of all selected countries delegate their military forces with responsibility to protect the state, its people and its territorial integrity, another shared view on the responsibility to protect as a 'way of life'.

Table 1: Thematic Analysis Matrix

Thematic Analysis		
Theme/Significant Hypothesis	Basic Categories	Important Concepts/Codes
The <i>duty to protect</i> the state, its people, and its territorial integrity as a <i>legitimate responsibility</i> of the military <i>operational activities</i> for development (MOA4D).	Military role as a - <i>legitimate responsibility</i>	Military knowledge systems Policy problem situation Social determinants
	Durable peace as a - <i>preferred policy solution</i>	Administrative arrangements Preferred policy solution Delegated responsibilities
	Sustainable development as a - <i>policy problem situation</i>	Delegated authority Policy action plan Implementation machinery Competitive advantage factors Collaborative innovation networks

Source: Developed from Glaser & Strauss (1965) and Fereday, J. & Muir-Cochrane, E. (2006)

11. Refutation of Psychological Approach to Militaristic Attitude in Problem-Solving

In investigating the relationship between problem-solving competencies and militaristic attitudes, Nelson and Milburn (2009) use the Scholastic Aptitude Tests Verbal score and grades in Introductory Psychology classes to measure general problem-solving ability. In this specific investigation, the military attitude is related to the *religious/social authoritarianism* and to *social dominance* as opposed to *gun control attitude* or *militaristic attitude* itself with the view to establish the implication for peace education. Although this investigation illuminates on cognitive responses, the notion of social dominance remains fluid and subject to social research as opposed to the cognitive function of the non-military respondents. This article argues that written legislations and policy frameworks are manifestations of social actions that are amendable to public administration research. It is only through the understanding of these written militaristic values, attitude and positional differences or stance that the militaristic 'way of life' can be justified or condemned.

12. Theoretical Connection Between The Military Role and Durable Peace

In addressing the general question raised on the military role in public problem-situations, Goulding (1993) would agree that we need to move beyond the militaristic attitude of war and focus on possible operational activities for development. In exploring possible military operational activities for development (MOA4D), Goulding (1993:451) would agree that cue be taken from the United Nations' declarations on peacekeeping operations. In this specific context, Goulding (1993:452,455) suggests that the notion of peacekeeping operations is the embodiment of modern best practices in preventing armed conflict. It is in the light of global best practices that the researchers seek to establish possible connection between the military role and durable peace.

13. Theoretical Connection Between Durable Peace and Sustainable Development

Kofi Annan's contribution illuminates on the relationship between durable peace and sustainable development in Africa. Annan (2000:1) observes that the "widely held view of Africa as a region in perpetual crisis ... [is] painful reality" (Annan 2000:2).

Annan (2000:3) affirms that military forces have been used in brokering peace agreements in pursuit of sustainable development in Africa. For example, SAS Outeniqua – a currently decommissioned South African sealift vessel – was used during her operational career as a venue for peace negotiations between the then Zaire's President Mobuto Sese Seko and rebel commander Laurent Kabila in early 1997. Although this peace negotiation became unsuccessful, the military roles in the promotion of durable peace for sustainable development cannot go unnoticed. Annan affirms that durable peace is closely related to "social development, environmental protection, human rights and human resources" (2000:4). Furthermore, Annan (2000:5) suggests that the African people are yearning for durable peace and sustainable development and have demonstrated their willingness to commit themselves to this course. Finally, Annan (2000:1) argues that the involvement of academia, governments, civil society and individuals in addressing the challenges related to durable peace and sustainable development is expected to produce desirable 'ways of live' amongst African people. Moreover, Annan (2000:4) states that the UN and Security Council are committed to peacekeeping and humanitarian assistance to retain support from the international communities. This international commitment provides grounding to the theoretical connection between durable peace and sustainable development while the military role is the preferred implementation machinery.

14. Theoretical Connection Between People and Nature

Mebratu (1998) provides an invaluable knowledge on the interdependence of people and nature. Mebratu (1998:493) support the view that the concept of sustainable development is increasingly attracting the interests of academics and policy practitioners worldwide. Parallel to this growing interest, Mebratu (1998:501) observes the presence of intellectual and political struggles in providing the operational meaning to the concept of sustainable development. Furthermore, Mebratu (1998:507) would agree on the rise of modern environmentalism in the 1980s that is increasingly shaping the debate on the meaning of sustainable development. Relevant to this study is the perspective on socio-ecological systems that places emphasis on the interdependence of people and nature. This perspective place advocates the mutual constitutive

nature of social wellbeing and environmental wellness that is necessary in utilising natural services with consciousness for future generations.

Mebratu (1998:507) argues that the relationship between the environmental wellness and popular developmental imaginations constitutes a paradox – the modern capitalist system that can only be overcome through the ecologically sensitive socialist development. On the other side, is the assumption of deep ecology that rejects the environmental reform that is influenced by economic systems only. This perspective argues that economic systems are not feasible solutions to offset the increasing degradation of the environment (Mebratu, 1998:511). Mebratu affirms that contradictions in the current policy reforms can only be addressed through the replacement of the epistemological underpinnings of anthropocentrism with the biocentric egalitarianism. The latter view emphasises the interdependence of people and nature (Naess, 1973; Devall & Sessions, 1985; Lovelock, 2007). The interdependence of people and nature affirms the indispensability of military role in protecting society and nature – the military role in protecting the social and environmental dimension of sustainable development. It is this theoretical connection that needs to be established in future research. The identified key concepts should provide the point of departure for envisaged future research.

15. Conclusion and Recommendations

In conclusion, the central contention presented in this article purports that the historical military experiences suggest the possibilities for the reconfiguration of current military capabilities, structures and procedures (administrative arrangements) in pursuit of the transformative agenda for durable peace and sustainable development in the 21st century. In doing so, the researchers argue the notion of the military role is not limited to the authoritarian colonial legacies in the public sphere of governance but is amenable to adaptation in pursuit of meeting the needs of the people of southern Africa. For purposes of shared understanding, the researchers provide some reflection on key concepts that frame this study as well as on critical methodological issues. Although the researchers follow grounded theory as the point of departure for future theory building on the military operational activities for development, case-based reasoning and metaphorical reasoning are for purposes of effecting triangulation. The key constructs that frames this

article are limited to the military role, durable peace and sustainable development. In establishing the relationship between the military role and durable peace, and between durable peace and sustainable development, the researchers depend on the existing legislation and policy framework, as well as international authorities on conflict management, military operations and environmental management. In establishing possible connections between the military role and sustainable development, the researchers depend on the constitutional prescript that mandate the duty to protect citizens and territorial integrity to the military organisations in southern Africa – the social and environmental dimensions that are central to the study of sustainable development. In responding to possible critiques around militarising the agenda for sustainable development, the researcher provides some refutation of the psychological approach to militaristic attitude in problem-solving on the bases of practice based public administration – policy formulation as a social practice as opposed to cognitive imaginations of non-military individuals.

References

- Adamsky, D.P. 2008. Through the Looking Glass: The Soviet Military-Technical Revolution and the American Revolution in Military Affairs. *Journal of Strategic Studies*, 31(2): 257-294.
- Allison, G.T. 1971. *Essence of decision*. Boston: Little, Brown.
- Annan, K. 1998. New report of Secretary-General explores causes, potential cures of conflict in Africa (Press Release SG/2045 SC/6501). New York: Department of Public Information's African Recovery Section.
- Annan, K. 2000. Durable peace and sustainable development in Africa. *South African Journal of International Affairs*, 7(1):1-5.
- Bailes, K.E. 2015. *Technology and Society under Lenin and Stalin: origins of the Soviet technical intelligentsia, 1917-1941*. New Jersey: Princeton University Press.
- Behn, R.D. 1995. The big questions of public management. *Public Administration Review*, 313-324.
- Bowen, G.A. 2009. Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2):27-40.
- Bush, G. 2003. *The National Strategy for the Physical Protection of Critical Infrastructures and Key Assets*. Washington D.C: White House.
- Calvo-Armengol, A. & Jackson, M.O. 2004. Social networks in determining employment: Patterns, dynamics, and inequality. *American Economic Review*, 94(3):426-454.
- Carter, S.M. & Little, M. 2007. Justifying knowledge, justifying method, taking action: Epistemologies, methodologies, and methods in qualitative research. *Qualitative health research*, 17(10):1316-1328.

- Cassiers, T. & Kesteloot, C. 2012. Socio-spatial inequalities and social cohesion in European cities. *Urban Studies*, 49(9):1909-1924.
- Cheng, S.T. & Wang, C.H. 2012. An adaptive scenario-based reasoning system across smart houses. *Wireless Personal Communications*, 64(2):287-304.
- Coburn, D. 2000. Income inequality, social cohesion and the health status of populations: the role of neo-liberalism. *Social Science & Medicine*, 51(1):135-146.
- Cooke, P. 1992. Regional innovation systems: competitive regulation in the new Europe. *Geoforum*, 23(3):365-382.
- Denhardt, R.B. 2001. The big questions of public administration education. *Public Administration Review*, 61(5):526-534.
- Eisenhardt, K.M. & Graebner, M.E. 2007. Theory building from cases: Opportunities and challenges. *The Academy of Management Journal*, 50(1):25-32.
- Falk, R.A. 1965. The Shimoda Case: a legal appraisal of the atomic attacks upon Hiroshima and Nagasaki. *American Journal of International Law*, 59(4):759-793.
- Fereday, J. & Muir-Cochrane, E. 2006. Demonstrating rigor using thematic analysis: A hybrid approach of inductive and deductive coding and theme development. *International journal of qualitative methods*, 5(1):80-92.
- Fitzsimonds, J.R. & Van Tol, J.M. 1994. *Revolutions in military affairs*. Washington DC: Office of the Secretary of Defense Washington DC.
- Fukuyama, F. 2001. Social capital, civil society and development. *Third World Quarterly*, 22(1):7-20.
- Gioia, D.A. & Pitre, E. 1990. Multiparadigm perspectives on theory building. *Academy of Management Review*, 15(4):584-602.
- Glaser, B.G. & Strauss, A.L. 1965. Discovery of substantive theory: A basic strategy underlying qualitative research. *American Behavioral Scientist*, 8(6):5-12.
- Glaser, B.G. & Strauss, A.L. 1967. *Discovery of grounded theory: Strategies for qualitative research*. London: Routledge.
- Greene, J.A., Azevedo, R. & Torney-Purta, J. 2008. Modeling epistemic and ontological cognition: Philosophical perspectives and methodological directions. *Educational Psychologist*, 43(3):142-160.
- Harrison, P.M. 1960. Weber's categories of authority and voluntary associations. *American Sociological Review*, 232-237.
- Hill, T. 2017. *Manufacturing strategy: the strategic management of the manufacturing function*. Hampshire: Macmillan International Higher Education.
- Hood, C. & Peters, G. 2004. The middle aging of new public management: into the age of paradox? *Journal of Public Administration Research and Theory*, 14(3):267-282.
- Kiggundu, M.N., Jørgensen, J.J. & Hafsi, T. 1983. Administrative theory and practice in developing countries: A synthesis. *Administrative Science Quarterly*, 66-84.
- Kirlin, J.J. 1996. The big questions of public administration in a democracy. *Public Administration Review*, 416-423.
- Kozlowski, S.W. & Klein, K.J. 2000. A multilevel approach to theory and research in organizations: Contextual, temporal, and emergent processes (In K.J. Klein & S.W.J. Kozlowski (Eds.). *Multilevel theory, research, and methods in organizations: Foundations, extensions, and new directions* (pp. 3-90). San Francisco: Jossey-Bass.
- Kramer, M. 1993. Tactical Nuclear Weapons, Soviet Command Authority, and the Cuban Missile Crisis: A Note. *The International History Review*, 15(4): 740-751.
- Küblböck, K., Jäger, J. & Novy, A. 2010. The world financial system in crisis. *Global Trends*. 81-99.
- Lehtonen, M. 2004. The environmental-social interface of sustainable development: capabilities, social capital, institutions. *Ecological Economics*, 49(2):199-214.
- Levchuk, K. 2017. *The Cuban Missile Crisis: A Triangulated Vision* (In Students on the Cold War New findings and interpretations, edited by Csaba Békés and Melinda Kalmár, p.46). Budapest: Cold War History Research Centre.
- Mackenzie, N. & Knipe, S. 2006. Research dilemmas: Paradigms, methods and methodology. *Issues in Educational Research*, 16(2):193-205.
- Mertens, D.M. 2005. *Research and evaluation in education and psychology: Integrating diversity with quantitative, qualitative, and mixed methods*. Thousand Oaks: Sage.
- Mertens, D.M. 2007. Transformative paradigm: Mixed methods and social justice. *Journal of Mixed Methods Research*, 1(3):212-225.
- Musterd, S. 2005. Social and ethnic segregation in Europe: levels, causes, and effects. *Journal of Urban Affairs*, 27(3):331-348.
- Nzongola-Ntalaja, G. 2014. Pan-Africanism since decolonization: from the Organisation of African Unity (OAU) to the African Union (AU). *African Journal of Democracy and Governance*, 1(4):31-47.
- Peppers, K., Tuunanen, T., Rothenberger, M.A. & Chatterjee, S. 2007. A design science research methodology for information systems research. *Journal of Management Information Systems*, 24(3):45-77.
- Richardson, K.A., Mathieson, G. & Cilliers, P. 2000. The theory and practice of complexity science: Epistemological considerations for military operational analysis. *System Mexico*, 1(1):25-66.
- Ritchey, T. 1991. Analysis and synthesis: on scientific method-based on a study by Bernhard Riemann. *Systems Research*, 8(4):21-41.
- Schneider, L. 2006. Colonial legacies and postcolonial authoritarianism in Tanzania: connects and disconnects. *African Studies Review*, 49(1):93-118.
- Shepherd, D.A. 2017. Theory building: A review and integration. *Journal of Management*, 43(1):59-86.
- Strauss, A. & Corbin, J. 1994. Grounded theory methodology. *Handbook of Qualitative Research*, 17:273-85.
- Williamson, J.G. 1965. Regional inequality and the process of national development: a description of the patterns. *Economic Development and Cultural Change*. 13(4, Part 2): 1-84.

Contemporary Second Economy and Business Contestations in South Africa

MG Makgamatha and KK Meso
University of Limpopo, South Africa

Abstract: South Africa has countless entrepreneurs who engage in micro-enterprises that are ubiquitous in townships and rural areas. Accordingly, the current global landscape has given room to the proliferation of mushrooming informal businesses which are owned by competitive foreign nationals. A large majority of foreign nationals migrate to South Africa with capital, innovative ideas and skills to establish micro-enterprises; therefore, their businesses become more competitive than local traders. The informal economy in South Africa has given room for foreign entrepreneurs to establish and own factors of production including land. This paper posits that social capital, kinship and relations of reciprocity amongst competitive foreign national seems to be the common theme which sustains and more often than not proliferates informal businesses around poor third world township and rural areas in the second economy of South Africa. Unlike local informal traders who have been alienated from the mainstream production process through indoctrination of the "work for boss" mentality and unavailability of capital and skills; foreign traders seem to be spontaneously taking the upper hand. Thus, policy making efforts in the SMMEs sector have not offered a unique response in ensuring equitable distribution of productive opportunities amongst participants of the second economy, particularly indigent traders. South Africa's spatial inequality, social fragmentation and regimes that pay continued reverence to qualification accumulation over sustainable job creation are largely responsible for the current trajectory in the informal economic landscape. It is against this background that this paper contributes, that the paucity of social capital, entrepreneurial skills, financial literacy and economic resilience amidst destitute local traders creates an inexorable cycle of income poverty and dependency. It concludes that a strong point of departure would be investment in an entrepreneurial centred curriculum coupled with industry specific skills and resource development for local informal traders.

Keywords: Entrepreneurship, Informal Trading, Social Capital

1. Introduction

Informal economic activities are a source of survival at both urban and rural settings in South Africa; however, there remain stark inequalities between informal businesses that are owned by foreign nationals as compared to those of local traders (Butler, 2017). Seemingly, the mushrooming ownership and control of informal businesses by foreign national is indicative of the dearth of an entrepreneurship amidst the destitute majority of South Africans. Perhaps the legacy of the past injustices and alienation of the mainstream production process could justify the lack of business acumen (Charman, Petersen, Piper, Liedeman & Legg, 2017). Nonetheless, another lens is that the informal economy within which Small Medium and Micro Enterprises (SMMEs) operate is crippling in that it is characterized by a perfectly competitive market structure which does not provide a conducive environment for micro-enterprises to unfold. It is for these reasons that the informal economy innovates its own environment that is

conducive to enable smooth business operations. Thus, Social Capital, Kinship and relations of reciprocity remain the most important factors in sustaining the informal sector and its participants (Charman *et al.*, 2017). Notably, an increasing factor which helps most informal enterprises to succeed is social capital and relations of reciprocity amongst the traders (Mpembamoto, Nchito, Siame & Wragg, 2017; Crush, 2017). Thus the paper asserts that the informal economy in South Africa has been overlooked in policy making and planning in that there remain a huge inequality gap between local and foreign nationals in terms of business performance, market and financial opportunities amongst other. Some market participants have economic resilience over the other which allows them to recover from macro-economic shock, stressors, and challenges *inter alia*. Nonetheless, this article will include but be limited on the following aspects ; discussion on the contemporary second economy of South Africa, Informality and business challenges , perfect competition and SMMEs *inter alia*. In a nut shell, poor informal traders should

be supported and developed both financially and non-financially in order to stimulate the local informal economy (Mpembamoto *et al.*, 2017).

2. Contemporary Second Economy in South Africa

Many entrepreneurs at townships and rural areas engage in second economy for survival or as a livelihood to get access to wage while other entrepreneur's motives are to escape taxation (Butler, 2017). There is less competition in the current second economy as compared to the formal enterprises because they are unregulated and are flexible in changing of prices notwithstanding the problems which are caused by such informality. Current second economy does not pay any tax but they operate without being supervised legally by the government as compared to formal enterprises (Mpembamoto *et al.*, 2017). South Africa has countless entrepreneurs who engage in micro enterprises that are not registered and even employees are not protected by the law of which it is problematic because also their jobs are not protected (Cross, 2000). Second economy, other entrepreneurs are working in the formal economy also at the same time engage in the informal economy whereby they hire their relatives and become petty traders. In the second economy the profit is not sufficient as compared to the formal economy because of low start up and low prices of goods and services. There is unfair relationship between the informal and formal economy of which the state should address and ensure that they support the second economy (Mpembamoto *et al.*, 2017).

The second economy, continue to operate everywhere including rural and urban areas while many operate illegally. The registration of businesses from informal to formal the cost should be less and also the state should consider low rates of taxation. Many entrepreneurs do not register their businesses because of tax and labor laws; therefore, the government should be fair between large formal enterprises and to informal enterprises that are converted to formal enterprises (Van stell, Storey & Thurik, 2007).

3. Informality and Business Challenges in South Africa

Informal start-up enterprises together with micro, very small and small enterprises are seen to contribute between 27-34% of Gross Domestic

Product (GDP) and 72% of all jobs in South Africa (Department of Trade and Industry, 2008). Mostly, Africans more often than not dominate employment in the tiniest firms, with 42.5% of individuals engaged in micro-enterprises and informal start-ups (Sonobe *et al.*, 2011). Furthermore, a large number of informal-start-ups and micro-enterprises are concentrated within private households which are usually referred to as home based workers accounting 31.45% and the wholesale & retail trade 26.9% (Guylani, Talukda & Jack, 2009; Sonobe *et al.*, 2011). Additionally, approximately 75% of newly established small, medium and micro-enterprises do not succeed within the first two to three years of operation. Accordingly, South Africa has suffered a long history of economic deprivation which resulted in the entrepreneurial abilities of people mainly the impoverished to be dormant. Therefore, the high failure rate of such businesses in South Africa is to a large extent instigated by multiple challenges that impinge on their survival and growth prospects. These challenges include the perfectly competitive market structure which would result in the owners/managers of such enterprises to contemplate shutting down and continuing operation if the total cost of production exceeds the total revenue (Liedholm *et al.*, 2010). As a result, this could justify the number of business failures predominantly amid Africans who have been isolated from the mainstream production processes. Notwithstanding this high failure rate, approximately 24% of these enterprises in South Africa become established firms that could be regarded as panacea to the soaring unemployment problem (Liedholm *et al.*, 2010).

Gauteng Province being one of the most over populated domain in South Africa also acknowledges the importance of promoting micro-enterprises as a tool for income poverty reduction as stipulated in the strategic framework for small businesses (Daniels, 2006). Additionally, there are several types of retail establishment in Gauteng Province including but not limited to informal tuck shops, carpenters, traditional healers and shoe makers as well as a variety of vendors. According to the Department of Trade and Industry (DTI) (2005), informal businesses in South Africa play a key role through sustaining many livelihoods and offering a safety net for the income poor. It is therefore evident that the informal start-up enterprise in South Africa plays a pivotal role with regard to reducing the problem of achieving development. It is as well palpable that the nascent of informal start-up enterprises absorb

large proportion of unemployment labour force in South Africa, and this can further be applicable to other developing countries that are confronted with the issues such as unemployment, food insecurity *inter alia*. Although, the primary rationale and/or push factor behind the establishment of informal start-up enterprises apart from market opportunities is unemployment which is noticeable through income poverty (Daniels, 2006; Guylani *et al.*, 2009).

4. Perfect Competition and the Informal Sector

Perfect competition is an economic theory that occurs when none of the individual market participants (buyers or sellers) can influence the market price. For a perfect competition to exist there must be a large number of buyers and sellers of the product-the number must be so large that no individual buyer or seller can affect the market price (Van stell *et al.*, 2007; Mohr & Fourie, 2008; Liedholm *et al.*, 2010). Accordingly, informal start-up enterprises are omnipresent because of the ease of entry and exit in the market. As in the case of South Africa, a multiplicity of informal start-up enterprises exists including but not limited to; Hawking, street vending, Shoe repair, general dealing, restaurants, car wash, printing business and craft making *inter alia*. Each firm, for example, only supplies a fraction of the total market supply (Mohr & Fourie, 2008; Liedholm *et al.*, 2010). Most urban settings in South Africa are fronted by a plethora of informal start-up entities. Therefore, the first requirement for a perfectly competitive market structure should consist of a glut of buyers and sellers. Thus, this is evident in most urban central business district (CBD) (Piesse *et al.*, 2005).

There must be no collusion between sellers – each seller must act independently (Daniels, 2006; Mohr & Fourie, 2008; Guylani *et al.*, 2009). Given the unregistered nature of informal entities and a large number of firms selling homogenous products, it is less unlikely for the sellers to collude and fix prices because all the participants in the market have perfect knowledge about the going market price of the good or service at hand. As a price taker, a perfectly competitive firm is unable to charge a higher price above the market price and has no incentive to lower its prices suggesting that micro-enterprises are prone to make normal profits. Therefore, collusion amongst informal traders in an attempt to increase the prices of their goods

and services would be irrational because they exists an immediate substitute of the product that can be offered by any supplier in the same industry (Daniels, 2006, 2008; Guylani *et al.*, 2009).

All the goods sold in the market must be identical (i.e. the product must be homogenous). There should be no reason for buyers to prefer the product of one seller to the product of another (Liedholm *et al.*, 2010).

Buyers and sellers must be completely free to enter or leave the market – this condition is usually referred to as complete freedom of entry and exit. There must be no barriers to entry in the form of legal, financial, technological, physical, or other restrictions which inhibit the free movement of buyers and sellers (Liedholm *et al.*, 2010; Sewdass & Du Toit, 2014). As in the case of South Africa, informality bolsters the establishment of informal businesses. These embryonic business launches do not need any licensing or equivalent formal registration to begin operation. The primary Rationale for establishment of most informal start-up is poverty reduction. Nonetheless, in a perfectly competitive market, buyers and sellers are free to entry and exit the market because there are no stringent restrictions (Guylani *et al.*, 2009; Liedholm *et al.*, 2010).

All the buyers and sellers must have perfect knowledge of market conditions (Mohr & Fourie, 2008). For example, if one firm raises its prices above the market price, it is assumed that all the buyers will know that other firms are charging a lower price and will therefore not buy anything from the firm that is charging a higher price. However, this market situation has a potential to contribute negatively to the growth and sustainability of informal start-up enterprises operating in conditions of perfect competition because they are trapped in a vicious cycle of competition amongst similar firms in the industry. Accordingly, this evidently thwarting market structure gives rise to informality as there is no government intervention to fix the market price nor do the suppliers meet the necessary thresholds to benefit from government regulations and a variety of support from state enterprises and the private sector.

There must be no government intervention influencing buyers or sellers (Liedholm *et al.*, 2010; Mpembamoto *et al.*, 2017). Consequently, the lack of government intervention bolsters informality

within the informal start-up industry pigeonholed by *inter alia*; no registration, no compliance of state regulations and informal trifling trades.

Lastly, all the factors of production must be perfectly mobile. In other words, labour, capital and the other factors of production must be able to move freely from one market to the other. In a perfectly competitive market all the participants are therefore price takers—they have to accept the price as given and can only decide what quantities to supply or demand at that price (Guylani *et al.*, 2009; Mpembamoto *et al.*, 2017). Below is an indication of the requirements that should be met for a perfect competition to exist.

5. The Shut-Down Rule and Micro-Enterprises

The first rule is that a firm should produce only if total revenue is equal to or greater than, total variable cost (which includes normal profits) (Mohr & Fourie, 2008; Guylani *et al.*, 2009; Mpembamoto *et al.*, 2017). This condition is often called the shut-down (or close down) rule, but it can also be called the start-up rule because it does not just indicate when a firm should stop producing a product it also indicates when a firm should start (or restart) production. The shutdown rule can also be stated in terms of unit cost – a firm should only produce if average revenue (i.e. price) is equal to, or greater than, average variable cost (Guylani *et al.*, 2009; Mpembamoto *et al.*, 2017). In the long run all costs are variable. Production should therefore only take place in the long run if total revenue is sufficient enough to cover all costs of production.

Once a firm is established, it cannot escape its fixed costs. Fixed costs are incurred even if output is zero (i.e. if the firm does not produce at all). If the firm can earn total revenue greater than its total variable cost (or an average greater than its average variable costs), then the difference can help cover some of the unavoidable fixed costs of the firm (Liedholm *et al.*, 2010). It would be advisable for a firm to maintain production in the short run, even though it is operating at an economic loss. If total revenue is just sufficient to cover total variable costs (i.e. if average revenue is equal to average variable costs) it is immaterial whether or not the firm continues production – its loss will be the same in both cases (i.e. equal to its fixed costs) (Mohr & Fourie, 2008; Guylani *et al.*, 2009; Sewdass & Du Toit, 2014; Mpembamoto

et al., 2017). If total revenue is not sufficient to cover total variable cost (i.e. if average revenue is lower than average variable cost), the firm will not produce, because to do so will result in a loss greater than its fixed costs. In other words, the firm's losses will be minimized by not producing at all.

6. Way Forward on Contemporary Second Economy and Business Contestations

The government of South Africa should pay more attention to enterprises in the second economy, both rural and urban. Most rural areas are the ones affected by extreme poverty therefore support agencies and structures should pay concerted efforts on that (Lekhanya, 2010; Sewdass & Du Toit, 2014). There is an increasing migration of people from rural areas to urban areas looking for employment opportunities, thus, the government should not ignore the potential of enterprises in the second economy. Other enterprises in the second economy take years to grow and the government should intervene to ensure that they help and strengthen such enterprises. The foreign nationals' businesses are increasing and continue to increase in South Africa collapsing few of the enterprises owned by South Africans, the government need to offer more assistance to them and elevate them to compete competitively in the economy (Lekhanya, 2010). It is not easy to manage an enterprise in the second economy because of nearby competitors that sell the same product for a lesser price. The government should allow micro-enterprises to register so that they can monitor their profits, check the ownership whether are South Africans or foreign nationals in that way they will be able to monitor their progress. If a certain enterprise does not perform well they will be able to know and that will also enlighten the government in terms of the number of enterprises owned by South Africans and ensure equal distribution of resources. Most of entrepreneurs are not aware of the programs that are there to assist them. The government should be transparent in the distribution of information towards all people and business owners. The government should not only focus on the distribution of information but also supporting them with access to finance, mentorships and essential infrastructural facilities (Sewdass & Du Toit, 2014).

Strategic management and business creativity refers to the ability, capacity and intellectual

preparedness of business owners to lead, manage, organize and be proactive towards the multiple constraints and challenges that encroach on business success and longevity (Allen, Qian & Qian, 2005; Lekhanya, 2010; Sewdass & Du Toit, 2014). Amidst a plethora of informal start-up enterprises, street vendors and general dealers *inter alia* business creativity and strategic management education creates an opportunity for emergent informal entrepreneurs to surmount the market and create lucrative opportunities that will enable growth of success of the enterprises. Continuingly, strategic management education for informal start-up entrepreneurs does not refer to technical and sophisticated business and econometric models that will be difficult for destitute informal traders to fathom, it rather encompasses rudimentary strategic management aspects such as the strength weaknesses opportunities and threats model (SWOT), feasibility study, basic entrepreneurial skills, business plan writing, basic consumer behaviour, financial management and bookkeeping skills, human resources and people management skills (Beck, Lu & Yang, 2015).

Continuingly, the pragmatic implementation of the aforesaid strategic management aspect will give aspirant entrepreneurs an edge over existing ones that do not have any knowledge about managing and growing an informal entity (Beck *et al.*, 2015). However, it is important as an aspirant entrepreneur should be able to coordinate and unite all the factors of production including land, capital, labor and entrepreneurship to enable enterprise success. On the other hand, South Africa's experience in entrepreneurship has been bad, particularly amongst historically disadvantaged back people mainly because of the historical legacies of apartheid, colonization, deprivation and the "work for boss mentality" (Guylani *et al.*, 2009). Concisely, dealing with these issues requires inculcating the entrepreneurial and business mindset amidst street traders and owners of informal start-up entities (Beck *et al.*, 2015). Thus, a new development policy trajectory should be crafted in the ministry of SMMEs that stipulates that it is mandatory for all incipient informal traders who have been isolated from the mainstream formal economy to have access to cutting edge strategic management, business and entrepreneurial skills that is instrumental to their growth, longevity and possible graduation into the mainstream formal economy.

7. Conclusion and Recommendations

Turning a blind eye towards placing concerted efforts on supporting local informal traders in the second economy of both rural and urban areas will lead to an endless cycle of poverty and inequality amongst the traders. South African informal sector should move towards creating a conducive environment which will allow for work the unregulated informal economy to flourish. Policy making efforts in the SMMEs sector should be geared towards striking a balance between foreign nationals and local traders in as far as market opportunities are concerned. Foreign investment policy in the informal sector of South Africa should create an enabling environment for the development of informal businesses which are owned by foreign nationals in ways that support the businesses of local small scale workers. Production opportunities and platforms should not be provided to the advantaged few who are not indigenous people of South Africa on a silver platter; it should be created through in a way that allows for the development of and support of poor traders. Thus, the bigger point of departure would be moving towards being an entrepreneurial oriented nation which becomes producers of goods and services rather than consumers. Therefore, entrepreneurship with support from various stakeholders and actors in the economy is an important point of departure for South Africans informal economy.

References

- Allen, F., Qian, J. & Qian, M. 2005. Law, finance and economic growth in China. *Journal of Financial Economics*, 77:57-116.
- Abor, J. & Quartey, P. 2010. Issues in SME development in Ghana and South Africa. *International research journal of finance and economics*, 39(6):215-228.
- Akinyemi, F. & Adejumo, O. 2017. Entrepreneurial Motives and Challenges of SMEs Owners in Emerging Economies: Nigeria & South Africa. *Small*, 5(11):624-63.
- Butler, A. 2017. *Contemporary South Africa*. Palgrave.
- Beck, T., Lu, L. & Yang, R. 2015. Finance and growth for microenterprises: Evidence from rural China. *World Development Journal*, 67:38-56.
- Charman, A.J., Petersen, L.M., Piper, L.E., Liedeman, R. & Legg, T. 2017. Small area census approach to measure the township informal economy in South Africa. *Journal of Mixed Methods Research*, 11(1):36-58.
- Crush, J. 2017. *Informal migrant entrepreneurship and inclusive growth in South Africa, Zimbabwe and Mozambique*. Southern African Migration Programme.

- Cross, J. 2000. Street vendors, and postmodernity: conflict and compromise in the global economy. *International Journal of Sociology and Social Policy*, 20(1/2):29-51.
- Cant, M.C. 2017. Do Small, Medium and Micro Enterprises Have the Capacity and will to Employ More People: Solution to Unemployment or Just a Pipe Dream? *International Review of Management and Marketing*, 7(3).
- Department of Trade and Industry. 2005. *Integrate small-enterprise development strategy: Unlocking the potential of South African Entrepreneurs*. Department of Trade and Industry, Pretoria.
- Daniels, L. 2006. The role of small enterprises in the household and national economy in Kenya: A significant contribution or a last resort? *World Development Journal*, 27(1):55-65.
- Fatoki, O. 2014. The financial literacy of micro entrepreneurs in South Africa. *Journal of Social Sciences*, 40(2):151-158.
- Gulyani, S., Talukdar, D. & Jack, D. 200. *Poverty, living conditions and infrastructure access: A comparison of slums in Dakar*. Johannesburg and Nairobi, AICD paper 10, DEC research series, World Bank, Washington, DC.
- Mpembamoto, K., Nchito, W., Siame, G. & Wragg, E. 2017. Impact of sector-based upgrading on home-based enterprises: a case study of Chaisa Settlement. *Environment and Urbanization*, 29(2):597-614.
- Marchington, M., Wilkinson, A., Donnelly, R. & Kynighou, A. 2016. *Human resource management at work*. Kogan Page Publishers.
- Mohr, P. & Fourie, L. 2008. *Perfect Competition: Economics for students*. Pretoria: Hatfield.
- Liedholm, C. & Mead, D.C. 2010. The dynamics of micro and small enterprises in developing countries. *World Development Journal*, 26(1):61-74.
- Lekhanya, L.M. 2010. *The use of marketing strategies by small, medium and micro enterprises in rural KwaZulu-Natal*. Durban University of Technology, Durban.
- Oluwajodu, F., Greyling, L., Blaauw, D. & Kleynhans, E.P. 2015. Graduate unemployment in South Africa: Perspectives from the banking sector. *SA Journal of Human Resource Management*, 13(1):1-9.
- Pauw, K., Bhorat, H. & Goga, S. 2006. Graduate unemployment in the context of skills shortages, education and training: Findings from a survey. Available at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=961353. Accessed on 1 March 2018.
- Peberdy, S. 2017. *Competition or Co-operation? South African and Migrant Entrepreneurs in Johannesburg* (No. 75). Southern African Migration Programme.
- Piesse, J., Doyer, T., Thirtle, C. & Vink, N. 2005. The changing role of grain cooperatives in the transition to competitive markets in South Africa. *Journal of Comparative Economics*, 33:197-218.
- Sonobe, T., Akoten, J.E. & Otsuka, K. 2011. Growth process of informal enterprises in Sub-Saharan Africa: A case of a metalworking cluster in Nairobi. *Journal of Small Business Economics*, 36(3):323-335.
- Van Stel, A., Storey, D.J. & Thurik, A.R. 2007. The effect of business regulations on nascent and young business entrepreneurship. *Small business economics*, 28(2-3):171-186.
- Zachary, J.M.N., Kariuki, S. & Mwangi, S. 2017. Tax compliance cost and tax payment by small and medium enterprises in Embu County, Kenya. *International Academic Journal of Economics and Finance*, 2(3):206-219.

The Perceived Effects of Foreign Migration on Service Delivery in a South African Local Municipality: A Case of Musina Local Municipality

P Sikhwivhilu

Office of the Premier, Limpopo, South Africa

E Zwane

University of Limpopo, South Africa

Abstract: The current lack of deliverance is evident in the widespread protests, with community members showing their dissatisfaction with sub-standard service delivery and backlogs, which led to the attack of the foreign countries residents in South Africa (Xenophobia). The paper is based on a study on the impacts of foreign migration on service delivery in Musina Local Municipality, South Africa. The study was based on the hypothesis that Local government should be given a significant role to play to effectively manage migration and service delivery to migrants. In order to validate the hypothesis, empirically based questionnaires on the monitoring and evaluation, and service delivery were utilised. The study has revealed gaps in infrastructure delivery related to lack of capability mainly in primary resources such as financial, technical and human. The capabilities of Musina Local Municipality require effective utilisation of these primary resources, resulting in acceptable standards of service delivery to satisfy community needs. In this regard, the municipal performance to address community needs can be identified, reviewed, prioritized and strategized through the recommendations proposed.

Keywords: Foreign migration, Musina Local Municipality, Service delivery, Xenophobia

1. Introduction

The advent of democracy in South Africa in 1994 created expectations from its black citizens in terms of access to opportunities and services. But such hopes of improved livelihoods were also harbored by many other individuals beyond our borders, who saw South Africa as a land of opportunities of employment in pursuit of a better life. For many however, these dreams have remained only that, with analysts believing that the gap between the rich and the poor has actually increased considerably, and opportunities for the previously disadvantaged decreasing rather than increasing. The South African government has identified issues of unemployment, poverty and HIV and AIDS as its major challenges and local citizens have complained that the government's attempt at delivering free proper housing has been undermined by foreigners who bribe corrupt officials for papers and jump the queue in the allocation of houses and other benefits (New Africa, 2008). Over the last decade, South Africa has witnessed many social protests related to service delivery or, more appropriately, a lack thereof. In the past two years, the protests have been violent and at times accompanied by

looting and the destruction of foreign nationals' shops and properties (Nleya, 2011; Salgado, 2013; Netswera & Kgalane, 2014; SALGA, 2009; Cogta, 2013). The Department of Co-operative Governance and Traditional Affairs (Cogta) conducted a research in 2013 on issues of urbanisation and migration which argues that urbanization is closely linked to modernisation, industrialisation, unemployment, social factors, political issues and other reasons of rationalisation. The uneven population densities in different spatial spaces have an effect on local government administration and its ability to deliver adequate services to the people that need them (Department of Co-operative Governance and Traditional Affairs, 2013:3).

Vermark (2009) argues that poor South Africans are increasingly being forced to compete with illegal foreigners for employment opportunities and social benefits and services. The already dire situation is further exacerbated by traditional backlogs in terms of basic service delivery to large sections of the country's marginalised poor. In this regard, Vermark (2009) cited in Venter (2005:31) illustrates the threat posed by the substantial number of illegal immigrants in terms of overwhelming the

resources of the country, in the process disrupting the government's critical development agenda were specifically singled out when the South African Police Service (SAPS) went on an operation to close all shops whose owners did not have proper trading permits, as they felt locals who did not possess trading licences were never apprehended. Ultimately, the negative sentiments felt by these foreign nationals are aimed at both local citizens and authority, in this cases the SAPS (IRIN Africa, 2012).

Local governments have not been able to address the entire spectrum of socio-economic and developmental challenges brought about by these newer population dynamics. An increase in the number of persons, whether local or of foreign origin, moving into a municipality alters the needs of that community and increases the claims to public and other services, which essentially affects planning, budgeting and other decision-making processes (Olago, 2011:1). There has not been a study of this nature done in the area of migration and local government planning, therefore, this study will add more literature in the areas of local government. Therefore the study objectives which motivated this study are: To determine the effects of foreign migration on the delivery of basic services in Musina Local Municipality; to establish if Musina Local Municipality is able to deal with the influx of foreigners in an effective manner in relation to their access to basic services and to identify the challenges faced by Musina Local Municipality in dealing with foreign migration as far as basic services are concerned, and propose possible solutions. The increase in migration over the last decade has exacerbated tensions as competition for access to essential services has inevitably increased. An increase in the migrant population, which over time has expectations, rightly or wrongly, has only placed a further strain on limited available resources. The often not met expectations have led to expression of negative sentiments and overt acts of violence against foreign nationals. Umezurike (2012:2), drawing from a study conducted by Dodson (2010), states that there have been protests and counter-protests in several sectors and localities against poor service delivery, including the so-called "xenophobic" attacks on African immigrants, many of them based on perceived and actual competition for scarce amenities. Foreign migration has an effect on delivery of services at all levels of government. The Department of Co-operative Governance and

Traditional Affairs (2013) describes the extent that migration has as a result of significant disparities that exist across provinces and municipalities. The Department puts emphasis on managing migration and urbanisation as part of planning because these phenomena affect service delivery either through backlogs on service delivery or through growing demand for services. A SALGA review in 2009 focuses on challenges of migration and urbanisation in local government, touching on the fact that South Africa does not have a single instrument to track migration, resulting in the inability to plan effectively (SALGA, 2009). Nleya (2011:5) argues that rural and urban migration and declining family sizes have compounded the large services backlog in poor areas across the country. The paper presents the literature reviewed, research methodology, the results and the discussions and the conclusion and recommendations.

2. The Concept of Foreign Migration

According to Ramathetje and Mtapuri (2014:573), international theories of migration date back as far as after Second World War Western theories of migration include conventional migrations which result from differences in income and job opportunities. Migration and development are twin development issues. Most of the causes of migration are development issues such as social-economic, environmental, psychological, political and technological issues. Migrants are defined in terms of their status as permanent versus temporary or legal versus illegal. Migrants are also defined based on their legality and illegality into South Africa. Permanent migrants are migrants who intend living in the new country with no intention of returning to their country of origin when the condition that precipitated their initial movement has stabilised.

3. Foreign Migration and Service Delivery in South Africa

The Constitution of South Africa of 1996, Section (152) (1)(a), states clearly the roles which a local municipality should play in ensuring the provision of services to communities. Hoffman (2011:2-4) elaborates on the roles that local government should play, with emphasis being on the primary responsibility of local government as provisioning of access to crucial public services. The roles and responsibilities are informed by the African National Congress's (ANC) need to reduce economic inequality and increase

political accountability. In 2009 South African Local Government Association (SALGA) conducted a study in order to establish the causes associated with the protests as perceived by affected municipalities, and the following three factors were prevalent in different provinces:

- Governance issues: communication between the community and councillors, community participation, unfunded mandates, political management.
- Service delivery issues: water, electricity roll out, housing delivery, waste management and refuse removal.
- Other issues: migration and informal settlements, land, budget, unfunded mandates, corruption and nepotism.

United Nations Children's Emergency Fund's (UNICEF) 7th Millennium goal has been to reduce by half the portion of people without access to safe drinking water and sanitation in 2015. The reality of the above statement is that local government has to do its best in ensuring that the numbers of communities without running water is reduced. The development in local government is legislated in Chapter 2 of the *Constitution* of South Africa of 1996 which contains the Bill of Rights, a human rights charter that protects the civil, political and socio-economic rights of all people in South Africa. The Bill of Rights gives communities the fundamental rights to access social services, hence the need for local government legislation that emphasises the need for municipalities to play a pivotal role of democratising society and fulfilling a developmental role within the new dispensation. Institute for a Democratic Alternative for South Africa (IDASA) (2010:1-2) states that the fundamental goal of a democratic system is citizen satisfaction and the fact that effectiveness of good local governance need to be judged by the capacity of local government structures to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities. SALGA National Executive Committee recognises the impact that migration has on municipal governance, as such ordered a study to be conducted aimed at identifying the role that Local Government can play in managing migration and human mobility. The findings of the study pointed in the following direction:

- The confusing overlaps and gaps in service delivery mandates related to the management of mobile populations are exacerbated by the fact that border control and the provision of documentation are national competencies, the nature of their implementation impacts the range of benefits and rights individuals may enjoy at their places of work and residence.
- Undocumented migrants or migrants in informal settlements pose a specific challenge for municipalities. The illegality of their stay in the country or the informality of their residence in locality should not deprive them of certain basic rights.

IDASA (2010:3) mentions that the media has reported on the alarming rate of service delivery protests wherein the protesters explain that they took to the streets because there was no way for them to get to speak to government, let alone to get government to listen to them. Nleya (2011:3) states that the protests wave in poor urban areas that is generally recognised to have started in 2004 has been attributed to failures in service delivery. Most of the grievances which led to protests in local government are attributed to lack or insufficient delivery of water, sanitation, housing and electricity. Mashamaite (2014:231) maintains that many protests seen in South Africa were about failures of local government to engage ordinary people in political processes, leading to protesters complaining about the unresponsiveness of officials and councillors. Whilst South Africans have been growing increasingly impatient at their quality of life, the socio-political state of their Zimbabwean neighbour has been steadily worsening. Human Rights Watch (2006:6) has reported that in 2007, 83% of the population of Zimbabwe was living below the poverty line and the unemployment rate was 80%. By the end of 2008 the country was already starving, with significant food shortages. Government believed that many aid agencies that were supposed to be offering assistance were working for the opposition and were thus barred from the country. Bamanayi (2008:6) sums up by stating that this led to Zimbabweans crossing borders to South Africa in large numbers to look for food and economic opportunities, political asylum and other reasons include the humanitarian aid. The United Nations High Commissioner for Refugees (UNHCR) (2009:15) states that South Africa provides better economic

opportunities around Musina. More than half of the asylum claims registered in South Africa in 2008 were submitted by Zimbabweans. Bamanayi (2008:2) states that the Department of Education has recorded that in Limpopo Province there were 324 contract educators from Zimbabwe in 2014 (Education Departmental Statistics, 2014), bringing the required skills, innovation and knowledge which may boost economic growth in the receiving country. The National Development Plan of South Africa (2011) proposes that the state should strengthen its role as a service provider, as the core provider of public goods (such as infrastructure and other public services), as an economic regulator, as a consumer as a critical player in giving leadership to economic development and addressing market failures.

In the same vein, the 1998 Refugee Act commits to protect refugees. However, there are still signs that refugees bear the brunt of police harassment, discrimination and xenophobia (Rugunanan & Smit 2011; Landau, 2005; Consortium for Refugees and Migrants in South Africa, 2009).

Foreigners have been called a variety of names in South Africa, ranging from aliens, illegals; the most common name is "Makwerekwere". According to Umezurike and Iske (2013), the term "Makwerekwere" is a derogatory slang that was originally used to describe foreigners, in particular the strange sounds of foreign languages, especially the languages spoken by African foreigners in South Africa. Overtime it became a popular slang used to label African immigrants in South Africa and in some cases in Botswana, Lesotho and Swaziland. Meda (2014:69) states that violence and xenophobic attacks in South Africa and other international countries are caused by limited resources which migrants and citizens would scramble for. The scholars postulate that xenophobic violence in South Africa was a result of too many foreigners competing with citizens for limited resources resulting in citizens feeling threatened by the foreigners. There have been different reasons attributed to the xenophobic violence. Davis (2010) categorises some of those as stemming from public anti-foreigner comments, poor immigration policies, poor handling of the Zimbabwean crisis, administrative injustice at the Department of Home Affairs and the police tolerating vigilantism of South Africans against non-South Africans.

4. Research Methods

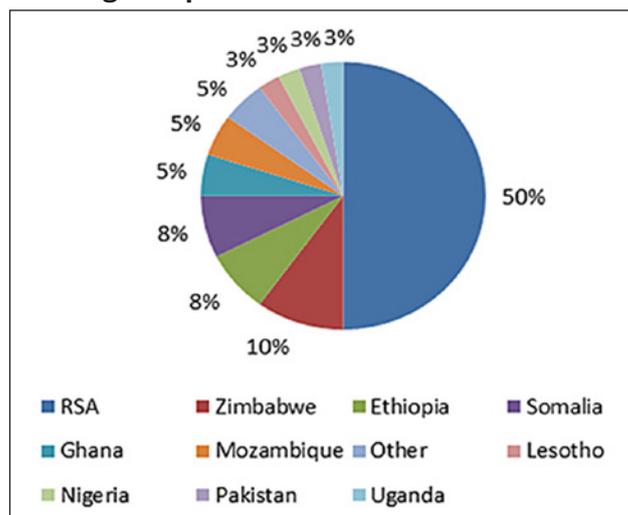
This section presents the research design, study area, population and sample, data collection method, data analysis.

4.1 Research Design

Mouton (1996:107) and Bless & Higson-Smith (1995:63) state that a research design includes a set of guidelines and instructions to be followed in addressing the research problem, a plan of a research, a programme to guide research in collecting, analysing and interpreting observed facts. De Vos *et al.* (2005:268) refer to a research design as the methods available for researchers to study certain phenomena, stating that a research can either be qualitative or quantitative or both in its nature. Kumar (2011:15) mentions that the main objective of a qualitative study is to describe the variations and diversity in a phenomenon situation or attitude with a very flexible approach so as to identify as many variations and diversity as possible. This study utilised the qualitative approach so that it can provide insights into the problem by uncovering trends in thoughts and opinions, and go deeper into the problem through interviews that were conducted with municipality officials who deal directly with service delivery and migration matters. In this study data was collected through questionnaires distributed to citizens and foreigners who are residents in the two informal settlements of the Musina Local Municipality.

4.2 Study Area, Population and Sample

The study area of this research is Musina Local Municipality which falls under Vhembe District Municipality in Limpopo Province. Reasons for choosing Musina Local Municipality are based on the fact that the two settlement areas, Matswale and Nancefield, are less than twenty kilometres away from the main land port of entry called Beitbridge, which has been prioritised by the South African government solely on the fact that it is the main gate and neighbouring borderline for Zimbabwe, Mozambique and Botswana. Most foreign nationals come through the mentioned port of entry, and the first municipality they find comfort, settle or pass through is Musina Local Municipality. Musina has an approximate general population of 68 359, (1) A purposive sampling method was utilised in order to obtain relevant information from two (2) designated

Figure 1: Showing Composition of the Nationalities of Participants

Source: Authors

employees of Musina Local Municipality and Vhembe District Municipality through interviews. Musina Local Municipality has a total number of two hundred and sixty-eight employees (268) of which only one (1) employee deals with the IDP and technical services. The employee from the local municipality is supported by the other employee from district level to co-ordinate the work of the local municipality in a coherent plan to improve the quality of life for all the people living in the area and take into account the existing problems and resources available for development. Random sampling method was utilised in reaching out to both foreign and local Musina residents to participate in the research. These residents live in two informal settlements of the municipality. A sample size of forty (40) residents was chosen which comprised of twenty (20) foreigners (10 from each informal settlement) and twenty (20) South African citizens (10 from each informal settlement) in the Musina Local Municipality. This sample size was envisaged as a fair representation in order to get a balanced view from both South African citizens and foreigners in Musina Local Municipality.

4.3 Data Collection Methods

Data has been collected through questionnaire. The researcher administered structured questionnaires with the assistance of four trained research assistants to members of the community of Musina and foreigners who are settled all over the area, specifically Nancefield and Matswale. During the distribution of questionnaires to the twenty (20) foreign nationals and twenty (20) South African citizens, the researcher's role was to ensure that the purpose of

the research was clear to the participants, ensuring that the participants who struggled to understand the language were assisted through translation and rephrasing of some of the questions.

4.4 Data Analysis

Babbie (2007) states that the analysis of a single variable can be used mainly for the purpose of description. Based on the fact that the study is taking a quantitative and qualitative approach, it is important that these different methods also be employed to analyse data. Bryman and Cramer (2001) explain that in quantitative data analysis the emphasis is on understanding and analysis of data using mathematical and statistical techniques. Ganda, Ngwakwe and Ambe (2017) and Ngomane (2010:41) agrees that in analysing qualitative collected data all data must be transcribed, read and re-read for the researcher to become familiar with the data.

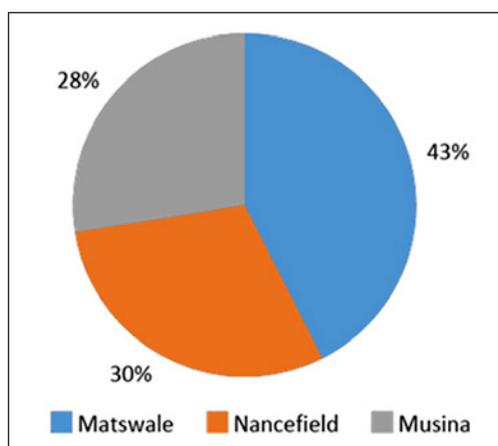
5. FINDINGS AND DISCUSSIONS

This section presents the results along with the discussion of the study.

5.1 Nationality of Respondents

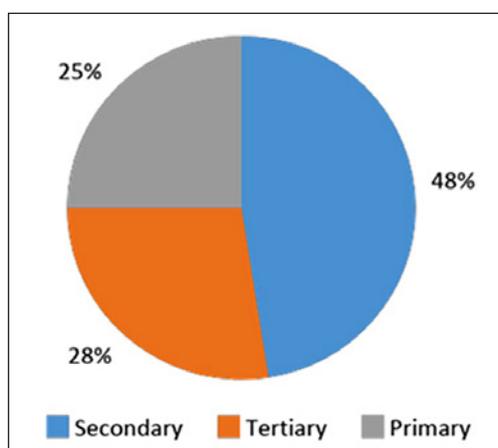
The majority of the respondents were South Africans (50%), followed by Zimbabweans (10%), Ethiopians (8%), Somali (8%), Ghanaians (5%), Other (5%) and Sotho's, Nigerians, Pakistanis and Ugandans had each contributed 3% of the respondents. It is clear that the sample was dominated by locals (50%) and an effort was made to have as much representation

Figure 2: Showing Residential Area in Musina of the Participants



Source: Authors

Figure 3: Showing the Level of Education of Participants



Source: Authors

of other nationalities found in Musina town as possible. It is not surprising that Zimbabweans were the second most represented group in the sample as it is easier for them to cross the border into the town both legally and illegally. Figure 1 on the previous page illustrates the composition of the nationalities of the participants.

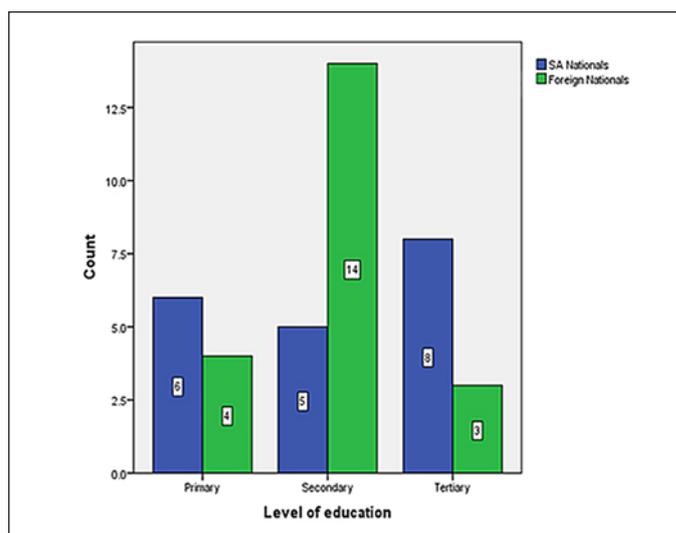
5.2 Settlement/Residential Area

In the case of the areas where respondents reside in the town of Musina, this was classified into three major areas, as follows: Matswale, Nancefield and Musina Town. Figure 2 above shows that most of the respondents were from Matswale (43%), followed by Nancefield (30%) and Musina town (28%). The reason for targeting those three settlements was based on the fact that most backyard structures and informal structures are found mainly in those three areas and that is where the majority of foreign nationals reside.

5.3 Respondents' Level of Education

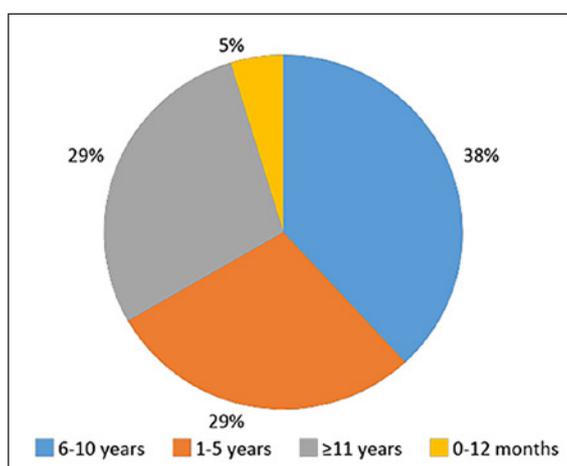
The respondents' level of education was determined through a process of data collection and analysis, which was classified into primary, secondary and tertiary education/qualification. The reason for soliciting the level of education was mainly to determine the educational level of immigrants who come to the town of Musina. Ngomane (2010) states that the educational level of illegal immigrants is very low and they cannot significantly contribute to the economy of South Africa. This was confirmed by the findings of the study shown in Figure 3 above. The majority of the respondents attained secondary school education (48%), and 25% went as far as primary education. Twenty-eight percent of the respondents had up to tertiary education. Since most the respondents were from informal settlements, it is assumed that even the South African nationals who participated in the study did not attain tertiary education.

Figure 4: Showing the Bar Graph for Level of Education (Nationality Cross Tabulation)



Source: Authors

Figure 5: Showing the Number of Years in South Africa for Foreign Nationals



Source: Authors

The paper also conducted a further analysis on the comparison of level of education of SA nationals as well as foreign nationals and the findings are demonstrated in Figure 4 on the previous page.

Figure 4 shows that there were significant differences in the levels of education and nationality, with more foreign nationals having secondary education compared to locals and more locals having tertiary education compared to foreign nationals.

5.4 Foreign Respondents’ Number of Years in South Africa

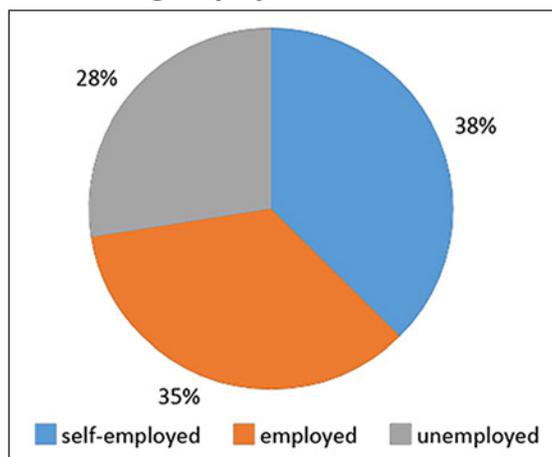
It was necessary to ask foreign nationals the number of years they have been in the country to determine if they can rate the service delivery properly and

also to determine if they stay for long in the country or they are always on the move. Respondents were asked to classify how long they have been living in South Africa, based on four categories as Figure 5 above illustrates. Thirty-eight percent of the foreign nationals have been in the Republic of South Africa for 6-10 years, 29% for 1-5 years; 29% for more than 11 years and only 5% for less than a year (Figure 5). Based on this, it was clear that the majority foreign nationals participating in the study have been in the Republic for at least a year.

5.5 Source of Livelihoods

Figure 6 on the next page illustrates the employment status of the respondents. Findings of the survey showed that an approximately equal proportion of

Figure 6: Showing Employment Status of Participants



Source: Authors

Table 1: Showing Employment Status (Nationality Cross Tabulation of Participants)

			Q_6		Total
			SA Nationals	Foreign Nationals	
Q_7	Employed	Count	10	4	14
		% within Q_7	71.4%	28.6%	100.0%
		% within Q_6	52.6%	19.0%	35.0%
	Unemployed	Count	8	3	11
		% within Q_7	72.7%	27.3%	100.0%
		% within Q_6	42.1%	14.3%	27.5%
	Self-employed	Count	1	14	15
		% within Q_7	6.7%	93.3%	100.0%
		% within Q_6	5.3%	66.7%	37.5%
Total	Count	19	21	40	
	% within Q_7	47.5%	52.5%	100.0%	
	% within Q_6	100.0%	100.0%	100.0%	

Source: Authors

those employed, unemployed and self-employed. Thirty-eight percent of the respondents are self-employed, 35% are formally employed and 28% are unemployed. It can be assumed that the majority of the foreign nationals fell in the self-employed category since they might not have been having adequate paperwork to allow them to work in the Republic.

Cross tabulation with Chi-square (χ^2) test was used to associate the employment status of the respondents, with the nationality of respondents, $p < 0.05$ was considered significant. Results of the survey in Table 1 above show that of those who are formally employed, there are more RSA nationals formally employed (71.4%) compared to foreign nationals (28.6%). Of those who indicated that

they are unemployed, there are more RSA nationals (72.7%) compared to foreign nationals (27.3%). Table 1 indicates that most foreign nationals are self-employed, with 93.3% of those indicating that they are self-employed.

In this context, Table 1 illustrates that the Chi-square (χ^2) analysis revealed a significant association of employment status with nationality ($p < 0.05$).

5.6 Type of Settlements

The respondents were asked the type of settlement they live in to determine the level of service delivery in the town and also later on determine if equal opportunities and services are available for the foreign nationals compared to locals. The

Table 2: Type of Settlement (Nationality Cross Tabulation)

			Q_6		Total
			SA Nationals	Foreign Nationals	
Q_8	Formal	Count	7	8	15
		% within Q_8	46.7%	53.3%	100.0%
		% within Q_6	36.8%	38.1%	37.5%
	RDP	Count	10	12	22
		% within Q_8	45.5%	54.5%	100.0%
		% within Q_6	52.6%	57.1%	55.0%
	Rural	Count	1	0	1
		% within Q_8	100.0%	0.0%	100.0%
		% within Q_6	5.3%	0.0%	2.5%
	Other	Count	1	1	2
		% within Q_8	50.0%	50.0%	100.0%
		% within Q_6	5.3%	4.8%	5.0%
Total		Count	19	21	40
		% within Q_8	47.5%	52.5%	100.0%
		% within Q_6	100.0%	100.0%	100.0%

Source: Authors

Table 3: Showing the Rating of Provision of Houses in Musina

Rating	Frequency	Percent
Very poor	15	38%
Poor	11	28%
Fair	9	23%
Good	5	13%
Excellent	0	0%
Grand Total	40	100%

Source: Authors

analysed outcomes reports that the majority of the people live in RDP houses (55%), followed by formal houses (38%), then other settlements (5%) and only 3% reside in the rural areas/settlements. Cross tabulation with Chi-square (χ^2) test was used to associate the type of settlements respondents live in, with nationality of respondents, $p < 0.05$ was considered significant. Table 2 above shows that there are no differences in the types of settlements locals and foreign nationals reside in. Of those who indicated that they live in formal settlements, 46.7% are RSA nationals and 53.3% are foreign nationals; and of those who reside in RDP settlements, 45.5% are locals and 54.5% are foreign nationals.

Thus, the Chi-square (χ^2) analysis revealed that this did not represent a statistically significant relationship between the two variables in the above Crosstab, ($p > 0.05$) (Table 2).

5.7 Perceptions on the Services Rendered by Musina Local Municipality

This section analyses the participants' views in relation to provision of diverse services by the Musina Local Municipality.

5.7.1 The Service of Provisioning of Housing

Rating of the housing provision service in the town was classified into five categories as shown in Table 3 above. All the respondents responded to this question and 66% of the respondents the Musina housing provision service as "poor to very poor". Twenty-three percent rated it as "fair" and only 13% rated it as "good" whereas none of the respondents rated it as "excellent".

Cross tabulation with Chi-square (χ^2) test was used to associate the rating of the housing provision services by the municipality, with the nationality of

Table 4: Showing the Rating of the Housing Provision Service (Nationality)

			Q_6		Total
			SA Nationals	Foreign Nationals	
Q_9	Very poor	Count	6	9	15
		% within Q_9	40.0%	60.0%	100.0%
		% within Q_6	31.6%	42.9%	37.5%
	Poor	Count	4	7	11
		% within Q_9	36.4%	63.6%	100.0%
		% within Q_6	21.1%	33.3%	27.5%
	Fair	Count	7	2	9
		% within Q_9	77.8%	22.2%	100.0%
		% within Q_6	36.8%	9.5%	22.5%
	Good	Count	2	3	5
		% within Q_9	40.0%	60.0%	100.0%
		% within Q_6	10.5%	14.3%	12.5%
Total		Count	19	21	40
		% within Q_9	47.5%	52.5%	100.0%
		% within Q_6	100.0%	100.0%	100.0%

Source: Authors

respondents, $p < 0.05$ was considered significant. With regards to the rating of the housing provision services Table 4 on the following page shows that, 40% of those who said the service was very poor were RSA nationals, and 60% were foreign nationals. Of those who said the service was poor, 36.4% were RSA nationals and 63.6% were foreign nationals. Of those who rated the service as fair, 77.8% were locals and 22.2% were foreign nationals; whereas of those who rated the service as good, 40% were locals and 60% were foreign nationals.

Chi-square (χ^2) analysis revealed that this did not represent a statistically significant relationship between the two variables in the above Crosstab, ($p > 0.05$), (Table 4).

5.7.2 Other Services Rendered by Musina Local Municipality

Respondents were given 10 statements related to Musina Local Municipality's service delivery and asked to answer "yes" or "no" to the statements. Table 5 on the next page is a summary of the responses to the ten statements related to service delivery in the town. The findings of the survey in Table 5 also shows that the majority (93%) of the respondents had been to Musina Local Municipality. And of those who had been there, 55% were satisfied with the service they were given and the rest indicated that they were not satisfied. Fifty-five percent indicated that the Local Municipalities services were easily accessible, whereas forty-five

percent indicated otherwise. When it comes to the provision of services like running water and electricity, all the respondents (100%) indicated that they had access to such services. Approximately half of the respondents (47%) indicated that they were guaranteed running water all the time. Ninety-five percent of the respondents indicated that the municipality collects refuse on a weekly basis. An area of concern was noted to be the coverage of tarred roads, with 75% of the respondents saying the main roads in their communities were not tarred. Ninety percent of respondents were also of the opinion that the municipality was not able to address migration issues and 38% of the respondents indicated that they had once participated in a service delivery protest. The findings of the study are consistent with the Community Survey of 2007, which pointed out that South Africans believed service delivery was improving. A closer look at the Access to Municipal Services 1996-2007, based on Stats SA (2007) shows that there are tremendous improvements in citizens' access to basic services like water, electricity, sanitation (toilets), water and refuse collection among the most important services.

5.8 Accessibility of Services to Foreign Nationals

A Cross tabulation with Chi-square (χ^2) test was used to associate accessibility of services in Musina Local Municipality with the nationality of respondents. The

Table 5: Showing the Perceptions on Service Delivery by Musina Local Municipality

Statement/Question	Response	
	Yes	No
Have you been to Musina Local Municipality?	93%	8%
If yes, were you satisfied with the service rendered to you?	41%	59%
In Musina Local Municipality services are easily accessible.	45%	55%
Does your residential area have access to running (tap) water?	100%	0%
If the community has running water, are you guaranteed water each time you open the tap (day or night)?	48%	53%
Do Municipal trucks collect refuse or waste on a weekly basis?	95%	5%
Do houses in your community have electricity?	100%	0%
Are all the main roads tarred in your community?	25%	75%
Musina Local Municipality is able to address migration issues.	10%	90%
I have witnessed or participated in service delivery protests in my area.	38%	63%

Source: Authors

Table 6: Showing Accessibility of Services (Nationality Cross Tabulation of Participants)

			Q_6		Total
			SA Nationals	Foreign Nationals	
Q_12	Yes	Count	13	5	18
		% within Q_12	72.2%	27.8%	100.0%
		% within Q_6	68.4%	23.8%	45.0%
	No	Count	6	16	22
		% within Q_12	27.3%	72.7%	100.0%
		% within Q_6	31.6%	76.2%	55.0%
Total	Count	19	21	40	
	% within Q_12	47.5%	52.5%	100.0%	
	% within Q_6	100.0%	100.0%	100.0%	

Source: Authors

$p < 0.05$ was considered significant. Table 6 above illustrates that the accessibility of services was found to be related to nationality. Of those who indicated that the service delivery by Musina Local Authorities was easily accessible, 72.2% were RSA nationals and only 27.8% were foreign nationals. This represented a statistically significant relationship ($p < .05$) between the two variables in the above crosstab.

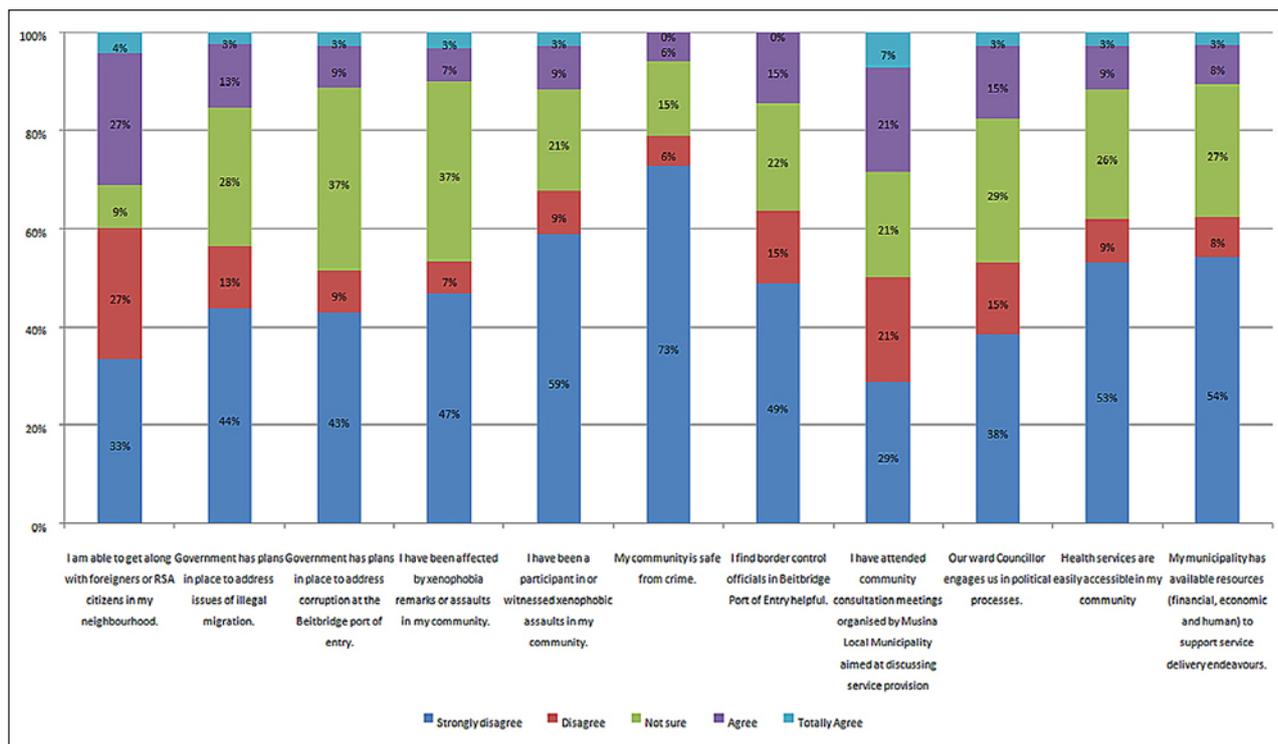
5.9 General Respondents' Perceptions on Service Delivery

Respondents were given eleven statements related to service delivery, relations of locals with foreign nationals and relations of the communities with municipality officials and asked to rate the statements using a five point Likert scale. The responses on the Likert scale ranged from "strongly disagree" as the lowest rating to "totally agree" to show their agreement to the statement. Figure 7 on the next

page is a summary of the responses to the eleven statements related to service delivery, relations of locals with foreign nationals and relations of the communities with municipality officials in Musina.

When questioned if they were able to get along with foreigners or RSA citizens in their neighbourhood, the majority of the respondents (60%) indicated that they were not able to get along with foreigners (for RSA citizens) and RSA citizens (for foreign nationals) in their neighbourhood. When responding to the statement: "Government has plans in place to address issues of illegal migration", only 16% of the respondents agreed/totally agreed to the statement that "the government has plans in place to address issues of illegal migration" and the rest were not sure (28%) and then 57% disagreed to the statement. Only 12% of the respondents agreed/totally agreed to the statement that "the government has plans in place to address corruption at the Beitbridge port of

Figure 7: General Perceptions on Musina Town



Source: Authors

entry" and some of the respondents were not sure (37%) and disagreed (52%). Fifteen percent of the respondents agreed to the statement that border control officials in Beitbridge Port of Entry are helpful. In this vein, some of the respondents were not sure (6%) and the rest disagreed (64%).

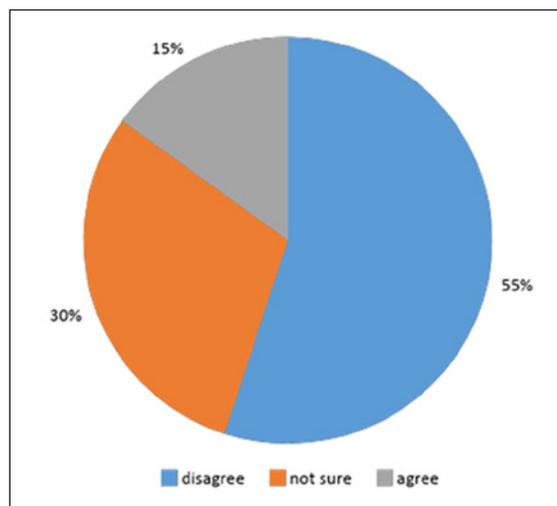
Figure 7 shows that only 12% of the respondents had participated or witnessed xenophobic assaults in their communities and some were not sure (21%) and disagreed (68%). Of concern was the fact that only 21% of the respondents agreed that their communities were free from crime, 6% were not sure and the rest disagreed (73%). Twenty-eight percent of the respondents agreed that they had attended community consultation meetings organised by Musina Local Municipality aimed at discussing service provision and the rest were not sure (21%), whilst the majority never attended (50%). Only 18% of the respondents agreed to the statement that their ward Councillor engages them in political processes and the majority were not sure (29%) and disagreed (53%). Of the forty respondents only 12% said that health services were easily accessible in their communities. Eleven percent of the respondents were of the opinion that the Musina municipality has available resources (financial, economic and human) to support service delivery

endeavours, whilst the majority were not sure (27%) or disagreed to the motion (62%).

5.10 Impact of Xenophobia on Foreign Nationals

The findings of the survey in Figure 8 on the next page indicate that xenophobia was not a major concern in Musina. Fifty-five percent of the respondents "disagreed" because they had been affected by xenophobia remarks or assaults in their communities. Thirty percent said they were "not sure" and fifteen percent of the foreign respondents indicated that they had experienced xenophobia or some form of assault in their communities.

Landau, Ramjathan-Keogh and Singh (2005:17) state that although there are examples of hospitality, tolerance, and South Africans defending non-nationals' rights, there is strong evidence that South Africans are generally uncomfortable with the presence of black non-nationals in the country. Based on a national survey of South Africans Crush (2000:103) argues that intolerance is extremely pervasive and growing in intensity and seriousness. Abuse of migrants and refugees has intensified and there is little support for the idea of migrant rights. Crush (2000:103) argues that only one group of South

Figure 8: Impact of Xenophobia on Foreign Nationals

Source: Authors

Africans, a small minority with regular personal contact with non-citizens is significantly more tolerant, and this could be the case with Musina residents as they are in regular contacts with foreign nationals.

6. Conclusion and Recommendations

This study dwelt on investigating the effects of foreign migration on the delivery of basic services in Musina Local Municipality. Through adopting qualitative research approach questionnaires were employed to gather data from 20 foreign nationals and 20 South African nationals who live in informal settlements of Musina. The study outcomes demonstrate that most of the participants live in formal and RDP settlements though foreign nationals had the highest numbers than South African nationals. In relation to provision of housing, both South African and foreign nationals viewed the service as very poor. Most South Africans confirmed that they were not participants in xenophobic attacks though they have been negatively affected by this event in their communities. Furthermore, both South African and foreign nationals expressed that the government does not have adequate financial resources and policies in place to address illegal immigration, corruption and adverse health-related issues. Further studies could focus on surveys conducted at provincial and/or national level as this study results cannot permit generalization at these capacities. Migration has various implications to receiving municipalities, and Musina being a border town is subject to a high volume of migrants residing on both a short and long-term basis. As migrants enter Musina they increase the demand for services which the

municipality did not have in their IDP's. Based on the findings of the study, the following is recommended.

6.1 Co-Ordination of Roles Played by Local and Central Governments

There seems to be some fragmentation and confusion on the roles of municipalities and national government in dealing with and management of migrants, particularly with regards to service delivery. While border control and the provision of documentation are obviously national competencies, the nature of their implementation impacts on the range of benefits and rights individuals may enjoy at their place of residence or work. Undocumented migrants in informal settlements pose a specific challenge for municipalities. The illegality of their stay in the country or the informality of their residence in a locality should not deprive them of certain basic rights. As such, local government should be given a significant role to play to effectively manage migration and service delivery to migrants. It is thus recommended that initiatives to guide municipalities on how to proceed in developing and implementing policies and strategies to that effect be developed.

6.2 Training of Municipality Personnel

It is recommended that Musina Local Municipality be allocated resources and special training to its personnel to initiate modern data collection systems on migration and migrant communities. This includes the establishment of dedicated capacity to deal with migration, such as Migrant Desks. Local authorities also need to be trained to enable them

to understand population dynamics, particularly for migrants and use the population data for their planning and programming. This will promote a more holistic view of human mobility and facilitate the technical expertise to collect, interpret, manage and incorporate population data into planning.

6.3 Border Control

It is of utmost importance that the national government effectively and urgently protect South Africa's borders and points-of-entry, particularly the Beitbridge border post. South African borders must be managed effectively to ensure that all migrants entering the country are appropriately documented. This will enable municipalities like Musina Local Municipality to account for all the migrants within their jurisdiction and to accommodate them more effectively.

6.4 Documentation for Foreign Nationals

The national government should make it easier to regularise the residency and legality of non-South African citizens. Problems of endemic corruption within the Department of Home Affairs, local municipalities and within some relevant divisions of the SA Police Service need to be urgently dealt with. Regularisation of non-South African citizens will make it easier for them to access basic services and for the municipality to account for them in their planning and service delivery.

6.5 Improve Law Enforcement and Combating Crime

Crime is one of the major problems which were recorded in this study. Organised criminals have apparently been opportunistic in taking advantage of the vulnerable, further deepening tensions and grievances. People living in South Africa illegally are vulnerable to coercion and violence. It is therefore imperative that any bid to improve community relations needs to be partnered by a serious and a dedicated project to tackle crime.

References

Babbie, E. 2007. *Practice of Social Research*. Belmont: Thomson Higher Education.

Bryman, A. & Cramer, D. 2001. *Quantitative Data Analysis with SPSS Release 10 for Windows: A guide for Social Scientists*. New York: Routledge.

Consortium for Refugees and Migrants in South Africa. 2009. Protecting refugees, asylum seekers and immigrant in South Africa.

Creswell, J.W. 2013. *Research Design: Qualitative, Quantitative and Mixed Methods Approach*, 4th ed. Thousand Oaks, CA: Sage Publications.

Crush, J. 2000. The dark side of democracy: Migration, xenophobia and human rights in South Africa. *International Migration*, 38(6):103-133.

Davis, A. 2010. Fear, dislike and hate: What constitute xenophobia? An analysis of violence against foreigners in the De Doorns. South Africa

De Vos, A., Strydom, H. & Fouche, C. 2005. *Research at Grass Roots for Social Sciences and Human Services Professions*. 3rd ed. Pretoria: Van Schaik.

Ganda, F., Ngwakwe, C.C. & Ambe C. 2017. The determinants of corporate green investment practices in the Johannesburg Stock Exchange (JSE) listed firms. *International Journal of Sustainable Economy*, 9(3):250-279.

IDASA. 2010. Surviving on the move: migration, poverty and development in South Africa. Idasa Publication. *International Migration and Multicultural Policies*, Available at: http://www.unesco.org/most/migration/glossary_migrants.htm. Accessed on 3 March 2015.

IRIN Africa. 2012. Police target foreign traders in Limpopo, Available at: <http://www.irinnews.org/fr/report/96130>. Accessed on 26 July 2012.

Kumar, Ranjit. 2011. *Research Methodology: A step-By-Step Guide for Beginners*, 3rd ed. London: Sage Publications.

Landau, L.B., Ramjathan-Keogh, K. & Singh, G. 2005. Xenophobia in South Africa and Problems Related to it. Background paper prepared for open hearings on Xenophobia hosted by the Human Rights Commission with the Portfolio Committee of the Departments of Foreign Affairs and Home Affairs.

Limpopo Department of Social Development. 2012. *Cross-Border Migration and Access and Utilization of Health and Social Services in Limpopo Province*.

Meda, L. 2014. The mist that they declared to be over is still around: Xenophobic experiences of refugee children living at the community Centre in South Africa. 15(2):72-82

Ngomane, T.S. 2010. The Socio-economic Impact of Immigration in South Africa: A Case Study of Illegal Zimbabweans in Polokwane Municipality in Limpopo Province. Unpublished Master's thesis. Polokwane: University of Limpopo.

Nleya, N. 2011. Linking service delivery and protest in South Africa: An exploration of evidence from Khayelitsha. *Africanus*, 41(1):3-13.

Olago, S.M. 2011. Migration out of Poverty-Responding to Human Mobility: Is Local Government set up for failure? Johannesburg: University of the Witwatersrand.

Ramathetje, G.T. & Mtapuri, O. 2014. A dialogue on Migration: Residents and Foreign Nationals in Limpopo, South Africa. *Mediterranean Journal of Social Science*. 5(8):573.

- Salgado, I. 2013. Service delivery protests-a wake-up call for South Africa: Africa-wide-monitoring economies. *Africa Conflict Monthly Monitor*, pp.15-18.
- South Africa Auditor General Report. 2012. Auditor general report. AG: South Africa.
- South African Local Government Association. SALGA. 2009. The effects of migration and urbanization on local government. Presentation to COGTA.
- South African Local Government Association SALGA. 2013. The impact of migration on municipal governance and the role that municipalities can progressively play in managing migration. Available at: http://www.salga.org.za/app/webroot/assets/files/Research_Results/Service_Delivery_Protests_and_Migration.pdf. Accessed on 7 December 2015.
- The Constitution of the Republic of South Africa*. 1996: S 26 (1), S 27 1(b), S 152(a), S 153, S 156 (1)(a), S 84 (1-2) and S 85.
- The Department of Co-operative Governance and Traditional Affairs. 2013. Urbanisation and Migration Patterns in KwaZulu-Natal: An Investigative Study. Policy and Research.
- Umezurike, S.A. & Iske, C. 2013. An analysis of the opinions of African immigrants on service delivery by the Department of Home Affairs, South Africa. *Inkanyiso, Journal of Human and Social Sciences*, 5(1):53-55.
- Welman, C., Kruger, F. & Mitchell, B. 2005. *Research Methodology*. Cape Town: Oxford University Press.

Municipal Financial Viability and Sustainability in South Africa: A Case of Molemole Local Municipality, Limpopo Province, South Africa

KA Moloto*

Gauteng Provincial Government, South Africa

MX Lethoko

University of Limpopo, South Africa

Abstract: The purpose of the research is to determine if rural municipalities are financially viable and capable to sustain itself in the provision of services from the available financial resources. The study deployed both qualitative and quantitative method and research data was collected from the questionnaires, interview schedule, analysis of documents such as the municipal budgets, annual financial statements, auditor general reports, municipal annual reports, Provincial and national treasury reports as well as key observations during the data collection process. Financial viability is fundamental in the provision of services within local government on the basis that municipalities are substantially financed by means of own resources. However, the low rate of collection and unfavourable socio-economic conditions of households weaken the capability of municipalities to sustain themselves in the provision of services from the available financial resources. The study confirmed that service delivery in rural municipalities is below the accepted levels according to citizens' expectations. The municipalities are providing basic services such as water, sanitation, refuse removal and electricity however community members are not satisfied with the level and quality of those services. Because citizens deemed the provision of these services as unsatisfactory and of poor quality, they have resorted in not paying for their municipal services. This non-payment of services by citizens, pose a huge challenge in a municipality to provide services in a sustainable manner. Non-payment of services also pose a threat on financial viability of the municipality because the municipality can't recover any costs associated to the provision of services. Municipalities experience financial viability challenges that are perpetuated amongst others by operational issues such as financial management capacity within municipalities. Financial management capacity is dependent on factors such as, skills and competency levels of finance officials in relation to financial management practices and overall compliance to good governance. The capacity and expertise of officials dealing with revenue management contributes to the existing challenges of revenue management and collection because they are not providing any strategies to curb this existing revenue management and collection challenges. Households are the biggest contributor of municipal debts in rural municipalities. This is due to high level of indigents, high level of unemployment and culture of non-payment which make it difficult for municipalities to provide services in a sustainable manner. Household's socio-economic challenges such as poverty and unemployment have a direct impact on payment of municipal services. These socio-economic challenges make consumers to struggle to pay their municipal accounts and depend on reliefs the municipality is providing for indigents. These reliefs are subsidized by the equitable share from the national government. Municipality continue to perform functions on behalf of other state institutions without any funds associated to them and such functions are not included in the powers and functions allocated to them by the constitution or any legislation. Such services included the libraries and licensing services and are exerting pressure on municipal budgets because municipalities perform them on behalf of the provincial government.

Keywords: Annual financial statements, Financial Viability, Municipal annual reports, Municipal budgets

1. Introduction

Molemole Local Municipality was preferred for this study because it is one of the rural municipalities in Limpopo Province that is deemed to be highly

dependent on government grants, has a low tax revenue base, perceived to be characterized by poor financial management and most of their residents live under the traditional authorities which are not subjected to assessment rates and other

* The Author is a Masters student at the Turfloop Graduate School of Leadership

municipal services. These challenges gave reason to determine if Molemole municipality is financially viable and whether it will be able to sustain itself in the long run in the provision of services. Financial viability is fundamental in the provision of services within local government on the basis that municipalities are substantially financed by means of own resources. However, the low rate of collection and unfavourable socio-economic conditions of households weaken the capability of municipalities to sustain themselves in the provision of services from the available financial resources. The study contained three objectives which were (1) to analyse the institutional capacity of Molemole Local Municipality in collecting and managing its own revenue, (2) to determine the systems put in place to ensure financial viability and sustainability of Molemole municipality and (3) to propose possible solutions for the improvement of financial viability and sustainability in Molemole Municipality.

2. Financial Viability

Financial viability is an important concept to determine the ability of the municipality to provide services. In order for municipalities to be financially viable it is important that they have a relatively resilient and sustainable economic base where people are working and earning living wages, and businesses, large and small, are facilitating the steady exchange of goods and services (Ramphela, 2008:4). Without a strong and sustainable economic base, municipality will struggle to fulfill its constitutional and legislative responsibilities. Municipal financial viability is key in the sense that municipalities are legally authorized to levy taxes and charge for the services that they provide. This permits the municipality to cover its costs in providing such services. However, a challenge arises when payment for such delivery is not made. This affects the financial viability of a municipality and the sustainability of provision of service. According to the Municipal Viability Self-Assessment toolkit (2009:9), municipalities with a sound financial base are able to provide services at affordable rates to the ratepayer. Charging affordable rates for consumer services creates a strong municipal finance, which can directly translate into growth. Municipalities which are not financially viable are at risk of providing services since financial viability is an unavoidable element which is directly linked to service delivery (Kanyane, 2011:936). Viability and sustainability are fundamental factors in municipal service delivery

if local government is to address its development role effectively (Sing, 2003:879).

3. Factors Affecting Municipal Financial Viability and Sustainability

Financial viability is generally defined as the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels. According to Kanyane (2011:936), financial viability means government can meet its expenditure out of revenue, without depending on government grants and borrowings. The MBD (2003:1) is of the view that municipal boundaries, and the division of municipal powers and functions, are important factors which may influence municipal viability. However, for the purpose of this study factors such as municipal finance capacity, municipal revenue management and collection, household socio-economic conditions and performance of non-core functions or un-funded mandates will be discussed as factors affecting municipal viability will be discussed.

3.1 Municipal Financial Management Capacity

Many municipalities in South Africa experience financial viability challenge that are perpetuated, amongst others, by operational issues such as financial management capacity within municipalities. Financial management capacity is dependent on factors such as, the skills and competency levels of finance officials in relation to financial management practices and overall compliance with good governance.

The Local Government Budgets and Expenditure Review (2011:128) maintains that the lack of adequate institutional capacity is often cited as one of the main reasons for poor municipal performance. The State of Local Government Finance and Financial Management Report (2013:7) cites that the main challenge experienced by the local government is the public expectation that key personnel in municipalities must have the necessary skills, experience and capacity to fulfill their responsibilities. INCA (2011:12) states that municipalities need skilled managers with leadership abilities to promote good cooperative governance. This argument is supported by the Auditor General South Africa (AGSA) in a General Report on the Audit Outcomes of Local Government in Limpopo (2014/2015), which reported that the shortage of relevant skills in the management of municipal finances contribute adversely to promoting good governance

in municipalities. Challenges in local government are influenced mostly by the fact that municipalities are normally not spending enough to enhance the capacity of employees INCA (2011:11). In contrast to the above sentiments by INCA, the National Treasury (2011:1) indicates that, being mindful of capacity constraints, the National Treasury has since 2003 supported municipalities through a number of initiatives to build sufficient strategic management capacity in the local government sphere. Despite the above views of municipalities not functioning well due to inadequate training of municipal officials, the State of Local Government Report (2009:22) argues that the reason municipalities are not functioning effectively is due to failure to attract skilled personnel because of low revenue base. Here, labour relations, human resource development and skills development are usually inadequate, and thus a disincentive for qualified professionals to remain. However, Motebang (2004:21) indicates that in trying to address this challenge, the government has introduced a policy directive that has been adopted through the Integrated Sustainable Rural Development Programme. The initiative is evidence of government's commitment towards improved service delivery, especially in rural areas. What is lacking is the integration and coordination of resources among all spheres of government and a greater support of capacity to local government.

On the other hand, municipalities still struggle to comply with current management systems. Audit reports are commonly poor in most municipalities because of inability to manage annual financial statements and the systems described in the MFMA. The financial environment is challenged by a poor skills base and weak control system (The State of Local Government Report, 2009:54). Accountability and the financial control environment are compromised in municipalities when the position of accounting officer and/or the chief financial officer is vacant. That can have a negative impact on the financial viability of the municipality. The South African Local Government Association (SALGA) (2010:84) indicates that the high turnover of chief financial officers in municipality has an adverse impact in the functioning of finance departments. The General Report on the Audit Outcomes of Local Government (2014-2015:9) highlights that 250 or 92% of municipalities used consultants to assist them either with financial reporting or the preparation of performance information. This is supported by the State of Local Government Finance and Financial Management

Report (2016:10) which further states that the use of these consultants indicates a lack of stability in administrative leadership of the municipality and can threaten the financial health.

3.2 Municipal Revenue Management and Collection

Generally, municipalities should largely generate their revenue to meet service delivery objectives. For municipalities to generate own revenue, they must maintain a sound tax revenue base and put in systems to manage and collect generated revenue from property rate taxes and charges for providing water, electricity, refuse removal, sanitation and other services. Kanyane (2011:935) states that key challenges which confront rural municipalities to generate own revenue are a low revenue base and a culture of nonpayment. These have the potential to weaken the financial viability of municipalities. The Constitution of the Republic of South Africa of 1996 provides for municipal powers and functions and enables municipalities to charge for services rendered, to collect money due and to levy interest on outstanding amounts. The Local Government Municipal Systems Act, sections 12 and 13, deals extensively with municipal legislative processes, particularly the passing and publishing of municipal by-laws in a provincial government gazette. The municipal by-laws are legally required to give effect to decisions taken by the municipal Council (MFMA Circular 64 of 2012).

Total debtors of 278 municipalities at the end of the fourth quarter of 2015/16 amounted to R113.5 billion, a R7.5 billion increase from the 2014/15 financial year. Households made up the bulk of total debtors (The State of Local Government Finance and Financial Management Report 2015/16:18). The report also highlights that municipality's failure in collection of debts results both from municipal council not supporting revenue enhancement programmes and inadequate administrative capacity for revenue collection. Revenue collection in municipalities has become a major challenge because of increased debt owed to the sector in recent years. This compromises a municipality's fiscal position and thus increases the risk of financial viability. According to Kanyane (2011:939), these collection challenges in municipalities are attributed to a poor recording system, or lack thereof, of who should actually be paying the rates; an excessive number of indigent people; ratepayer boycotts aggravated by the culture of non-payment; accounts not sent

to debtors or sent to the incorrect address; and consumers not willing to pay for services utilised.

These challenges highlighted by Kanyane are contrary to section 64 of the Municipal Financial Management Act (MFMA), which requires the Accounting Officer of the municipality to ensure that the municipality maintains effective systems of revenue collection. This means the Municipal Systems Act, 2000 (Act 32 of 2000) is also not adhered to, because chapter 9 outlines systems which deal with a credit control and debt management system.

3.3 Households' Socio-Economic Conditions

Rural municipalities are still confronted by key socio-economic challenges. Poverty levels and unemployment are high and major socio-economic factors threaten the financial viability of municipalities (Financial Fiscal Commission (FFC) 2013:23). According to the State of Local Government Report (2009:57), many municipalities are not in a position to meet their developmental mandate due to an inadequate economic base or high levels of poverty and unemployment. High level of indigency and the culture of non-payment impact hugely on their financial viability. De Wet (2004:8) avers that one of the major predicaments confronting the local government sector currently is the collection of the revenue raised for services rendered to various consumers. Many municipalities lacking a tax base, short of an Equitable Share and with a weak revenue base simply cannot leverage the funds they need for even moderate municipal functionality. Kanyane (2011:939) lists an excessive number of indigent people within a municipality as one of the major challenges towards municipal revenue collections.

The level of economic activity in a municipal space influences the financial viability of the area. A municipality with a high level of economic activities will be more likely to raise its own revenue through property rates and service charges. On the other hand, a municipality with a low economic base will struggle to be financially viable and will more likely depend on government bailout through grants (SALGA, 2010:4). These sentiments are also supported by Kanyane (2011:936), who echoes that rural municipalities have a low economic base, and are highly dependent on grants to a level that, if grants were withdrawn, most municipalities will close shop. It can therefore be argued that the relative proportions of low and high-income households living in a municipality give

an indication of the revenue generation capacity and the financial viability of municipalities.

3.4 Performance of Non-Core Functions or Unfunded Mandates

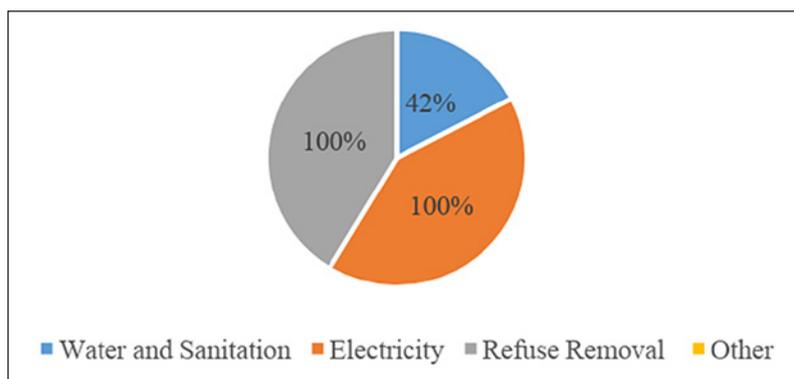
Sections 44, 104 and 156 (read with Schedules 4 and 5) of the Republic of South Africa Constitution (1996) allocate powers and functions to the three spheres of government. Provinces have concurrent powers in functional areas listed in Schedule 4 (shared with the national government) and exclusive powers with regard to Schedule 5 matters. Municipalities have powers in respect of the functional areas listed in Schedules 4B and 5B. An unfunded/underfunded mandate exists when a sphere of government performs functions without any funds allocated to executing such functions. The Financial and Fiscal Commission (2011:1) states that municipalities perform functions that are not included in the powers and functions allocated to them by the Republic of South Africa Constitution (1996) or legislation. The Financial Fiscal Commission (2011:2) further refers to these unfunded/underfunded mandates as housing, health care services, roadworks, libraries and museums, because these are functions assigned by provinces to municipalities without the necessary funding. Funding the delivery of such services will therefore, require a municipality to finance them from their limited own generated revenue. This will have an adverse impact on the financial viability of the municipality, as such functions are performed at no cost recovery or a funding allocated to them. The Financial Fiscal Commission (2011:1) in their study on unfunded mandates found that municipalities perform functions on behalf of provinces but do not receive the necessary funding. In most cases the unfunded mandates affect a municipality's ability to deliver services. In terms of unfunded mandates, the Financial Fiscal Commission (2011:2) reports that of the six metros, the City of Johannesburg spent the largest amount on unfunded mandates: R1,126 billion in 2008/09 and R1,203 billion in 2009/10; eThekweni Municipality followed, spending R945 million in 2008/09 and R917 million in 2009/10.

4. Research Methods

4.1 Study Area

The study was conducted in Molemole Local Municipality, located in Limpopo Province under the Capricorn District. The neighbouring local

Figure 1: Provision of Municipal Services



Source: Authors

municipalities forming the Capricorn District Municipality are Blouberg, Aganang, Lepelle-Nkumpi and Polokwane Municipalities. Molemole Local Municipality's head office is located approximately 60 kilometres to the north-west of Polokwane City, the provincial capital. Molemole has a population of 106,979 people. The majority of the population within the municipal jurisdiction is comprised of black Africans (98.1%) with a minority of whites, Indians and coloureds, which equates to only 1.9% of the population. The municipality has a population density of 31.9 persons per square kilometre, in comparison with 75.1, 43.2 and 40.9 of the district, provincial and national governments (Molemole, 2017/2018:32).

4.2 Sampling

The strategy used was a purposive sampling, which choose information-rich cases that manifest the phenomenon of interest intensity (Patton 1990:171, cited in Oka & Shaw, 2000). This study selected participants using purposive sampling for interviews because the researcher selected participants who are informed about the topic. The study further deployed a random sampling for a questionnaire developed for residence/consumers. These were used because the researcher wanted to get a residents' perception on the provision of services by the municipality.

4.3 Data Collection

The researcher deployed both the primary and secondary data. Secondary data (scrutiny of documents) refers to the data that is available in published documents while primary data (questionnaires and interviews) refers to the data obtained from the original sources (Hanekom, 1987:28). Data was collected from the questionnaires, interview

schedule, analysis of documents such as the municipal budgets, annual financial statements, auditor general reports, municipal annual reports, Provincial and national treasury reports as well as key observations during the data collection process.

5. Findings and Discussions

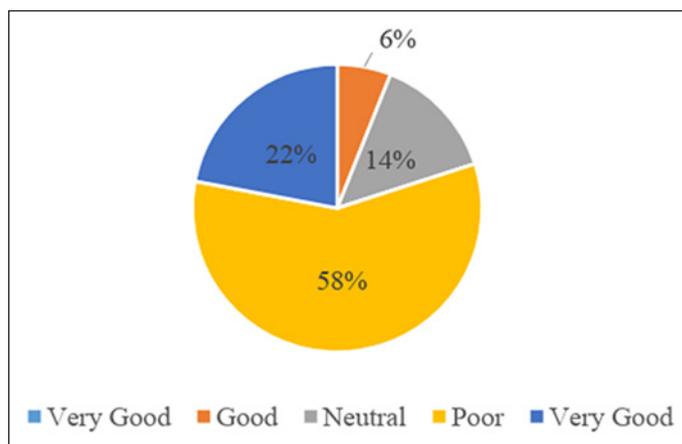
5.1 Provision of Municipal Services

Figure 1 indicates provision of municipal services to respondents as 21 (42%) water and sanitation, 50 (100%) Electricity, and 50 (100%) Refuse Removal. The municipality still lives up to its constitutional obligation by providing basic services such as Electricity and Refuse removal. However, the municipality still faces challenges in the provision of Water and Sanitation with only 42% of respondents receiving that service from the municipality. This means that there is an expected pressure on the provision of water and sanitation.

5.2 Rating of Municipal Services

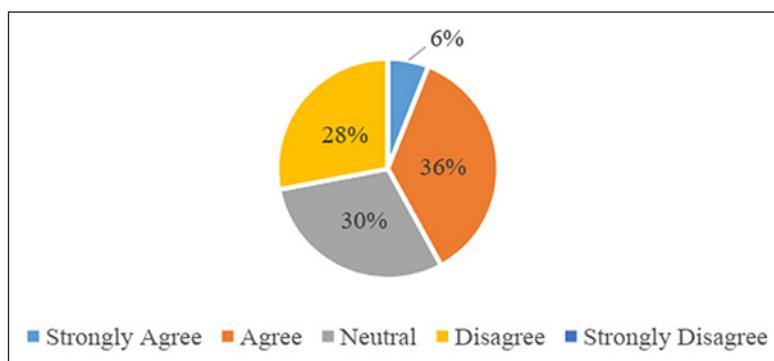
The ratings of provision of municipal services by respondents are presented in Figure 2 on the next page. The ratings used ranges from good and very good and neutral and poor and very poor. This indicates 0 (0%) as very good, 3 (6%) as good, 7 (14%) as neutral, 29 (58%) as poor and 11 (22%) as very poor. The provision of services in Molemole is deemed poor because 58% and 22% of respondents rated services as poor and very poor respectively. The South African Press Association (SAPA, 2009) reported that residents in Molemole municipal marched in protest against the municipality for poor service being delivered by the municipality. Because respondents deemed the provision of these services as unsatisfactory and of poor quality, there is the

Figure 2: Rating of Municipal Services



Source: Authors

Figure 3: Participation in IDP/Budget Process



Source: Authors

possibility that they might resort to not paying for them. This non-payment can pose a huge challenge to a municipal’s financial viability.

5.3 Payment of Municipal Services

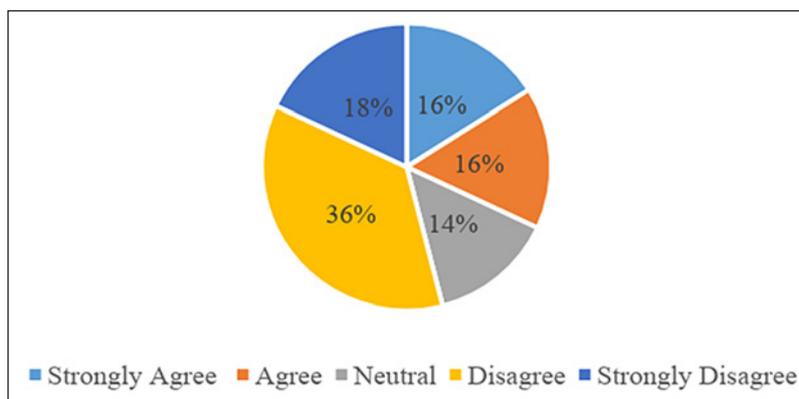
The respondents were asked if they pay for their municipal services and 50 participants responded. Twenty-one (42%) indicated that they pay for consumption of municipal services and twenty-nine (58%) indicated that they do not pay for consumption of municipal services. The following are reasons raised by respondents on non-payment of municipal services, the services provided by the municipality are unsatisfactory and of poor quality, during the community meetings held by councillors, it was indicated the residents should not pay for municipal services, some respondents indicated that they have a challenge in interpreting municipal accounts, municipal services are expensive and unaffordable, six (12%) of respondents indicated that they are unemployed and indigent and no accountability on usage of municipal resources

5.4 Governance and Finance

Figure 3 above shows respondents’ agreement or not with participation in the municipal IDP/budget process matters. The rating was the following: Three (6%) Strongly Agree, 18 (36%) Agree, 15 (30%) are Neutral and 14 (28%) Disagree. No one (0) Disagreed Strongly. The 14 (28%) respondents who disagreed that the municipality involves them in the IDP/ Budget processes mentioned that the municipality can only afford unemployed people to participate in the process because meetings are arranged while people are at work and most of the comments made during such meetings are not factored into the final IDP/budget document.

Figure 4 on the following page shows participants’ agreement or not, with municipal officials having skills and knowledge in managing municipal finances. Eight (16%) Strongly Agree, 8 (16%) Agree, 7 (14%) are Neutral, 18 (36%) Disagree and 9 (18%) Disagree Strongly. The 18 (36%) and 9 (18%) who disagree and strongly disagree that the municipal officials have

Figure 4: Skills of Municipal Official in Managing Municipal Finances



Source: Authors

skills and knowledge to manage municipal finances provided the following reasons in no particular order:

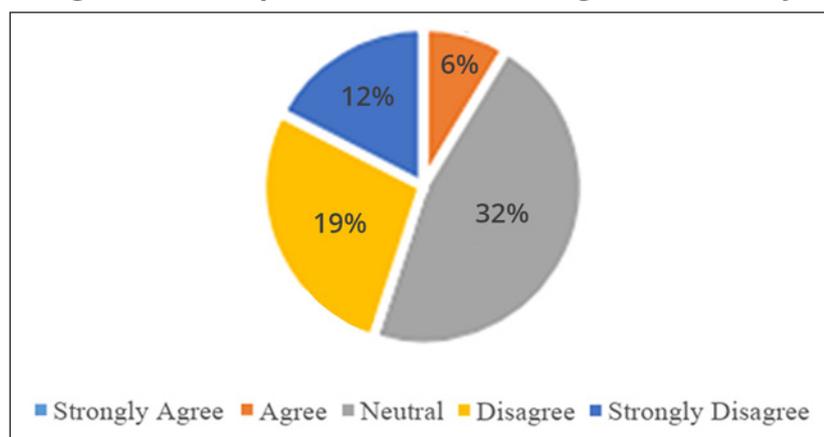
- The Municipality is experiencing poor service delivery and that can be attributed to lack of skills and knowledge in managing municipal finances.
- The small size and rural nature of the municipality make it difficult to attract skilled and competent people.
- Nepotism in the appointment and recruitment process make it difficult for the municipality to appoint skilled and competent people.
- The political nature of municipality makes it difficult for the municipality to appoint people with skills and knowledge in managing municipal finances.
- The Municipality is not getting clean audits from the AGSA.
- The Municipality is incurring Unauthorised, irregular and fruitless expenditure.

The respondents were asked if the municipality makes an effort to stimulate the local economy by promoting LED and 50 participants responded according to Figure 5 on the following page. None of the respondents strongly agreed, three (6%) Agreed and Sixteen (32%) were Neutral, while nineteen (38%) Disagreed and Twelve (24%) Strongly Disagreed. Thirty (60%) respondents indicated that the municipality is not making any effort in stimulating the local economy because it fails to attract investors and most businesses are closing

down and moving to neighbouring towns such as Bochum because the economy in Molemole is not growing. Thirty-five (76%) respondents mention that unemployment in the area is high and local businesses are not supported. That is evidence that the municipality is not playing its role in promoting local economic development. Twenty-eight (56%) respondents indicated that local economic development programmes in the municipality are not visible even though the municipal structure has made provision for LED positions. Furthermore, the municipality normally hosts LED summits and invites relevant stakeholders but they don't implement any resolutions taken at such forums.

5.5 Understanding Financial Viability and Sustainability

The study used a semi structured interview schedule for the municipal manager and four directors. The schedule had six sections from Section A to F consisting of thirty-five questions. In summary, the understanding demonstrated by five (5) respondents on financial viability and sustainability is mutual. The important aspect indicated by respondents to financial viability and sustainability is the ability of the municipality to provide services according to its mandate, to charge affordable rates for such services and being able to collect what they have charged for those services over a certain period. Respondent 3 further indicated that a financial viable municipality means the municipality must be able to provide on its operational and capital activities as per the approved annual budget without any disruption. While, respondent 5 indicated that the Municipality that has financial resources and does not have cash flow challenges to meet its service delivery obligations is likely to be financially viable. These responses

Figure 5: Municipal Efforts in Stimulating Local Economy

Source: Authors

also indicate that there is a relationship between financial viability and provision of municipal services, with respondent 1 mentioning that if the municipality is financially viable it means that the municipality has required the means to meet its service delivery obligation. Respondent 4 supported the assertion and further demonstrated that when the municipality provides services that satisfy residents, they will in return pay for such services and that will make the municipality financially viable.

All five (5) respondents agreed that Molemole local municipality is not financially viable citing reasons such as, grant dependency, high unemployment that leads to non-payment of municipal services, a high indigence rate and low economic activities. Respondent 3 indicated that "Our municipality is predominantly rural and this leads to low turnout on investment". This poses a huge challenge in terms of the viability of the municipality because most people remain unemployed and struggle to pay for their municipal services. Respondent 2 highlighted that the municipality depends heavily on grants for provision of services and that in turn impacts negatively on the sustainability of the municipality in the provision of services. Respondents were asked about the role they play in influencing financial viability and sustainability in the municipality. All five respondents recognized that they have a role to play in influencing financial viability and sustainability. Respondent 1 mentioned that as head of administration for the municipality, he can assist in strengthening municipal systems to generate and collect revenue while respondent 4 indicated that if, as finance officials, they can provide prudent financial management skills in managing municipal finances, Molemole will improve its financial viability.

The question on the role of municipal leadership (i.e. the councillors) in making Molemole municipality financially viable was also asked. Respondents 1 and 2 indicated that councillors as law makers in the municipality, should pass policies and by-laws which will promote the municipality and attract investment. That will get most community members employed and participating in the local economy. When people are employed they will pay municipal services and the municipality's indigent register will decrease. As a result, the municipality will be financially viable. Respondent 5 indicated that the key role of councillors in promoting Molemole's financial viability and sustainability is to conscientise community members about the importance of paying for municipal services. The respondents were asked if the municipality has systems in place to make the municipality financially viable and sustainable and if those systems yielded the desired results. Three (3) respondents confirmed that the municipality has no systems in place to make the municipality financially viable and sustainable. While two (2) respondents indicated that the municipality has systems such as the installation of pre-paid electricity meters, providing consumers with discounts on old debts to increase revenue collection, addressing financial management deficiencies raised by the Auditor General and establishment of a committee for revenue generation. However, they all indicated that the systems didn't yield desired results.

5.6 Municipal Financial Management Matters

Respondents were asked questions about financial management matters in Molemole. These questions seek to know and understand municipal budgeting issues, if the municipality depends on grants, skills

levels and competencies of municipal officials, the audit opinion by the auditor general, whether strategies are in place to curb wasteful expenditures and for maintenance of municipal infrastructure. Five (5) respondents indicated that the municipality does not have sufficient resources to cover all community needs. Respondents one (1) and five (5) indicate that over 75% of municipal budget is financed through grants. They also mentioned that the municipality is heavily dependent on grants. Four respondents (4) concurred and indicated that without grants the municipality cannot function satisfactory because of its rural nature and low revenue streams. Kanyane (2011) confirmed the views of respondents by mentioning that rural municipalities are not favourable towards the expansion of the municipal revenue base as most of them are on the municipal indigent register and therefore depend more on grants and free basic services from the municipality.

Regarding the question, do municipal officials receive training on how to manage municipal finances, 5 (100%) respondents indicated that the officials receive training from various institutions of government including the National Treasury, but mentioned that the training is still not adequate. They also indicated that in the 2016/2017 financial year the municipality received an unqualified audit opinion from the auditor general but they couldn't confirm any relationship between the unqualified audit and the training they received from government. The respondents mentioned that finance related findings such as Compliance with SCM regulations and issues around irregular, fruitless and unauthorised expenditures prevented the municipality from receiving a clean audit. These views are also shared by the General Report on the Audit Outcomes of Local Government in Limpopo (2014/2015), which reported that the shortage of relevant skills in the management of municipal finances contribute adversely to promoting good governance in municipalities.

On the employment of consultants in the finance unit to build capacity, 5 (100%) of respondents agreed that the municipality use consultants. Three (60%) respondents indicated that the consultants are not effective in building capacity in the municipality, citing that municipal officials depend on them every financial year on the preparation of annual financial statements. This supports the views in the General Report on the Audit Outcomes of Local Government (2014-2015:9), which indicate that

250 or 92% of all municipalities used consultants to assist them either with financial reporting or with the preparation of performance information. Two (40%) respondents emphasised that the consultants are effective in building capacity within the finance unit because they make sure that municipal officials own up to the work performed in their respective components and they involve the officials in the process of preparing financial statements. Three (60%) respondents indicated that the municipality have strategies in place to curb wasteful and unnecessary expenditure bills. Such strategies include: a system of internal control (i.e. Standard Operating Procedures in making payments), implementation of consequence management on transgression of MFMA and other legislations governing municipal finances. Two (40%) respondents indicated that they are not aware of any strategies in place to curb wasteful and unnecessary expenditure bills. Respondents were asked about what strategies are in place to ensure that the current infrastructure and equipment of the municipality are well maintained and managed to generate future returns. Four (80%) respondents indicated that the municipality has appointed a service provider to compile asset management plan that will assist estimating correct provision in the budget for repairs and maintenance of assets. One (20%) respondent referred the question to the CFO.

5.7 Revenue Management and Collection

In brief, the section asked respondents about revenue management and collection matters in Molemole municipality. These questions ranged from policy development to implementation, Molemole's tax base to raise revenue, the municipal revenue collection rate, the municipal collection rate, skills and knowledge of officials of management and collection of revenue and the introduction of strategies by the municipality to enhance its revenue. Five (100%) respondents indicated that the municipality has revenue management and collection policies and by-laws in place. However, those policies and by-laws are not effectively implemented. Respondents (5) also highlighted that the municipality experiences revenue management and collection challenges and those challenges result in a low collection rate. These challenges are attributed to non-payment of municipal services, the low revenue base because of high unemployment in the municipality, high indigence rate and lack of viable strategies in persuading consumers to pay their accounts. Respondents 1, 4 and 5

indicated that the municipal collection rate average is at 30-40%. Respondent 1 and 2 pointed out that the failure of the municipality to collect revenue and the lack of strategies to persuade consumers to pay their accounts is because of the lack of skills and knowledge of officials in the revenue unit. Respondents were asked about the debtor's category which is the highest contributor to the municipal debtor's book. Five (100%) respondents mentioned that the household/resident's category is the highest contributor. The respondents (5) also indicated that the municipal council approved the revenue enhancement strategy but that the strategy was never implemented and needed to be reviewed. Respondent 4 further deemed the strategy to be ineffective.

5.8 Socio-Economic Condition Matters

Under the socio-economic matters the respondents were asked questions related to socio-economic conditions of households (i.e. whether poverty and unemployment have an impact on the payment municipal services, and if the municipality has an approved indigent register and how indigent households are provided for in the municipal budgets). Five (100%) respondents agreed that household's socio-economic levels (i.e. poverty and unemployment) have a direct impact on the payment of municipal services. Respondent 2 mentioned that "because of our municipality's poverty and unemployment levels, most consumers are struggling to pay their consumer accounts and depend on reliefs the municipality provides for indigents". Respondents (100%) further confirmed that the municipality has an approved indigent policy. Respondent 5 indicated that around 3% of the total municipal budget is allocated for the indigent.

5.9 Performance of Non-Core Functions and Unfunded/Underfunded Mandates

This section covered questions on the performance of non-core and unfunded/underfunded mandates by the municipality. Respondents were asked if the municipality performs such mandates, lists such services and provides an estimated cost for those services. Five (100%) respondents indicated that the municipality does perform functions on behalf of other state institutions without any funds associated to them and performs functions that are not included in the powers and functions allocated to them by the constitution or any legislation. Respondents made mention of services such as libraries and licensing

services which they perform on behalf of the provincial government. None (0%) of the respondents could provide an estimated cost of those services.

5.10 Governance and General

In summary, the governance and general section covered questions related to whether the key managerial posts in the municipality were vacant for a substantial amount of time, the impact of the Division of Revenue Act (DORA) allocation on financial viability challenges in rural municipalities, the system of public participation and general issues affecting municipal financial viability and sustainability. Five respondents (100%) indicated that in the past financial year (2016/2017) the position of the municipal manager was vacant, but with different officials appointed to act. Respondents emphasised that since the municipal manager is accountable for the overall management of municipal finances and decision making in the municipality, when the position became vacant it had an adverse impact on the functioning of the municipality. The respondents cited the following challenges: certain key decisions could not be taken, the municipality experienced slow spending on capital projects because the appointment of contractors could not be made. Respondent 1 indicated that all this created instability in administrative leadership of the municipality.

Respondents were asked if DORA allocations address financial viability challenges in rural municipalities. To this five (100%) respondents answered "NO" and respondent 4 stated that the system of allocation to municipalities should be reconsidered and rural municipalities should be given much more than what they receive currently. Five respondents (100%) indicated that the municipality has mechanisms to promote public participation in municipal affairs and accountability. Respondent 2 indicated that the municipality has a customer care policy. Respondents 4 pointed out that they use ward committee members, councillors and public notices to communicate with residents. Respondent 5 indicated that quarterly mayoral Imbizos assist them in promoting public participation and accountability.

5.11 Provision and Payment of Municipal Services

The questionnaire distributed to residents, and which sought to understand which services residents

receive from the municipality, how they rate municipal services and if they pay for municipal services confirmed that the municipality still lives up to its Constitutional obligation in terms of providing basic services such as Electricity and Refuse removal to its residents. However, the study confirmed that Water and Sanitation provision is a challenge in rural municipalities. Corruption in this study has become one of the key variables that have a negative impact on service delivery. Residents in this study mentioned that the reason corruption influences the provision of service delivery is because funds directed for service delivery are misused without services being provided and poor-quality material is used to save money for personal gain. Residents also, rated provision of services within the municipality as below acceptable standards, with most of them indicating that they will abandon the payments of municipal services as a way to advocate their dissatisfaction with the quality of municipal services they receive from the municipality. This non-payment can pose a huge challenge to municipal financial viability.

6. Conclusion and Recommendations

The above scenario leads to the conclusion that service delivery in rural municipalities is below the accepted level expected by the citizens. The municipalities are providing basic services such as water, sanitation, refuse removal and electricity, however, community members are not satisfied with the level and quality of those services. It further concludes that there is a relationship between provision of services, payment of services and financial viability because the study has confirmed that when the municipality provides services that are satisfactory to its residents, then residents will in return pay for such services and that will make the municipality financially viable and sustainable. If municipalities want to be able to improve on the quality of service to its residents, they must develop a zero-tolerance approach to corruption. The study therefore recommends the following:

- Improve the effective level of public participation, enhancing communication efficiency with customers and the links back to the service delivery model.
- Development and implementation of service charters that take cognizance of unique municipal attributes and capabilities.

- Design and implement customer care and relationship management practices by the customer segment to ensure that customer requirements are addressed.
- Improved assistance in formulating and implementing budgets, integrated development plans, local economic development strategies, debtor management and credit control policies.
- More effective capacity-building initiatives, which deal holistically with governance, systems and business processes, as well as recruitment, retention and the development of requisite skills.

References

- de Vos, A.S., Strydom, H., Fouche, C.B. & Delport, C.S.L. 2011. *Research at Grass Roots*. Fourth edition. Pretoria: Van Schaik Publisher.
- Babbie, E. & Mouton, J. (undated) *The Practice of Social Research*. Oxford: Oxford University Press.
- Babooa, S.K. 2008. *Public participation in the making and implementation of policy in Mauritius regarding Port Louis' Local Government*. Third edition. Unpublished Doctoral thesis. Pretoria: University of South Africa.
- Bless, C., Higson-Smith, G. & Kagee, A. 2006. *Fundamentals of Social Research Methods: An African Perspective*. Fourth edition. Cape Town: Juta.
- Brynard, P.A. & Hanekom, S.X. 1997. *Introduction to research in public Administration and related academic discipline*. Pretoria: JL van Schaik.
- Burns, S.N. & Grove, S.K. 2003. *Understanding Nursing Research*. 3rd edition. Philadelphia: Saunders.
- Creswell, J.W. 2003. *Qualitative, Quantitative and Mixed Methods Approaches*. New York: Sage Publications, Inc.
- Financial and Fiscal Commission. 1980. *The impact of unfunded mandates in South Africa Intergovernmental Relations*. Pretoria: Financial and Fiscal Commission
- Financial and Fiscal Commission. 2013. *1/2013. Policy brief*. Pretoria: Financial and Fiscal Commission.
- Fitzgerald, N. & Stickelmann, R. 2008. *Municipal Sustainable Model*. Vancouver: Vancouver Board of Trade.
- Hanekom, S.X. 1987. *Public Policy Framework and Instrument For action*. Johannesburg: MacMillan.
- Kanyane, M.H. 2011. Financial viability of rural municipalities in South Africa. *Journal of Public Administration*, 46(2):935-946.
- Kapp, C. 2004. *Revenue Management in Local Government*. Proceedings of Conference of INCA Summer School hosted by the Institute of Municipal Finance Officials, Durban, 2 November 2004, pp. 8-9. INCA.
- Limpopo Provincial Treasury (2015/2016). *Annual Report*. Unpublished. Polokwane: Limpopo Provincial Treasury

- Maponya, F. 2015. March planned to root out corruption. *Sowetan*: February 15:21.
- Marshall, J.A. & Douglas, D.J.A. 1997. *The Viability of Canadian Municipalities: Concepts and Measurements*. Toronto: Incurr Press.
- Mazibuko, G. & Fourie, G. 2013. Municipal Finance: Relevance for clean audit outcomes. *Journal of Public Administration*, 21(4), pp.130-152.
- Molemole Local Municipality. 2013/2014. *Spatial Development Framework Review*. Unpublished. Molemole: Molemole Municipality.
- Molemole Local Municipality. 2015/2016. *Mid-Year Budget and Performance Assessment Report*. Unpublished. Molemole: Molemole Municipality.
- Molemole Local Municipality. 2017/2018. *Integrated Development Plan*. Unpublished. Molemole: Molemole Municipality.
- Motebang, M. 2004. *Effective, Efficient and Economic Service Delivery*. Proceedings of Conference of INCA Summer School hosted by the Institute of Municipal Finance Officials, Durban, 2 November 2004: 20-21.
- Nkatini, N.L. 2005. *Glimpses of Research (Guidelines on the writing of Research Proposals, Reports, Essays, Dissertations, and Theses)*. Polokwane: JP Publisher.
- Oka, T. & Shaw, I. 2000. *Quality Research in Social Work*. Sophia University: Sage publications.
- Ramphela, C.W. 2008. *Municipal Financial Viability*. Proceedings of the Conference of UKZN Local Government Financing and Development in South Africa hosted by the Democracy and Development Programme, Durban, 11-12 August 2008:1-16.
- Saskatchewan Ministry of Government Relations. 2010. *Municipal Government Sustainable Sustainability Self – Assessment Tool Project Concept*. Saskatchewan: Alberta Municipal Affairs publication.
- Schoeman, N.J. 2011. Rethinking Fiscal Decentralization in South Africa. *Journal of Public Administration*, 41(2):110-127.
- Sing, D. 2003. Changing Approaches to Financing and Financial Management in the South African Local Government Sector. *South African Journal of Economics and Management Sciences?* 6(4):868-879.
- South Africa. Department of Cooperative Governance and Traditional Affairs. 2009. *Local Government Turn Around Strategy. Overview Report*. Pretoria: Government Printers.
- South Africa. Department of Cooperative Governance and Traditional Affairs. 2009. *2009- 2014 Strategic Plan*. Pretoria: Government Printers.
- South Africa. Department of Cooperative Governance and Traditional Affairs. 2009. *State of Local Government in South Africa. Overview Report*. Pretoria: Government Printers.
- South Africa. Department of Cooperative Governance and Traditional Affairs. 2014. *Presidential Local Government Back to Basics Submit. Serving our communities better*. Pretoria: Government Printers.
- South Africa. Financial and Fiscal Commission. 1997. *Local Government in a System of Intergovernmental Fiscal Relations in South Africa: A Discussion Document*. Pretoria: Government Printers.
- South Africa. National Treasury. 2008. *Local Government Budget and Expenditure Review*. Pretoria: Government Printers.
- South Africa. National Treasury. 2011. *Local Government Budgets and Expenditure Review*. Pretoria: Government Printers.
- South Africa. National Treasury. 2011. *Municipal Finance Management Skills Training Programme Learner guidelines and a logbook*, Pretoria: Government Printers.
- South Africa. National Treasury. 2016. *State of Local Government Finance and Financial Management Analysis Document*. Pretoria: Government Printers.
- South Africa. Office of the Auditor-General. 2012. *General report on the audit outcomes of local government: Limpopo*. Pretoria: Government printers.
- South Africa. Office of the Auditor-General. 2014-15. *General report on the audit outcomes of local government: General*. Pretoria: Government printers.
- South Africa. The Republic of South Africa. 1996. *Constitution of the Republic of South Africa*. Pretoria: Government Printers.
- South Africa. The Republic of South Africa. 1998. *The White Paper on Local Government*. Pretoria: Government Printers.
- South Africa. The Republic of South Africa. 2000. *Local Government: Municipal Systems Act*. No. 32 of 2000. Pretoria: Government Printers.
- South Africa. The Republic of South Africa. 2003. *Local Government: Municipal Finance Management Act*. No. 56 of 2003. Pretoria: Government Printers.
- South African Local Government Association (SALGA). 2010. *National Analysis of Local Government*. Unpublished.
- Welman, C., Kruger, F. & Mitchell, B. 2005. *Research Methodology*. Cape Town: Oxford University Press.
- Zondani, N.V. 2008. *An evaluation of the relationship between payment of rates and service charges and the capacity of the municipality to deliver services with reference to Mnquma local municipality*. Unpublished Master's thesis. Port Elizabeth: Nelson Mandela Metropolitan University.