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IMPACT OF SKILLS SHORTAGE ON WATER PROVISION IN THE VHEMBE DISTRICT MUNICIPALITY

By

A MMBOYI

Submitted in partial fulfilment of the requirement for the Degree of Master of Management in the field of Public & Development Management at the University of the Witwatersrand

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ABSTRACT

For many years, people in the Vhembe District Municipality have been experiencing shortage of water even during heavy rainfall seasons. They often blame the dry season when they experience water shortage but they become confused when the situation persists during heavy rain. Little did they know that water shortage in the area is mainly caused by the shortage of skilled people who are responsible for the water supply to the community. This exploratory study investigates the impact of skills shortage on water provision in the Vhembe District Municipality (VDM).

The research focuses more on factors that influence the lack of knowledge, experience and skills within the water project and further try to seek interventions in addressing these challenges in order to ensure that high quality water is supplied to the people of Vhembe. The researcher made use of the qualitative method to obtain detailed information about the challenges that VDM is facing in the provisioning of quality of water to the community.

The study revealed that shortage of skills in South Africa contributes extensively to poor service delivery particularly at the municipal level. The situation is exacerbated by the slow pace at which educational institutions produce engineers in South Africa. The study further revealed that rural municipalities like VDM are more vulnerable and likely to lose skilled engineers due to their geographical location and poor salaries. Lastly, recommendations were made in the closing chapter for the VDM to strengthen its technical staff in order to render quality services to the people.

DECLARATION

I declare that this report is my own unaided work. It is submitted in partial fulfilment of the requirements of the degree of Masters in Management (in the field of Public and Development Management) at the University of the Witwatersrand, Johannesburg. It has not been submitted for any degree or examination purposes at any other university.

_____

Azwitamisi Sumie Mmboyi

30 June 2010

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LIST OF ABBREVIATIONS AND ACRONYMS

CoGTA	Department of Cooperative Governance and Traditional Affairs
DPLG	Department of Provincial and Local Government
DPSA	Department of Public Service and Administration
DWA	Department of Water Affairs
FET	Further Education and Training
KM	Knowledge Management
LGSETA	Local Government Sector Education and Training Authority
NCBF	National Capacity Building Framework
PDP	Personnel Development Programme
RDP	Reconstruction and Development Programme
SALGA	South African Local Government Association
SAQA	South African Qualifications Authority
SETA	Sector Education and Training Authority
SSP	Sector Skills Plan
TBVC	Transkei, Bophuthatswana, Venda and Ciskei
VDM	Vhembe District Municipality
WSA	Water Service Authority

CHAPTER ONE

INTRODUCTION

1.1 The development of local government

Local government development in South Africa can be traced to the 18th century when the Dutch settlers governed the country as their colony Craythorne (2003). This was done on a centralised basis where the power rested with the top authorities who were all Europeans. This continued for some time until the system of *landdrosten* and *heemraden* was established. *Landdrosten* comprised government officials with local jurisdiction whilst the *heemraden* were local citizens appointed by the government.

These practices played a vital role in equipping citizens with critical skills needed to carry out activities considered important by the local communities. At this time, government was directly responsible and actively involved in activities taking place at the local level, with local communities dependent on the central government.

The decentralisation of activities was introduced by the British colonisers at the Cape in the 19th century. They introduced the principle of a local tax to cover the cost of local services so that local activities could be managed. This was welcomed by the government but had negative consequences, particularly for black communities who were not similarly provided for. Service delivery differed from one place to another, a trend that has continued, where middle class communities received better services than those in the poorer or lower classes.

The transition of municipalities from the era of colonisation to the current democratic and modernised government has been a lengthy process. The

Government of National Unity in South Africa, formed in 1994, resulted in the establishment of three spheres of government, namely National, Provincial and Local Government.

The National Department of Local Government (DPLG), since 2009 the Department of Co-operative Governance and Traditional Affairs (CoGTA), was mandated by the Constitution of the Republic of South Africa (Act No. 108 of 1996) to develop national policies and legislation with regard to provinces and local government, and to monitor the implementation of the following:

- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)
- Municipal Property Rates Act, 2004 (Act No. 6 of 2004)
- Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003)
- Disaster Management Act, 2002 (Act No. 57 of 2002)
- Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)
- White Paper on Local Government (1998).

Section 163 of the South African Constitution calls for the establishment of organized local government structures to represent municipalities at national and provincial level. The South African Local Government Association (SALGA) was established in 1997 to assist in the comprehensive transformation of local government in South Africa from the pre-1994 regime to the new dispensation. The establishment of

SALGA was in line with section 163 of the Constitution. This stipulation envisaged an important role for organized local government and provides that an Act of Parliament must cater for the recognition of national and provincial organisations representing municipalities.

The establishment of municipalities was a response to the Constitution of South Africa Act No.108 of 1996 which calls for the local government to ensure:

- the provision of services to communities in a sustainable manner;
- provision of democratic and accountable government for local communities;
- promotion of social and economic development;
- promotion of a safe and healthy living environment; and
- encouragement of the involvement of communities and community organizations in the matters of local government.

The DPLG in fulfilling its responsibility to provide leadership and support for municipalities, identified the need to develop the National Capacity Building Framework (NCBF) as an overarching strategy for co-ordinating the efforts of different departments and agencies so that all efforts to support local government are appropriately targeted and focused (Hangana E, cited in NCBF 2008-2011).

Prior to the transformation of local government in South Africa, the NCBF for local government explained that apartheid local government was severely distorted and under-capacitated because it did not provide an adequate tax-base or adequate institutional ability to deliver basic services to all local communities. Historically, local government was also not equipped to play a major role in the social and economic development of the local community. The different phases of transformation from apartheid to democratic local government have each been characterised by specific capacity challenges (NCBF, 2008-2011).

When the NCBF was first published in 2004, several weaknesses were identified, which led to its revision in 2006. The revision of NCBF was adopted to strengthen local government through improvements in the implementation strategy and through the clarification of roles in capacity building.

a) Municipalities

Municipalities are defined in the Municipal Structures Act No. 117 of 1998 as the structures, political office bearers, and administration of the municipality; a geographic area; and the community of the municipal council. In other words, a municipality consists of the municipal institution (political and administrative structures), and the people who live in the local area. Therefore municipalities are more exposed to political influences which affect its administrative functions such as placing of personnel in higher positions. A municipality becomes, by legislation, the local sphere of government that provides direct services to the communities.

South Africa has 284 municipalities which are divided into three categories, namely, metropolitan municipalities, district municipalities and local councils. Local government defines the three categories of municipalities as follows:

- **Metropolitan municipalities**, also known as Unicities, have exclusive municipal executive and legislative authority in their areas. There are six of these: Cape Town, Durban/eThekwini, Ekurhuleni, Johannesburg, Pretoria/Tshwane and Port Elizabeth/Nelson Mandela Metropole. They have a choice of two types of executive systems: the mayoral executive system, and the collective executive committee.

- **District and Local Councils** are interdependent and involve a division of powers. A district council has municipal executive and legislative authority over a large area, its primary responsibility being district-wide planning and capacity-building. Within a district council's area are individual local councils which share their municipal authority with the district council under which they fall. Municipalities govern on a four-year term basis, and run local affairs subject to national and provincial legislation. However, the latter may not compromise or impede a municipality's right to exercise its power or perform its functions (SouthAfrica.info, 2009).

The current situation in municipalities does not guarantee the achievement of goals such as the improvement of general welfare of communities. Municipalities currently experience massive backlogs of services in sanitation and running water, electricity, proper roads, and housing, all of which remain a challenge. The backlogs are also caused by various aspects that contribute negatively to service delivery. These include shortages of skilled workers, funding and equipment.

The challenge of a lack of skilled personnel is generic in all spheres of government in South Africa. LGSETA refers to scarce skills as being those occupations of qualified and experienced people which can be current or anticipated in the future, and is usually due to the fact that people with these skills are either not available or they are available but they do not meet the municipality's employment criteria. The International Investment Council indicated that South Africa's skills shortage is a reflection of a general scarcity of key skills across the globe (International Investment Council, 2007). This was with reference to the global challenge affecting particularly the technical professions, where skills such as engineering are a major concern. However, it is more exposed in municipalities which are the sphere of government that closely delivers services to people.

1.2 Background to the study

Prior to the 1994 democratic election, there were “Bantustan” (Black African Homelands) established in South Africa which were, among other things, responsible for rendering services direct to the communities in the absence of municipalities. These homelands included Transkei, Bophuthatswana, Venda and Ciskei. With the demise of the apartheid regime in South Africa, the Bantustans were dismantled and were reincorporated into the Republic of South Africa.

The ANC-led Government of National Unity came into power following the 1994 first democratic elections and introduced the concept of local government. In 2001, municipalities were assessed by the Department of Water Affairs (DWA) and the Department of Cooperative Governance and Traditional Affairs (CoGTA), to identify and assess local municipalities who have the capacity to manage the water service function. The Vhembe District Municipality was one of the identified municipalities and was awarded the Water Service Authority (WSA) status. In 2003, the DWAF started with the process of transferring the function to all the WSA which is expected to be completed by 2010/11 (DWA, 2003).

This study assesses the level of human capacity within the water projects that Vhembe District Municipality (VDM) uses for the local people through its four local municipalities, namely Thulamela, Makhado, Mutale and Musina. The Water Project reported that more than 1 in 6 people in the world do not have access to safe water, and at least 1 of 4 deaths under the age of 5 worldwide is due to water-related diseases. It further reported that nearly 80 per cent of illnesses in developing countries are linked to poor water and sanitation conditions.

The services that municipalities render to the communities are mainly delivered in the form of projects. The decentralisation of project functions

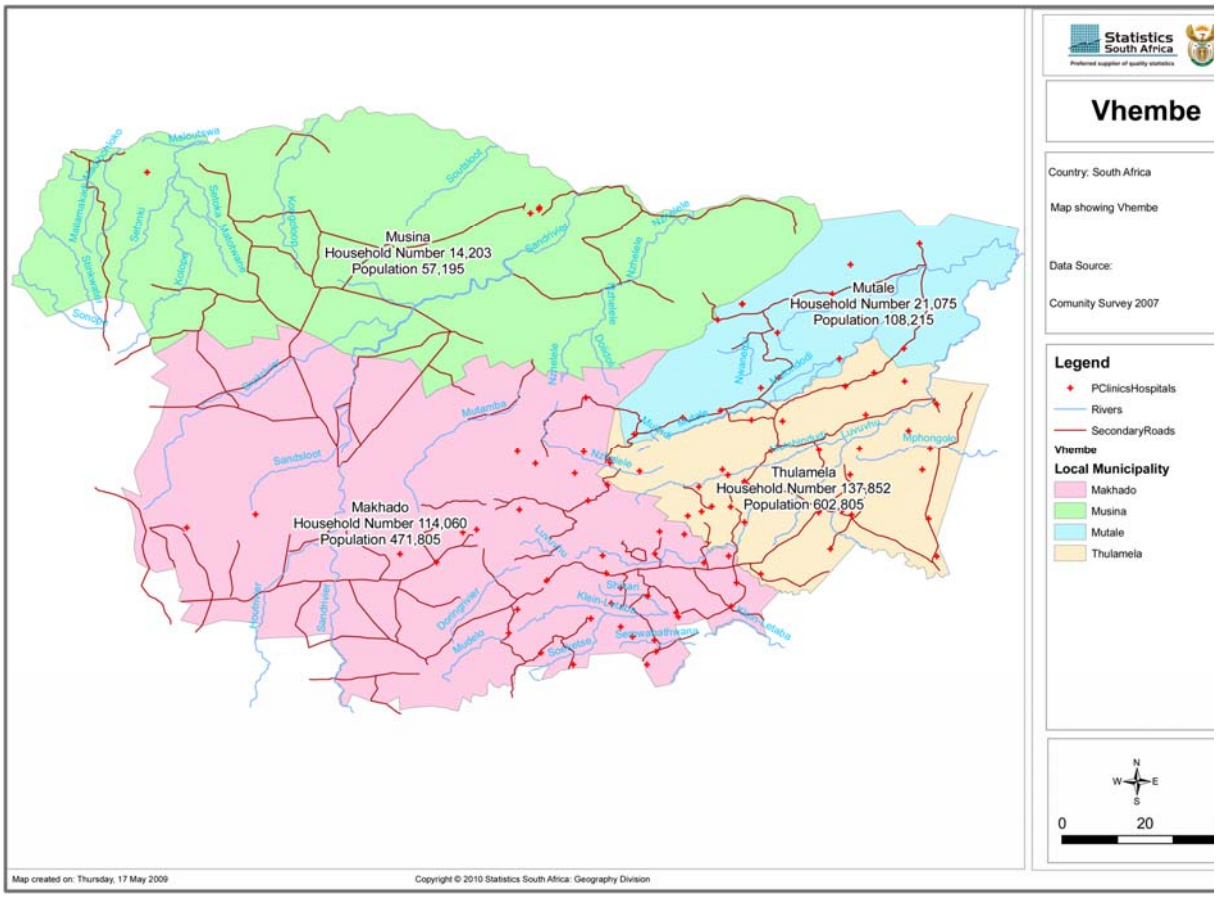
such as water by municipalities was initiated to facilitate the implementation of projects that are aimed at providing good services to the people. This implementation requires human skills that will ensure that the mandate of municipalities is carried out efficiently and effectively to the benefit of the communities.

1.2.1 The Vhembe District Municipality

VDM which is based in Thohoyandou, Limpopo Province, was established in 2000 as part of the process of transforming local government in the country. It was established in terms of the Municipal Structures Act No.117 of 1998 as a demarcated sphere of governance, and consists of four local municipalities, namely Thulamela, Makhado, Mutale and Musina.

The area of jurisdiction of VDM is predominantly rural with a noticeable backlog of basic services. VDM is situated in the northern part of Limpopo Province, sharing borders with Zimbabwe in the north, Mozambique through the Kruger National Park in the east and Botswana in the north-west (www.vhembe.co.za). The district has an estimated population of 1,240,035 living in about 287,190 household (Statistics South Africa, 2007).

Figure 1: Digital map showing Vhembe District Municipality and its local municipalities.



Sourced from Stats SA Community Survey, 2007.

1.2.2 Water provision in South Africa

Section 27 of the Constitution states that everyone has a right to sufficient food and water. In his 2010 State of the Nation speech address, President Zuma mentioned that South Africa is not a water-rich country yet water is lost through leaking pipes and inadequate infrastructure. Government has committed to put in place measures to reduce water loss by half by 2014 (Zuma, 2010). Wikipedia (n.d) reported that after the end of apartheid South Africa's newly elected government inherited huge services backlogs

with respect to access to water supply and sanitation. It further reported that about 15 million people were without safe water supply.

The new government has made satisfactory progress with regard to improving access to water supply, where Wikipedia (n.d) reported that in rural areas water access increased from 62% to 82% from 1990 to 2006. The country has existing water institutions between the national and local government in the form of Water Boards. Water Boards are government-owned entities that operate dams, bulk water supply infrastructure, retail infrastructure and wastewater systems. Water Boards provide technical assistance to municipalities and play a major role in water resources management.

However, South Africa continues to experience challenges with regard to water provision. The challenge concerning financial sustainability of service providers leads to a lack of attention to maintenance of water projects. The uncertainty about the government's ability to sustain current funding levels in the sector is a concern. The other concern is the pace at which South Africa can produce skilled workers to lead projects that are meant to deliver quality of services to people.

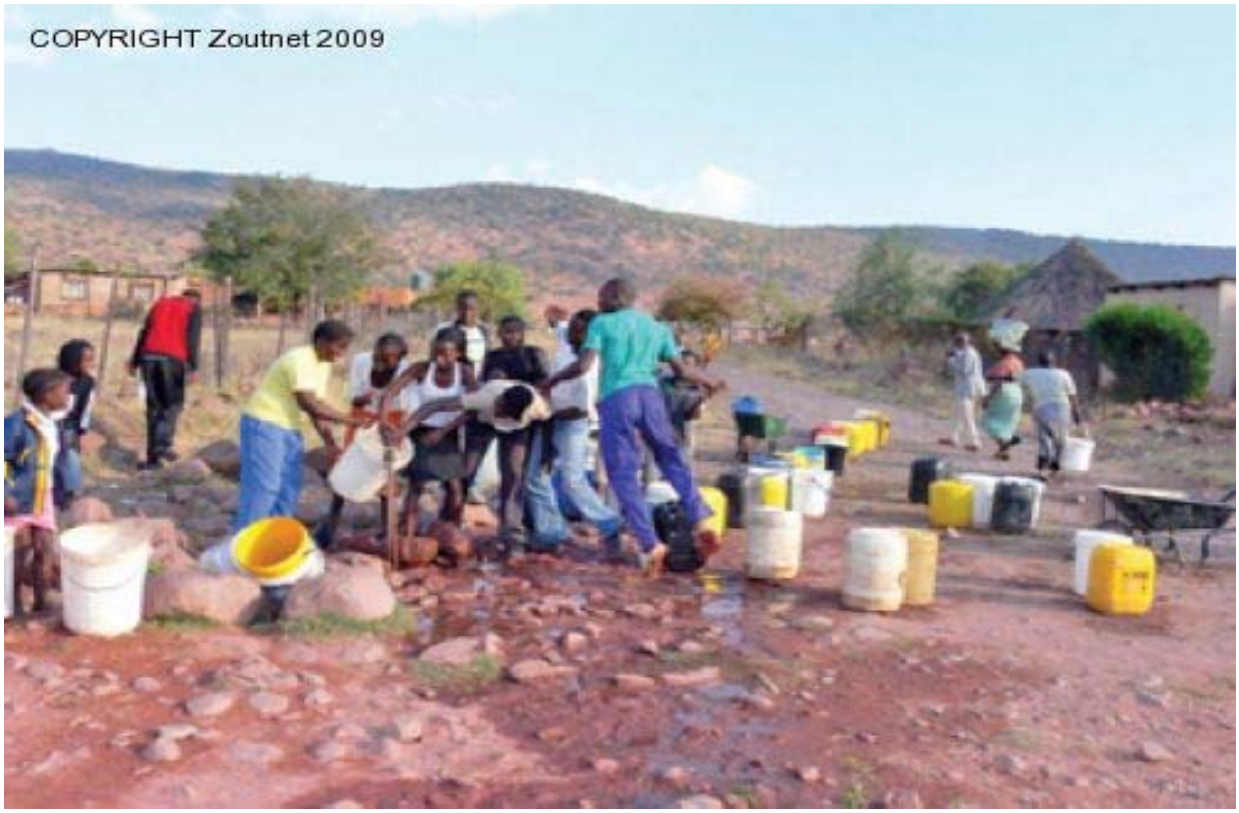
1.2.3 Water provision in VDM

Generally, the country is progressing well with regard to provision of clean water to the population. However, other parts of the country like VDM still face situations where there is limited supply of water. VDM is involved in many projects that are meant to deliver different services to the community. However, this study focuses on the water projects that the district implements in order to supply the community with clean running water. In a recent speech, Mayor Mdaka indicated that with 70 per cent of funds allocated to service delivery in areas like Sinthumule and Kutama, water shortages will be thing of the past (Zoutnet, 2008).

The VDM has about 38 major water projects that are currently outsourced due to, amongst other reasons, shortage of skills. Each water project has a budget of more than R200 million. However, the municipality has many small water projects at values of R1 million or less that are being run in-house (Masokona, 2008). All these projects require, amongst other things, technical specifications in areas such as engineering to ensure that the projects can be delivered within the budgeted cost, time, safety and quality constraints. The completed project, whether outsourced or done in-house, needs trained personnel who will ensure maintenance of the end results of any such project.

Large parts of the VDM are still facing serious water shortages despite higher rainfall that was reported during the past year (Nengovhela, 2009). The Tshikuwi, Tshitale and Musekwa villages under the jurisdiction of Makhado local municipality are reportedly the worst areas where community members share drinking water with animals. People in the area blame poor service delivery as villages rely on two taps as and when tap water is available. Water is not readily available to people as the municipality can provide only an intermittent supply. People are therefore forced to queue for long hours for water.

Figure 2: Community member fights for tap water in Tshikuwi village



in different forms. It indicates that the structured dwellings, either houses made of bricks in a separate stand or traditional dwellings made of traditional material have access to water by any form of water supply. The rest of the dwellings depend on few forms of water supply due to limited water suppliers. However, almost all dwellings have piped water inside the dwelling and only one dwelling does not have access to piped water from the access point outside the yard.

TABLE 1: ACCESS TO WATER PER HOUSEHOLD BY TYPE OF MAIN DWELLING IN VHEMBE DISTRICT MUNICIPALITY

Types of dwelling	Piped water inside the dwel-ling	Piped water inside the yard	Piped water from access point outside the yard	Bore hole	Spring	Dam/ pool	River/ stream	Water vendor	Rain water tank	Other	Total
House of brick structure on a separate stand or yard	39407	69799	103924	6395	4249	103	5803	626	63	270	230676
Traditional dwelling/huts/structure made of traditional material	3264	7589	28856	680	1049	415	1866	87	20	161	43987
Flat in block of flats	159	123	41	-	-	-	-	-	-	-	323
Town/cluster/semi-detached house (simplex, duplex, triplex	396	143	134	33	-	-	-	-	-	-	707
House/flat/room in back yard	79	353	193	-	-	-	-	-	-	-	625
Inform/dwelling/shack in back yard	387	1811	1319	127	35	-	-	-	-	-	3678
Informal dwelling/shark in inform/squatter settlement	410	717	1670	189	80	68	47	63	-	-	3245
Room/flatlet on a shared property	282	530	709	96	-	-	-	66	63	-	1747
Caravan /tent	36	136	20	-	-	-	-	5	-	-	197
Private ship/boat	78	20	-	-	-	-	-	-	-	-	98
Workers hostel (bed/room)	366	390	742	40	20	59	20	-	-	-	1637
Other	40	161	96	-	-	-	-	-	-	-	270

Source: Statistics South Africa Community Survey 2007

1.2.4 Project Management

The municipality renders services to the community in a form of projects. This section therefore describes project management and its relevance to water projects that VDM implements for the people.

Duncan (1996) defines a project in terms of its distinctive characteristics as a temporary endeavour undertaken to create a unique product or service. The definition of a project has an element of being “temporary” and “unique” which differentiates a project from other pieces of organised work such as a programme. The element of “temporary” outlines the timeframe of the project which refers to the definite beginning and definite ending of a project, whilst “unique” simply means a different product or service from the others.

Running a project related to water provision requires proper management which entails the application of knowledge, skills and techniques in order to meet and exceed stakeholders’ needs and expectations. In this light, general management skills such as communication, leadership, negotiation and ability to solve problems become critical in ensuring the success of the project. The building of RDP houses in South Africa is a typical example of lack of general management skill in a project. Although housing is one of the challenges facing this country, the response on building RDP houses in the early 1990s was not an appropriate solution to many of the problems facing the communities at that time.

The level of communication between the government and all other stakeholders in the processes of building houses was insufficient in that communities were not properly consulted. This resulted in the resistance by the public who did not value the RDP houses and therefore questioned the quality of those houses. The Project Management Institute emphasises the provision of general management skills as the foundation of project

management and the skills which enhance the performance of the project should be in line with the purpose of such a project.

Project management involves leadership since people need to be inspired to achieve set objectives (Kelly, 2001). It is therefore the responsibility of a project leader at the VDM to influence the behaviour of others in the team. The process of producing or employing good engineers at VDM should be the responsibility of a project leader. Failure to lead properly could be detrimental to the goal of the project and consequently affect service delivery.

Water projects need managers who can alter their leadership style to match the shifting environment as the project progresses through its life cycle. Blake and Mouton (1985), Reddin (1967), and Adair (1973) argue that it is possible to change style to match the situation. Fiedler (1964) was among the first of the contingency theorists to disagree. The political interference in the recruitment and appointment of municipal leaders brings different styles of leadership which affect the progress of the project.

Barber and Warn (2005), on the other hand, emphases the firefighter-firelighter leadership model where they argue that a project leader should exhibit transformational leadership behaviour that directs people towards constructive effort and that provides others with a more integrated understanding of what is to be achieved. They emphasize the issue of a leader being proactive rather than reactive. The proactive leader in VDM will ensure that the skills of project members are improved, higher quality resources are obtained, and there is better control over resources through technological advances.

Leadership plays a vital role in inspiring project members to achieving the set goals. Nienaber and Roodt (2006) argue that a project leader should

also be specifically trained in a technical area. This may play a vital role in reducing the high rate of turnover. Different stakeholders, both internal and external, should be involved from the inception stage until the completion of such a project. Internal stakeholders include other components within the organisation as well as the project management team who plan, organise and control the operations of the project. External stakeholders in the context of the municipality include local people for whom the project is planned, and everyone who directly or indirectly benefits from the project. Stakeholder analysis is basically to assess the objective of the project in ensuring that it serves what it is intended for, and that it gains support from all the spheres of government .

The project management team should be knowledgeable in all areas that make a project a success. Projects supplying communities with clean running water which VDM implements for its local municipalities is regarded as a highly technical project that requires full human resources management knowledge to ensure that the right people are recruited and/or trained to overcome challenges encountered in the projects. Therefore technical knowledge, experience and skills become a fundamental requirement that will ensure the adequate quality of water supplied to the people. The utilization of external service providers is limited to the implementation of the project but the maintenance aspect becomes a full responsibility of the municipality.

1.2 Problem statement

The Vhembe District Municipality is faced with a shortage of skills in the projects that are implemented to deliver effective services in its area of jurisdiction. VDM has attempted to implement different projects in its local municipalities but due to inadequate human resources, they were either unsuccessful or completed late. It is therefore significant for the district to acquire and manage skills considered crucial for the success of the

projects that are aimed at meeting the basic needs of the local communities. As far as this researcher could determine, limited research has been done regarding the required skills; knowledge and experience to ensure that such projects run successfully.

1.3 Research purpose

The purpose of this research is to investigate factors that contribute to the lack of human capacity within the VDM. In doing so, the qualitative method will be applied to gather more information on challenges faced by VDM. The research will further present the findings, analyse them and propose recommendations based on the findings to enhance capacity within this district.

1.4 Research questions

The research will address the following questions:

1. What are the factors leading to the lack of human capacity in VDM?
2. What is the state of human capacity & skills in VDM?
3. What are the human resources strategies for consideration in VDM?

1.5 Outline of the report

This research report is divided into the following chapters:

Chapter 1: Introduction

This chapter explains the transformation that resulted in the establishment of local municipalities. It gives an overview of the role played by the municipality as far as service delivery is concerned. The major aspects in this chapter include the background, problem statement, research purpose and research questions.

Chapter 2: Literature Review

This chapter provides the theoretical background to this study. It allows the researcher to review relevant literature to source critical and relevant information which should form the theoretical basis of the study.

Chapter 3: Research Methodology

This chapter presents the research methodology chosen by the researcher and describes research design, data collection strategies, data presentation, and analysis of the data.

Chapter 4: Presentation of the findings

The findings of the research are presented in chapter four.

Chapter 5: Interpretation and analysis

This chapter interprets the findings in relation to the research problem.

Chapter 6: Conclusions and recommendations

This chapter summarises the report findings and makes recommendations on what needs to be done in relation to the findings.

1.6 Conclusion

The transformation of local government has been a long process in South Africa. The South African Constitution of 1996 brought about changes in local government which led to the establishment of municipalities. As mandated by the Constitution, municipalities have been the closest sphere that renders services direct to the community.

This chapter explained the location of VDM and described challenges that this municipality is facing with regard to the provision of water to people. In order to curb challenges, VDM implements projects that are aimed at rendering quality services to the community at a reasonable time. The

main purpose of this research is to investigate those factors that contribute significantly to the lack of human capacity at VDM and make recommendations for possible solutions.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter deals with the concept of project management, addressing the importance of project management knowledge areas which are imperative to the delivery of services in any project. As was mentioned in the previous chapter, the municipality delivers services to the community in the form of projects. Therefore, the researcher identified nine knowledge areas that are found in any project management process. This chapter explains each knowledge area relating to the way in which municipalities, and in particular VDM, operate.

The purpose of the review is to understand the impact of skills shortages on water provision in VDM. Therefore, relevant literature was selected to review critical points of current knowledge on this study. This review summarizes and synthesizes the arguments and ideas of others to strengthen the argument made by this researcher.

2.2 Project Management Knowledge Areas

Project management emerged as a recognisable discipline distinct from logistics and operational research with project management tools being developed in World War II and during the space race (Morris, 1994). In recent times project management has become part of the business world linking neatly into strategy by managing programmes and portfolios of projects. It helps to fully appreciate the need for soft skills and leadership expertise. Walker (2008) emphasises the need for more case studies and examples of the ‘lived reality’ of project management to be made readily available.

Duncan (1996) introduced the project management knowledge areas that describe project management knowledge and practice in terms of its component processes. He organised the processes into nine knowledge areas that this study will briefly touch on, with greater emphasis on the project human resources management area which is the core of this study.

2.2.1 Project Integration Management

The first knowledge area is project integration management which describes the processes required to ensure the co-ordination of the various elements of the project. This area promotes the interconnection of different components within the project to ensure the achievement of a common goal. This is where top management in VDM plan the project to ensure that the execution of duties is directed towards one goal which is the delivery of quality service to the community.

Ankur (2008) described seven processes in the Project Integration Management knowledge area that work in conjunction to facilitate proper project co-ordination. He emphasized that project integration requires that each process seamlessly links and fuels the next process.

Develop Project Charter

Developing the project charter is the first process in project integration management and it basically initiates the project. This is where the project gets approved, the project manager appointed and empowered to take decisions. This process involves all different stakeholders that VDM collaborates with and they should all reach a common agreement.

Develop preliminary project scope statement

According to Ankur (2008), this process defines the project's product or service, methods of approval, and tactical strategies for the change control process.

Develop the project management plan

This is basically where VDM project leaders, together with service providers, plan the execution, managing and monitoring of the project. All aspects of the project that are considered important for the project to sustain and achieve its objective must be created and integrated into the plan.

Direct and manage project execution

This is to provide leadership and manage performance of the team to ensure that it is in line with the project scope. The lack of skilled personnel in VDM might compromise the management of performance as most of the water functions are outsourced. The implementation of projects by external service providers will need direct supervision which should be offered by experienced leaders within the water services in VDM.

Monitor and control project work

This is to monitor the progress of the project and prevent any internal or external destruction to the project. Municipalities like VDM that utilize the services of external service providers must appoint a task team that will oversee the work done by such service providers and ensure that these meet the expected standard. Negative reports have been received that most of the projects are not fully completed due to corruption related to the awarding of tenders to incompetent bidders.

Integrated change control

This process includes managing all changes that are deemed valid for the successful completion of the project. All changes have to be approved by the project manager before implementation.

Close project

All activities of the project must be fully completed and the project handed over to the owners.

All the project knowledge areas interact and it is therefore critical to integrate them in the overall management processes of the project. Levine (2009) mentioned that when project integration is properly performed, all processes in a project run smoothly. The best example would be to integrate cost and procurement which always depend on each other. The introduction of project management is relatively new in most of the organisations and it poses more challenges at the municipal level where a greater number of projects to render services to the community are implemented.

2.2.2 Project Scope Management

The second knowledge area is project scope management which dwells on the processes required to ensure that the project includes all the activities required for the successful completion of the project. As pointed out by Clark (1989), the project scope determines the part of the development that will be done by the internal project team. His argument points to the time and cost of completing the project through external service providers. The project has a start and end date but this has not been adhered to as most of the water projects in VDM are either not completed on time or exceed the initial budget upon completion.

However, the project scope also covers the work performed by the municipal personnel. As Nienaber and Roodt (2006) argue, project scope management process should be equipped with knowledge to engage with the human resources management staff on the project, mapping out skills, abilities and motives needed to perform the job; and ensuring that it matches the job requirements. However, this knowledge area may not be realized if municipalities continue with appointing incompetent people, particularly in the more critical positions.

2.2.3 Project Time Management

Project time management describes the process required to ensure timely completion of the project. The project has a start and end date and all activities performed by the project team must be recorded. Concerns have been raised by local community in VDM that projects are taking too long to be completed, a trend that results in people losing faith in the municipality and taking their frustrations to street. However, lack of skilled workers such as water engineers impacts negatively on the delivery of services within a specified timeframe.

2.2.4 Project Cost Management

Project cost management describes the processes required to ensure that the project is completed within the approved budget. This consists of resource planning, cost estimating, cost budgeting and cost control. Project time and cost cannot be separated because costs will also be determined by the time taken to complete a project. Phillip (1996) argues that in any project type situation, the concern is the duration, and resources level for completing the project within the expected time-frame or completing it earlier than expected.

However, more costs will be required for the allocation of supplemental resources to reduce completion time interval. Mashayekhi (2000) points out that lack of balance between the development budget and financial resources required for developing projects is one of the factors causing long construction times and high completion costs. With more funds being dedicated to service delivery within VDM, a high level of skill and expertise is critical to manage and monitor the spending patterns within the projects.

2.2.5 Project Quality Management

Project quality management describes the process required to ensure that the project satisfies the needs for which it was undertaken. This consists of quality planning, quality assurance and quality control. In ensuring quality in a project, the concept of Total Quality Management (TQM) should be adopted. The adoption of TQM is relevant to VDM who have recently been given the function of managing water services by DWA. The TQM will limit errors that may occur during the execution phase of the water projects within VDM. Apart from reducing the errors; Wikipedia (n.d) notes that TQM also increases customer satisfaction, streamlines supply chain management which promotes best practice, and ensures that workers have the highest level of training.

Ravichandran and Rai (2000) argue that effective process management, stakeholder participation, management infrastructure sophistication, and top management leadership are the key constructs of an organisational system for quality improvement.

Quality should be incorporated during the planning stage of the project as it gives value to the product or service. It is for this reason (failing to plan for quality) that people in the Vhembe district perceive the objectives of the water project to be almost impossible to achieve. Amongst other things,

what triggered their perception is the appointment of senior managers who allegedly lack the required qualities.

2.2.6 Project Communication Management

Project communication management emphasises the processes that are required to ensure timely and appropriate generation, collection, dissemination, storage and ultimate disposition of project information. With proper and efficient communication strategies in place, the VDM can encourage communication flow across its boundaries by strengthening horizontal structures and supporting old and new technology used by all employees within the water projects.

This study therefore emphasizes that the communication between service providers and municipal workers will not only enhance the performance of the project, but transfer both tacit and explicit knowledge as well. Grobler, Warnich, Carrell, Elbert and Hatfield (2006) point out that communication is the glue that binds various elements, co-ordinates activities, and allows people to work together and produce results. It is the human resources management which plays a pivotal role in the designing and maintenance of a good company-wide communication flow to and from the employees.

2.2.7 Project Risk Management

The project risk management knowledge area describes the processes concerned with identifying, analysing, and responding to project risk. The challenge of risk management needs broader introspection especially in VDM where the execution of projects on water services carries more challenges because of water function being new in the municipality. Government entities have radically developed the trend of outsourcing the provision of certain goods and services to the private companies. However, outsourcing can compromise the quality of the product or

services. This has been witnessed in many municipalities where the awarding of tenders has reportedly been flawed.

The decision to outsource is mostly influenced by political interests. Recently, in the media, the South African government was highly criticised for its alleged improper practice of issuing government tenders. Limpopo Province was alleged to have awarded tenders to the ANC Youth League's president, Mr Julius Malema, without following proper procedures. The *City Press* newspaper (21 February 2010) reported that Mr Malema's company, SGL Engineering Projects, won at least R140 million in government tenders over the past two years. About 21 multi-million-rand tenders came from eight of the 31 municipalities in Limpopo. Malema is alleged to have profited from municipal contracts with the Mopane, Vhembe and Waterberg district municipalities as well as from the Lepelle-Nkumpi, Greater Letaba, Mutale, Makhado and Tzaneen local municipalities.

The newspaper reported that Makhado local municipality, which falls under VDM, had awarded SGL Engineering Projects a R6.8 million tender. However the project was not completed on time and was extended by six months. VDM alone awarded the same company a R5.1 million tender for the supply of bulk water in Mhinga and Lambani Villages. However the project was completed three months later. The improper awarding of tenders to less competent companies poses risks to the project as they are unlikely to meet the set deadlines. Hood and Young (2003) suggest that government decision-makers must approach outsourcing just as private sector managers do, on pragmatic and not ideological grounds. This practice will not only ensure that projects are completed on time but enhance quality as well. If this is not adopted, municipalities will risk losing millions of Rands as incompetent companies are likely to abandon projects before completion.

Projects are usually subjected to uncertainties which are often of a some magnitude. It is therefore important to put a risk management strategy in place to cope with uncertainties within the framework of project management. Tummala and Mark (2001) point out that one of the major reasons for employing risk management approaches is to provide a thorough assessment of operations and mitigation of risks and uncertainties. This can be accomplished by identifying systematic potential risk factors and risk encountered during the execution phase, determining the corresponding consequences and their severity, assessing the uncertainty of the risk factors, and considering several alternative strategies to select the best course of action in containing and managing the identified risks.

2.2.8 Project Procurement Management

The project procurement management system describes processes that are required to acquire goods and services from outside the performing organisation. These activities have seen most of the municipal workers losing their jobs due to the irregularities in procuring goods and services. Although a high quality audit is recommended as an essential tool for quality assurance, emphasis should be placed on the acquisition of the talent that will instil professionalism in the process of procuring goods and services.

2.2.9 Theoretical Framework: Project Human Resources Management

This paper focuses on the human resources management knowledge area which is the backbone of the success of any project. This area describes the processes required to make the most effective use of the people involved in the project. In ensuring the effective utilisation of human resources within the municipality to pave the way for the effective implementation of the project, the approach to human resources should

cover both the organisational and employees' needs. Training of employees should not be viewed as benefiting individual employees only but the employer as well. The skills and new expertise that individual employees acquire during training are subsequently transferred in the work place and assist employers to improve their competitive advantage.

Other organizations like Statistics SA may develop statisticians but the challenge lies with how they orchestrate those skills for the customer in a more productive way. Statistics SA sends young statisticians to foreign countries for a period not less than two years to enhance their statistical knowledge. However, the efforts are often wasted due to poor career pathing.

According to Minister Chabane in the Office of the Presidency, Performance, Monitoring and Evaluation and Administration mentioned that the State is committed to increasing local government capacity to deal with service delivery issues (eNews channel extra May 2010). This statement was triggered by recent service delivery violence in the country. Capacitating municipalities involves training of employees to gain more skills, knowledge and experience so that the municipality renders a high quality of service.

The recruitment for projects should be aimed at the people who possess the required expertise to meet the needs of the project. Recruiting and keeping the best people for the job is important for capacity-building (Jackson *et al* (2009). The challenge that municipalities are experiencing is the ability to keep good employees as most of these employees migrate to big cities in search of new opportunities.

The Municipal Systems Act No. 32 of 2000 urges all municipalities to adopt appropriate procedures providing for fair, efficient, effective and transparent personnel administration, including the recruitment, selection

and appointment of persons as staff members. Clark and Colling (2003) emphasize that in knowledge-based organizations where skilled employees are the basis of a firm's competitive advantage, it is increasingly necessary for the HR function to enable and support organizational capability within a project management environment through the application of appropriate policies for recruitment, selection, appraisal, development and reward. However, whether municipalities are knowledge-based or not should be addressed by the level of learning initiatives that they adopt or expect to adopt.

One of the main failures of a project is the type of talent recquired to execute the activities of such a project. Project management constantly prioritises the significant tasks that are put forward as targets, caring less about the required human resources to execute those tasks. The project human resources should cover the objectives of the project in conjunction with the needs of employees.

Clark and Colling (2003) argue that in some projects, management becomes a core mechanism for the organization and deployment of human resources in most private sector organizations and is particularly the case in multinational firms and service providers. It is the duty of the project human resources to ensure that the necessary driver (skills) is available to ensure that the project is completed successfully. Clark and Colling (2003) link project to management in the sense that it is made up of a group of individuals with specific skills from different parts of an organization that are brought together for a limited period of time to contribute towards a specific objective.

The quality of a firm's human resources together with how they are managed can be a source of value and competitive advantage. The interaction and interdependence between the water project in VDM and its human resources managers should be highly encouraged to achieve a

common goal. DWA transferred the water function to those municipalities identified as a Water Services Authority (WSA) from 2003 but it was reported that skilled engineers were reluctant to join municipalities like VDM citing inexperienced project leaders who are also expected to manage them. It is therefore the responsibility of a project human resource manager to ensure that the right people are appointed for the right positions and also that roles and responsibilities are clearly defined.

Other challenges that municipalities are faced with is the constant changing of municipal management who have no knowledge of municipal operations. Their appointments are often highly political to such an extent that it compromises service delivery. Project leaders, on the other hand, lack technical expertise that will ensure the provision of water to the community. It was reported that in Limpopo alone, 30 per cent of senior management in local municipalities reported their skills to be audited (Zimmelman, 2009).

Zimmelman (2009) argues that a municipality is not a prime place of employment. There are structural tensions caused by the Municipal Systems Act, which give full authority to the “politically elected” councils for all appointment decisions. The desired and expected as well as sometimes conflicting roles of provincial and national departments of Cooperative Governance and Traditional Affairs and the Treasury need to be clearly defined.

In addressing political appointments in the municipalities, Cooperative Governance Minister, Mr Sicelo Shiceka, announced that he would present a Bill to Cabinet proposing the prohibition of political office bearers from being appointed to top municipal jobs (*The Times*, March 2010). This came after the country experienced protests by communities with regard to lack of services at local government level. He mentioned that only skilled

people must be appointed into senior positions to enable the municipalities to render quality services to the people.

This announcement was triggered by President Zuma's meeting with about 283 mayors and municipal managers in Khayelitsha on 20 October 2009. President Zuma mentioned that there was a need for "fundamental changes" in the way South Africa's municipalities were governed. Communities took to the streets citing incompetence in the municipalities that resulted in poor service delivery. These protests resulted in some office bearers being removed from their positions and making way for more competent and efficient people.

The adoption of the human resource management approach is not in place in most of the South African municipalities. This approach has been adopted in the private sector as it ensures that the organisation benefits through increasing employees' effectiveness and satisfaction. The human resource management approach emphasises that employees should be constantly developed to enhance their skills. However, this approach is not adopted in most of the municipalities including VDM as technical staff is seldom exposed to training. Grobler *et al*. (2006) believes that employees are investments that will, if effectively managed and developed, provide long-term rewards to the organisation in the form of greater productivity. The project needs a highly-qualified labour force to avoid poor performance.

It is very clear that all the project management knowledge areas are affected by the project human resources. Project human resources management in the municipality should serve as the body of human resources development, and ensure that all the knowledge areas are supplied with the right people who can execute the mandate set by the government towards meeting the needs of the people. However, the lack of capacity development in local municipalities like VDM has resulted in its

people migrating to the big cities in search of a better life. Not only does the municipality then lack skilled engineers, but other areas such as finance are affected as well.

2.2.9.1 Skills development

a) Capacity building

The National Capacity Building Framework of 2006 regards capacity-building as the potential for something to happen. They use a multifaceted definition of capacity, which takes into account the factors that 'make things happen' on the environmental, institutional and individual levels. They describe capacity-building in the form of individual, institution and environmental capacity.

- ***Individual Capacity*** is the potential and competency, or lack thereof, found within a person, normally reflected through his or her specific technical and generic skills, knowledge, attitudes and behaviour accumulated through forms of education, training, experience, networks and values (NCBF, 2006).

- ***Institutional Capacity*** is the potential and competency, or lack thereof, found within organisations. It includes human resources (collective individual capacities), strategic leadership, organisational purpose, orientation, institutional memory, internal confidence, partnerships, inter-governmental relations, powers and functions, resources and support systems, infrastructure and financial abilities, structures, processes, culture and by-laws (NCBF, 2006).

- ***Environmental Capacity*** is the potential and competency, or lack thereof, found outside of municipalities' formal structures. They are elements that, as a municipality, one has little or no influence or direct impact upon, but that may be needed by the municipality. These are

external conditions that the municipality may be able to harness. Environmental capacity includes the socio-economic (e.g. tax base) and demographic composition; the political, legislative, and social capital within communities; the ecological, geographical and non-municipal infrastructure; and the natural, mineral and environmental resources available (NCBF, 2006).

b) Role of the educational system

Mustaffa (2008) argues that while the educational system in the apartheid era was used as an instrument of discrimination, it is now considered a key factor needed for the reduction of social inequality and poverty. South Africa is in its sixteenth year of democracy and one of the focuses has been to reject apartheid and bring equality into the work place. This is a challenge for government which has been working to rectify the imbalances in education that resulted from the apartheid legacy. Poor schools in provinces like the Eastern Cape and Limpopo remain less resourced while Gauteng and Western Cape are better resourced (SouthAfrica.info).

As reported by SouthAfrica.info (n.d) under the apartheid system of education white South African children received quality schooling virtually for free, while their black counterparts had only “Bantu education”. The ruling African National Congress (ANC) announced the decision to extend the “No Fee” school model from the poorest 40% to 60% of schools at its conference in Polokwane, Limpopo Province, in December 2007 (ANC Today, 2008). The discussion around free education in tertiary institutions is ongoing. This initiative is viewed by many as a motivating factor which will equip previously disadvantaged South African children with the necessary education which includes the adoption of maths and science at school level.

c) Impact of affirmative action in capacity development

The concept of job equality carried the element of affirmative action which was introduced to counter the effects of apartheid. This initiative is still viewed by many as the vehicle to get rid of a white minority and mobilize black inhabitants in the workplace. Ultimately, many believe that it has done the economy and morale of the country's citizens more harm than good. Affirmative action in South Africa is viewed as the instrument used to develop blacks for more senior positions historically occupied by whites. The skilled white minority largely felt exploited and subsequently most of them vacated their positions, making way for blacks.

The initiatives of affirmative action should be viewed as a long term process. Jinabhai (2004) express that affirmative action involves human resource development with substantial funding resources for the upliftment of the disadvantaged communities in the provision of equal employment, social welfare, training, education and development.

However, many positions remain vacant because of the limited number of skilled potential employees. A skill is defined as "the necessary competencies that can be expertly applied in a particular context for a defined purpose" (Department of Labour, 1997).

The introduction of affirmative action had a negative impact as far as the skills shortage is concerned, particularly at the municipality level. Those opposing affirmative action maintain that it is reverse discrimination that resulted in many experienced white employees vacating their positions to make way for black people. Today VDM and other municipalities are facing demonstrations by people in the area of their jurisdiction who do not see the value that municipality brings to their lives.

Jinabhai (2004) reported that the supply of black managers for South African organizations will not be adequate to maintain a growing economy.

He argues that the situation is exacerbated by a shortage of competent skilled black managers. It is compounded further by a lack of suitable qualified and trained personnel from skilled entry point to top executive level. The development of municipal leaders is thus important to ensure that they possess the necessary skills required for the success of the projects.

Skills development emanated from the current performance of employees. Employees' performance determines the direction in which the company is going. The company can gain a competitive advantage through its employees' skills, knowledge and experience, and at the same time can lose competition through poor performance by its employees if employees are not exposed to necessary trainings to enhance skills. It is therefore important for employers to train employees to remain competent in their area of operations.

Cascio and Aguinis (2005) argue that performance of an employee must be assessed and evaluated over a reasonable period of time and recommendations must therefore be made to address poor performance. They urge managers to be "willing and committed" to provide timely feedback about performance while focusing attention on the ultimate objectives.

The purpose of skills development initiatives in South Africa is mainly to develop the skills of the South African workforce, to encourage employers to establish a learning environment and to encourage employees to participate in any form of programme initiated by employers in or outside the workplace.

2.3 Conclusion

The execution phase of the projects in VDM is unfortunately hampered by the unavailability of good quality human resources. In developing a project team, the municipality needs to ensure that individual workers are equipped with the necessary skills and knowledge. Both management and technical staff must undergo either internal or external training to enhance their knowledge and skills in making the project a success.

The highly skilled workers turn the project from being a mere task-based involvement system to a major project that aims to cater for the people of Vhembe. However, due to the lack of such workers the in-house water projects rely on rotating people for multi-tasking purposes (Masakona, 2009). Clark and Calling (2003) emphasise that for more skilled or knowledge-based workers, multi-disciplinary project teams control and direct employees in relation to project design and delivery, yet where skills are highly specific, specialized job-rotation is unlikely. It is for this reason that VDM outsources big projects that require highly specialized skills such as engineers and technicians.

There seems to be a lack of integration between the Municipal Systems Act and the CoGTA with regard to skills development required at the municipal level. This Act does not empower the national department to define skills required within the municipality. In 2007, CoGTA was taken to court as they had set a minimum standard of qualifications as a requirement for appointment to senior municipal positions. The municipalities argued that they had no jurisdiction. The National Department subsequently lost the case (Zimmelman, 2009).

Municipalities should ensure that project human resources management is led by a trained professional who will ensure that the human resources

capacity development for the municipality is fully functional. Municipalities should focus more on the improvement of the core competencies of staff such as water engineers and technicians as well as senior management who ensure that the planning of the project knowledge area is a success.

The human resources management will therefore focus on the development of skills, knowledge and competencies; promote communication between the district and the local municipalities where the projects are being implemented as well as networking with the different stakeholders; and embedded organisational culture with appropriate assets and management information systems.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

The purpose of this chapter is to discuss the research methodology used in this study, including the sampling method, data collection and analysis methods.

3.2 Research methodology

Welman and Kruger (2001) define research as a process that involves the application of various methods and techniques in order to create scientifically obtained knowledge using objective methods and procedures. Sobh and Perry (2005), on the other hand, define research methodology as the techniques used by the researcher to discover the reality in a particular paradigm. In essence, a research method is directly connected to the problem statement and the goal of the research.

This research was aimed at identifying the human resource challenges facing the projects designed for supplying water to the communities within VDM. Two primary questions were raised to establish the causes of the shortage of water within VDM. The sub-questions are well articulated in chapter one and also in appendix B:

- What are the factors that influence the lack of knowledge, experience and skills within the water project in VDM?
- What interventions is VDM adopting to address the challenges thereof?

This research made use of qualitative methods to obtain detailed information about such challenges in VDM. According to Welman, Kruger and Mitchell (2005) a qualitative research method is known as a descriptive method that is used in investigations amongst individuals or groups within a given community, group or organisation. It is basically focused on the behavioural regularities of everyday situations. As described in the findings by Welman, Kruger and Mitchell (2005), the qualitative method is used to uncover and explicate the ways in which people in particular settings come to understand, account for, take action, and manage their situations as well as the problems and difficulties they encounter.

Van Maanen (1979: 520), on the other hand, describes qualitative research as an approach that seeks to describe, decode, translate, and otherwise come to terms with the meaning of naturally occurring phenomena in the social world. Unlike the quantitative approach which is more useful in hypothesis-testing research, the qualitative approach is fundamentally a descriptive form of research that does not fit into any particular theory (Welman *et al*, 2005).

3.3 Sampling design

3.3.1 Sample defined

According to Bless and Higson-Smith (2000:86), a sample is a representative subsection of the population. The sample chosen for this study, as described below, is not representative, but more purposive.

3.3.2 Sampling method used in this study

Miles and Hurberman (1994, cited in Welman, Kruger and Mitchell) alluded to the fact that the sampling of respondents in the qualitative research

tends to be “purposive” rather than “random” because qualitative researchers work with limited universes and that social processes have logic and coherence that random sampling can reduce to non-interpretable information.

The researcher gave preference to key informants who, by virtue of their positions and experience, have more information and are able to articulate such information much better. Therefore information was elicited from Vhembe District Municipality, Department of Water Affairs (DWA), Local Government Sector for Education and Training Authority (LGSETA), Department of Cooperative Governance and Traditional Affairs (CoGTA) and also the South African Local Government Association (SALGA). Tshwane Metropolitan Municipality was drawn in as a benchmark as far as skills development in the metropolitan area is concern. Thus a total of eleven (11) respondents was drawn as a sample for this study. The composition of the respondents is as follows:

a) Vhembe District Municipality

- Three respondents within the Project Management Unit, i.e. one project leader and two technicians working in the water project.
- One senior respondent in the Planning Unit. This respondent led the Project Management Unit before moving to the Planning Unit.
- One senior respondent from the Human Resources Management Unit
- One senior respondent from the Training and Development Unit.

b) Department of Water Affairs, Pretoria

- One respondent in middle management within the office of the National Water Services Transfer. This office played a major role in the transfer of water services function to the municipalities known as Water Service Authority (WSA).

c) Local Government Sector for Education and Training Authority, Pretoria

- One senior respondent responsible for training and development in the municipalities.

d) Department of Cooperative Governance and Traditional Affairs, Pretoria

- One senior respondent in the office of the Local Government Skills Audit.

e) The South African Local Government Association, Pretoria

- One senior manager in skills development section.

f) The Tshwane Metropolitan Municipality, Pretoria

- One middle manager in the learnership department.

3.4 Data collection

3.4.1 Gaining access to the subjects

The researcher travelled from Gauteng to VDM in Limpopo where he made personal visits and arranged to interview six respondents. He used his HR experience to secure appointments with respondents at VDM and managed to conduct interviews with them over a period of two days. The researcher was very much aware of the high cost and time required to conduct this research via the personal visits, and he made his own arrangements to manage such cost and time.

3.4.2 Data collection procedures

With the qualitative method found to be suitable for this study, the researcher used the face-to-face interview method which Fontana and

Frey (1994, as cited in Osteraker, 2001: 1) describe as “one of the most common and most powerful ways we use to try to understand our fellow human beings”.

A face-to-face interview is an explorative research method which allows people to express their feelings about issues surrounding human resources development pertaining to good service delivery within the district. Merriam (1994), as cited in Osteraker (2001), pointed out that an informant knows the culture and is able to reflect on it, and in words can formulate to the interviewer what the real problem is. The researcher has chosen this method of data collection due to its flexibility and adaptability which gives the interviewees enough time to explain their views explicitly.

The researcher found the face-to-face method to be more convenient as it provides the researcher with an opportunity to interpret body language and facial expression, which is sometimes not available during telephonic interviews (Mustaffa, 2008). The researcher, who works in the public sector and spent his working career in the recruitment environment, was more familiar with the dynamics involved in face-to-face interviews.

A semi-structured interview was found to be applicable for this study where the researcher was able to clear up any misunderstanding or ambiguity between the two parties. Semi-structured interviewing is flexible, allowing new questions to be brought up during the interview as a result of what the interviewee says. Through the use of this method, the researcher explains any question that were found to be unclear and makes follow up on incomplete and vague responses (Welman *et al,* 2005). With the semi-structured interview these authors claim that the response rate is of high quality. The researcher, who is familiar with semi-structured interviews through his work experience, was comfortable with this method.

3.4.3 Data collection technique

For all the interviews that the researcher conducted a tape recorder was used during the interview process and transcribed fully at a later stage. The researcher was also taking notes during the interview process. Due to the busy schedule of the respondents, interviews were held in their respective offices with few disruptions. Questions from one respondent to another did not differ fundamentally. VDM was on skills development and training at the municipal level with specific reference to VDM.

3.4.4 Ethical considerations

The interview was limited to senior management within the human resources and the projects that are aimed at supplying water to the people in VDM. The interview was also extended to technicians who are on the ground level and work closely with service providers and the communities. More information was sourced from selected organizations perceived to be the role-players as far as skills development in the municipality is concerned. It also emerged during data collection that some of the informants were reluctant to divulge information due to possible victimization, particularly on issues regarded as short-comings and sensitive at the municipal level. The researcher took a decision that the information obtained will be highly confidential and no names or actual job title of the sources will be disclosed in this study.

3.5 Data analysis

The field data is generally large and meaningless to the eyes of the reader. It needs to be trimmed to a manageable size and made meaningful to the reader through coding. Therefore the researcher coded data using different coding techniques so that it can be reduced to a

manageable size. Sobh and Perry (2006) emphasized that codes that are used to reduce data are usually generated from the conceptual framework rather than from the raw data. In coding the data, descriptive and interpretative methods was applied to present and analyse the results. Descriptive analysis is a way of summarizing and aggregating results from groups (Huntington & Langmeyer, 1992). The researcher analysed data that was obtained during data collection through identifying important themes. Ryan and Bernard, as cited in Welman, Kruger & Mitchell (2005), describe theme identification as “umbrella” constructs which are usually identified by the researcher before, during and after, data collection.

3.6 Limitations of the study

The limitation of this study is that, because the sample that was used is purposive, which is a non-representative sample, the results of this study cannot be generalized beyond the Vhembe District Municipality.

3.7 Conclusion

The findings of the data collected using the methodology discussed in this chapter will be discussed in the next chapter.

CHAPTER FOUR
PRESENTATION OF THE FINDINGS

4.1 Introduction

This chapter is divided into two parts. The first part focuses on the challenges faced by the VDM in rendering water services to the community through the implementation of different projects. The investigations were made on different factors that influence the lack of knowledge, experience and skills within the water projects in VDM. The investigation contains recruitment processes in the whole VDM and pays special attention to the recruitment of technicians and engineers within the water projects. It further addresses educational institutions that are aimed at producing technicians or engineers who are considered to be the backbone of the success of the projects. This chapter also discusses the availability of skilled personnel within the municipality and the development of skills considered critical in the delivery of quality services to the community.

The second part of this chapter focuses on the intervention strategy that VDM adopts to address challenges encountered due to skills shortages, particularly in the water projects. The discussion is around policies on human capacity development, retention strategy, skills transfer and the extent to which VDM imports skills considered critical in the water projects.

4.2 Challenges faced by VDM

4.2.1 Recruitment of project personnel

The Municipal Systems Act urges all municipalities to adopt appropriate procedures providing for fair, efficient, effective and transparent personnel

administration including the recruitment, selection and appointment of persons as staff members.

Vhembe District Municipality rarely conducts recruitment processes for the technical staff within the project management unit. In 2003, Department of Water Affairs transferred the function of water services to the selected municipalities including the VDM. Not only was the service transferred to VDM, but personnel within the water service section as well. The transfer process is still incomplete. This makes it difficult for the municipality to increase capacity within the project unit. The personnel that DWA has successfully transferred to VDM are mostly artisans who are more junior with less formal qualifications and cannot be expected to perform in highly technical positions. The general feeling by the respondents is that artisans should be encouraged to upgrade their skills and obtain formal qualifications which in the long term could give the municipality a pool of technicians from which to recruit.

Senior technicians are reportedly still working under DWA and are reluctant to be absorbed by the municipality citing the level of incompetence of people that they are expected to report to. This is a challenge to the municipality as the process of recruitment at this level will remain unresolved until the concerns raised by technical staff at DWA are addressed. VDM considers technicians to be the backbone in the running of projects, hence, the need to recruit more qualified and experienced technicians.

The other challenge that the municipality anticipates in attracting skilled employees is the geographical location since it appears that people prefer to work in big cities. All respondents were of the same view that South Africa is generally in need of engineers who can play a significant role in improving the economy of the country. The few skilled engineers available in the market get snatched by big municipalities, especially the metros.

The impact of skilled engineers is equally important in municipalities where projects are regarded as a vehicle to deliver services direct to the people.

Due to challenges with regard to recruiting skilled personnel and the backlog of service in their area of jurisdiction, VDM resorted to fully utilizing service providers who are responsible for the implementation of projects including water projects in the municipality. The service providers range from consultants who assist project leaders with the planning of a project to contractors who are responsible with the implementation of projects within the municipality. The contractors and consultants work very closely with technicians. This arrangement is also considered as a strategy to impart skills to the current technical staff.

The current buzzword in the recruitment processes within municipalities including VDM is “comradeship”. All respondents raised a concern with regard to political appointments that compromise the quality of services rendered to people. Although this is not active at the operational level like technicians, it was understood that a municipality is a political institution which is open to corruption and as a result one should not rule out possible political appointments.

The general feeling is that the practice of comradeship compromises the fair, efficient, effective and transparent processes articulated in the Municipal Systems Act. The Bill that CoGTA was reported to be working on will ensure that the integrity of the municipality is restored through recruiting competent people rather than politicians

4.2.2 Educational institutions

Monteiro (2006) indicated that South Africa’s poor educational system and particularly the lamentable standard of mathematics and science education is dragging the country’s status in information technology lower.

Currently, the Limpopo province has two universities, namely University of Limpopo and University of Venda. However, none of these institutions offer degrees relevant to this study. The University of Limpopo offers a degree in the National Institute of Community Water and the University of Venda offers Hydrology which focuses more on the end product of the project, which is quality of water. The project management unit in VDM is led by a qualified engineer who, together with five technicians, graduated outside the province.

Some respondents blamed the educational system in this country which does not cater for previously disadvantaged groups. During the apartheid era, courses like engineering were reserved for the white minority and that created an imbalance particularly after the democratic elections, where government and the institutions have been trying to close the gap. A course like engineering was introduced in few institutions in South Africa and it is only now that the government is urging black South African students to study in the engineering field. It is the role of the government to ensure that the curricula that institutions provide address the needs in the workplace. The CoGTA felt that this role is not being played as fully as it should because “we are trying to determine what the gap is before we move to the next step to say we have got the competency profile for every position and we start determining the qualification and see if it addresses the needs of the municipality” (Greylig, 2010).

Currently, students who graduate from a university or technikon bring a lot of theory to the position with little or no practical experience and yet these people are expected to perform at a high level. Technikons offer students little work exposure as part of their learning. However, this is not enough for students to enter middle management positions upon completion of their studies. Five technicians who were recruited in VDM had little experience and were fresh from university when they joined the

municipality but today they are handling many projects that the municipality implements with success.

Tshwane Municipality formed a partnership with tertiary institutions such as Tshwane University of Technology in a bid to encourage students to enrol for engineering courses. Students are offered financial assistant by the municipality and given the opportunity to work in the municipality during school holidays. Respondents mentioned the need for rural municipalities to benchmark with other municipalities, especially metros, and learn the way things are done in order to enhance performance. The CoGTA partners with other institutions such as SALGA, LGSETA and the Department of Higher Education and Training to ensure that courses like engineering are incorporated into the curriculum in all tertiary institutions to offer more options, particularly to black students.

The Limpopo Province has a number of Further Education and Training (FET) Colleges that produce artisans. However, there was a general fear that since the artisans are often lacking relevant qualifications they (artisans) cannot be expected to operate in more senior level positions within the project. There are different types of qualifications in the engineering field such as Civil, Electrical, Industrial, Mining, Construction, Mechanical that are offered by tertiary institutions in the country. Artisans were found to be the most vulnerable students who enter FET Colleges without a Matric certificate and that makes it difficult for them to enrol for any of the engineering courses offered in the tertiary institutions. While it was noted that in some instances universities do admit people on the basis of experience and age, basic mathematics and science are regarded as key subjects to enter the engineering field.

In addressing the fourth FET college's achiever awards ceremony, the then Minister of Education, Naledi Pandor, reiterated that FET colleges are central to the delivery of priority skills needed in South Africa (Pandor,

2010). The general understanding is that artisans are indeed not technicians by virtue of the qualifications they have but they possess more skills, knowledge and experience to compete at the level of technicians. Respondents felt that artisans must be encouraged to study further and obtain formal qualifications to supplement the experience that they have gained at their areas of operation. The LGSETA has put in place a plan to fund the development of artisans and urged all employees including VDM to start implementing the plan to ensure that artisans obtain formal qualifications.

4.2.3 Employees leaving municipalities

The LGSETA encourages all municipalities to develop a policy on retaining good and skilled employees. VDM has responded to the call and developed a retention strategy which was designed to keep employees whose positions are regarded as crucial and whose skills, knowledge and experience are considered to be critical and difficult to find in the labour market. However, since VDM took over the water service function from DWA, there has not been an employee, particularly in the technical area, leaving the municipality in search of better opportunities. This makes the retention strategy in the municipality inactive and tested.

The pace of recruiting technical staff is very slow in VDM and this has resulted in a limited number of technical staff leaving the municipality. The situation is exacerbated by the absorption of artisans who were transferred to VDM by DWA. However, respondents at VDM were divided over the issue of salaries of technicians. Some respondents felt that the low level of exodus is the result of the high salaries that VDM pay its technical staff. However, it was big municipalities like metros who were usually described as the better organization as far as salaries are concerned.

The public sector will continue to lose skilled people to high paying companies, especially the private sector. The VDM is no exception and the municipality is anticipating its technical staff to exit the institution in the near future, especially after gaining more exposure in their current jobs. Salaries were still regarded as a key factor among middle aged employees (25-40) who do not stay too long in one position. This challenge threatens municipalities whose rigid remuneration system prevents them from retaining valuable skills.

Not only money was considered as a key factor, but geographic location as well. The VDM is situated in the northern part of Limpopo Province and the area of its jurisdiction is predominantly rural with a noticeable basic service backlog. The municipality is also aware that once the current personnel acquires the desired experience, they might consider leaving to bigger Metros where there are more opportunities than what the province currently offers.

However, DWA does not anticipate VDM will feel the impact of losing good employees at any time soon as it is understood that the negotiations with the municipality to absorb all water service staff still in the establishment of DWA are ongoing. Once the two parties reach an agreement, VDM will have more skilled and qualified technicians who could give hope to the municipality as far as exiting the municipality is concerned.

The transformation in South Africa brought about changes that saw the different arrangements of municipalities. While many good things can be said about this change, VDM argue that this did not create better options to secure technical skills that existed during the apartheid era. The Project Management Unit blamed changes in the political landscape that resulted in Affirmative Action. They argue that the municipality started at a very low level with few skilled people having to implement provision from the bottom up. Although affirmative action is a good system to empower black people

and other previously disadvantaged groups, VDM felt that the implementation part of it happened too quickly and some people viewed it as a vehicle that drove away the white minority from the workplace.

4.3 The interventions

4.3.1 Human capacity development

A municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. Municipalities must comply with legislation which applies to human resource development, such as the Skills Development Act and Skills Development Levies Act and the Municipal Systems Act, 2000.

The CoGTA defines capacity building in terms of individual, institution and environmental capacity. They (CoGTA) are required to, *inter alia*, provide capacity building and technical support to municipalities. They argue that individual capacity alone cannot address the challenges that municipalities are faced with as far as capacity building is concerned.

Municipalities as an institution must develop strategies and create a conducive environment in which the skills learned can be transferred in the workplace. Both CoGTA and LGSETA argue that resources are being wasted on developing people for the wrong reasons. People are taken to training irrelevant to their jobs and those who are fortunate enough to receive training in a relevant training programme are being denied opportunity to put the acquired theoretical knowledge into practice when they return to their respective workplaces.

The CoGTA has a role to co-ordinate and support policy development, policy implementation and provide support to service delivery within and

between the spheres and tiers of government. Municipalities like VDM will be offered necessary assistance with regard to developing policies that will ensure that capacity building is adopted and become one of their priorities. It emerged that since 2000 VDM has policies in place such as bursary schemes aimed at assisting employees to further their studies.

However, none of the technical staff members has ever been offered such an opportunity to enhance their academic knowledge, despite several applications that they have made. They therefore consider such policy as non-existent and the information regarding the existence of such a policy as misleading. However, the training unit could not produce evidence in a statistical format as proof or defend their claim that the bursary policy has benefited employees in other areas of operation within VDM. CoGTA is developing a monitoring system that will ensure that the bursary policy does not discriminate and is accessible to everyone within the municipality. Metro municipalities like Tshwane utilize their bursary policies fully. The bursary covers not only its employees but non-employees like students as well. The Tshwane municipality also offers bursaries to students who permanently reside in Tshwane with the aim of employing them at the end of their studies.

One of the areas that hampers the development of human capacity within VDM is a lack of proper skills audits. It emerged during the interviews that VDM conducts skills audits every year to identify gaps with the aim of addressing them. The municipality has a Personnel Development Programme (PDP) in place, but this is not fully implemented. This was also confirmed by both LGSETA and CoGTA who blamed the old DPLG system for not taking skills audits into consideration. However, Tshwane put blame on rural municipalities who seem to be manipulating the skills audit system to suit their needs.

It emerged that most of municipalities put their main focus on the number of trainees rather than looking at the purpose of the training programmes. They only compare qualifications and identify training relevant to the qualification, irrespective of the job that employees were doing. In 2007 CoGTA started with a proper skills audit strategy and they hope to finalise the process by the end of 2010.

The Municipal Systems Act No. 32 of 2000 describes performance management as an iterative process of setting targets, monitoring performance against those targets, and taking steps to improve performance. It further emphasize that it can help municipalities to work more effectively towards meeting development challenges, because it allows them to assess the impact of the various strategies they are pursuing.

The aim of performance management is not being realized at VDM. McNamara (n.d) defined performance management as a concept that includes activities to ensure that goals are consistently being met in an effective and efficient manner. It was revealed by VDM respondents that performance agreements are also conducted but do not get reviewed. Despite its purpose being to enhance accountability and to monitor whether they are receiving value for the funds spent on various services, technicians become frustrated that they cannot trace their actual performance and they have resorted to comments made by the community as the measurement of their actual performance. They handle many projects which should be an indicator of their need for further training and development which will not only enhance their skills but benefit the organization as far as rendering quality service is concerned.

The Municipal System Act No. 32 of 2000 urges every municipality to establish a performance management system which is suitable to the municipality's circumstances. It must also be in line with the priorities,

objectives, indicators and targets contained in the Municipal Integrated Development Plan.

The lack of funds was also mentioned as one of the obstacles preventing technical staff from enhancing their skills through training. The Department of Public Service and Administration (DPSA) is understood to have initiated training for technical teams. However, VDM could not take up the initiative further due to lack of funds.

The Budget was identified as a major challenge in this municipality. All respondents in VDM expressed their frustration regarding the lack of funds to develop and nurture skills. Although the blame was on lack of funds, other respondents felt that municipalities are exposed to corruption and lack of capacity which leads to mismanagement of available funds.

The VDM, like any other organization contributes, 1 per cent of the payroll as required in the Skills Development Act of 1998 to the development of skills. LGSETA has raised a concern that municipalities do not submit their Workplace Skills Plan (WSP) and those who do, always submit them late. However, the general concern was that municipalities do not spend money on actual training but on items such as travelling and accommodation. Although VDM claimed to have trained employees in other divisions, it emerged that none of the technical staff in water services section had had training in the previous financial year.

The LGSETA has put in place a plan to fund the development of artisans and further training of artisans in the municipality. However, some municipalities go beyond the idea of capacitating artisans and utilize the funds on recruiting more new employees as artisans. DWA attested to this and has secured about R35 million from LGSETA to assist municipalities with training of technical staff. However, the Department still holds these

funds since none of the municipalities have come forward with their proposals and plans on how to utilize the money.

The relationship between financial management and financial viability remains a challenge in the support programmes to municipalities. The DWA emphasized that until the government develops a stringent monitoring system to eliminate any sort of maladministration of funds at the municipal level, massive backlog and poor service delivery will remain challenges for poor South Africans. In responding to this challenge, CoGTA has put strategies in place to ensure that monitoring of budgets for municipalities remains one of their priorities and together with the National Treasury will ensure that budget allocated for training is used to serve that purpose.

4.3.2 Knowledge management

The LGSETA urges municipalities to develop policies that will give guidance to the municipality as far as skills transfer is concerned. It is understood that VDM has adopted a skills transfer strategy through the implementation of the tender system. The municipality outsourced almost all its water projects and one of the objectives is to impart skills to internal employees within the projects. External contractors bring consultants and specialists who work closely with technicians which is regarded as a good initiative to transfer skills to technicians. This remains mandatory when tenders are awarded to contractors.

However, corruption with regard to awarding tenders in VDM was viewed as one of the factors hindering the initiative of imparting skills through service providers. It was mentioned that lately, most companies that have been awarded tenders lack competency and capability to perform at the expected standards. As a result, most of the projects do not get completed and if they do, the quality of the end product is questionable. This practice

tarnishes the image of the municipality and compromise the initiatives aimed at transferring skills.

The other strategy that is slowly bringing about change as far as skills transfer is concerned within VDM is the role that the DPSA plays. The DPSA deploys consultants to the municipality and VDM perceive it as an opportunity to transfer skills to its employees. The CoGTA mentioned that an increased number of municipalities have received technical support through deployment of experts. It emerged during the interviews that as at December 2008, about 1 283 technical experts had been deployed to 268 municipalities, including VDM.

The main focus has been in the area of Civil Engineering, Finance, Town and Regional Planning, Project Management and Human Resources Development. However, this initiative comes at a cost which some municipalities, including VDM, find it difficult to manage. They have resorted to DPSA's initiative which is much cheaper and easy to access. Although it does not happen often enough, the project units are still optimistic that more specialists will be deployed to their advantage. The Tshwane municipality brings back retired engineers and offers them short contracts with the aim of transferring skills, and urged VDM to do the same.

The initiatives by both CoGTA and the DPSA is still viewed as being inadequate, as VDM accused the government of failing to set a precedent where government departments, municipalities and private entities collaborate in skills transfer initiatives. Academic institutions do not produce skills according to the needs of companies. They argued that these entities operate in silos and continue to poach skills from small companies and municipalities instead of assisting them to improve capacity and transfer skills.

The CoGTA adopts innovative models such as action learning through building a coherent governance framework that supports, enables and empowers the local sphere of government. They emphasized that knowledge management and the process of building capacity through shared learning are central to this notion of innovation. They will develop and implement innovative knowledge development programme to ensure that municipalities become a learning organization.

The political landscape which resulted in a skilled white minority leaving municipalities contributed to the lack of technical skills in VDM. They argue that the concept of knowledge management was not properly implemented during this transformation period. The Knowledge Management Forum (1996) defines Knowledge Management as the collection of processes that govern the creation, dissemination, and utilization of knowledge. In simple terms, Knowledge Management is described as a framework in which knowledge (tacit or explicit) is handled in such a way that it can be used by different people.

Tacit knowledge is the knowledge we each carry in our heads about how to do things, who to call and the lessons learned through experience. Making it explicit requires recording it in some media (computer or paper) that allows another person to use it. The white minority was largely regarded as the custodians of technical skills or knowledge critical in the delivery of service because of their experiences obtained during the apartheid era. White personnel left the municipalities with their personal knowledge (tacit) and the government did nothing to document explicit knowledge which could have been a solution in addressing challenges facing municipalities.

4.3.3 Importing skills

One of the factors that helps organizations to realize their objectives as far as skills transfer is concerned is through bringing in skills considered critical in the operation of the organization. South Africa is known as a country that feeds foreign countries with critical skills rather than receiving skills. VDM confirmed this and voiced a frustration about the way in which the remuneration system is structured by the government. To date, the municipality has secured one technician from the Eastern Cape and revealed that most of the consultants come from outside of the province.

As far as foreign employees are concerned, VDM has only managed to employ one technician from Zimbabwe whom they regard as a good start considering that they are situated in the far north of the country where few opportunities are available. This technician brought a lot of expertise within the technical area, and VDM considers it an opportunity to transfer skills to the project team.

4.4 Conclusion

This chapter revealed many challenges that VDM is facing with regard to the development of human skills required in water provisioning. It emerged during this investigation that most of the municipalities, especially rural municipalities, encounter the same challenges as VDM. Other institutions such as CoGTA, SALGA, DPSA, LGSETA and the Department of Higher Education were identified as role-players in mitigating challenges that VDM encountered within the water projects.

CHAPTER FIVE
INTERPRETATION AND ANALYSIS OF RESULTS

5.1 Introduction

This chapter presents an analysis of the data presented in chapter four. The discussion takes into consideration the themes that were identified during data collection.

5.2 Key themes

The following are the key themes as identified in the interviews and discussions, and are addressed in more detail below:

- political appointments
- geographical location
- service providers
- closing the gap between theory and practice
- upgrading of artisans
- employee mobility
- introduction of affirmative action
- municipality as a learning organization
- corruption.

5.2.1 Recruitment of project staff

The purpose of recruitment is to attract a pool of candidates to select the most competitive employees against the job requirements. This process brings new expertise to the organization. The overwhelming response was that if it was in the hands of VDM, they would consider boosting technical personnel within the water service section. However, all the respondents in the municipality have accepted the challenge which is

beyond municipal control and hoped that SALGA, CoGTA and other bodies will sort out the deployment of staff that is still operating from the DWA staff establishment. The organogram in Appendix A shows that more than 90 per cent of positions in the water services section within VDM are vacant. The situation is exacerbated by a lack of agreement between VDM and DWA with regard to the transfer of technical staff as stipulated in a "Summary of Joint Policy Position Transfer of Water Services, January 2003".

5.2.1.1 Political appointments

Political appointments seem to be compromising the integrity of municipalities. All respondents were in support of the new Bill which the Minister of Cooperative Governance and Traditional Affairs has proposed as a means to get rid of political appointments. All parties interviewed were keen to see this change to restore the integrity of municipalities.

5.2.1.2 Geographical location

The geographical location of VDM has a negative impact on its ability to attract skilled people. The general feeling from the respondents within the municipality was that local government should consider restructuring salaries for engineers working in rural municipalities. This could give rural municipalities an equal opportunity to compete against metro municipalities in attaining competent staff.

5.2.1.3 Service providers

VDM has massive projects that are aimed at rendering services to the community. They also make use of external service providers. The general concern is that tenders were, of late, awarded to incompetent contractors whose poor work exposes shortage of skills within the municipality. They

felt that the gap created by skills shortages should be closed by securing contractors who are highly competitive.

5.2.2 Educational institutions

Respondents accepted the current status of having two universities within the province. However, they felt that more could be done to capacitate these institutions. All respondents showed optimism regarding the newly established Department of Higher Education and Training which has expressed the need to revive technical colleges in the country. It is hoped that this will make a significant contribution to skills development, which will ultimately benefit the local government.

5.2.2.1 Closing the gap between theory and practice

Universities are known to be good on transferring theoretical knowledge which respondents considered as supplementary to on-the-job knowledge. They all applauded the work done by universities. Tshwane Metropolitan Municipality offers students experiential training during school holidays as a means to close the gap and would like rural municipalities to emulate this approach. This could also encourage students to join the same municipality after completion of their studies.

5.2.2.2 Upgrading artisans

Artisans in VDM were described as the longest-serving employees in the water services section. Despite the misunderstandings between VDM and DWA with regard to the absorption of staff, all respondents were of the view that artisans should be nurtured to compete on more technical positions. However, there was a division with regard to the level of minimum qualifications that the artisans should possess before enrolling for a more formal qualification such as a degree or diploma in engineering.

The overwhelming view was that artisans' skills should be upgraded irrespective of their qualifications.

It is evident from this response that the respondents wanted artisans to be upgraded so that they could also perform at a more professional level. It was reported that most of them are responsible for the maintenance of machinery and other equipment used in the projects. Their promotion may close the gap as far as skills shortages in the water projects are concerned. All respondents supported the suggestion of the Minister of Higher Education and Training to revive FET colleges so that more skilled technicians could be produced. They believed that should this idea be adopted, skills shortages in the municipality could be successfully addressed.

5.2.3 Employee mobility

It was generally accepted by the respondents that the exodus of skilled employees will continue to challenge local government. It is therefore important for local governments to develop strategies to mitigate against such eventualities.

5.2.3.1 Retention strategy

Retention strategy is regarded as a way of keeping good employees as opposed to discouraging them from leaving the organization. Although municipalities are urged to adopt this strategy, it was unanimously agreed that this will not be an easy task as municipalities, especially rural municipalities like VDM, compete with big companies who offer more benefits than just a salary. VDM consider themselves lucky not to have lost any of their technical staff. They acknowledge, however, that staff retention remains a challenge given that the work environment changes all the time.

5.2.3.2 Introduction of Affirmative Action

The transformation that gave birth to affirmative action was blamed by all respondents as one of the contributing factors to the shortage of skills in the municipality. They felt that government should have established a better system to encourage the retention of a skilled white minority who felt abandoned by the new administration.

5.2.4 Human capacity development

Developing skills was regarded as the most fundamental strategy that all municipalities, small or large, should embrace at all times.

5.2.4.1 Municipality as a learning organization

The VDM blame a lack of funds as the main factor behind lack of training in the municipality. Although this claim was not supported by other respondents, overwhelmingly, other respondents indicated that they are willing to assist with the development of skills at the municipal level. The DWA, for example, disclosed significant budget that they had secured to assist the municipality with regard to skills development. However, the municipalities were accused of mismanaging the funds. The relationship between the municipality and educational institutions should be seen as a means to bridge the gap as far as skill shortages are concerned.

5.2.4.2 Skills audit at the municipal level

The VDM was “off the hook” when it was revealed that a wrong skills audit strategy was used to identify training gaps in the municipalities. Skills audits are conducted against the competencies that are required in order to determine the gaps and to focus training and development accordingly (http://www.skillsatwork.co.za). However, government departments were

making use of traditional performance appraisal process to identify skills gap. Performance appraisal is usually done by managers and carries a high possibility of being flawed. Heathfield (n.d) mentions that appraisal reflects what the manager can remember which is usually the most recent events. She argues that almost always, the appraisal is based on opinions, since real performance measurement takes time and follow-up to do well. CoGTA mentioned the project that they have currently embarked on to ensure that a proper skills audit is conducted effectively and efficiently as a tool to identify skills gaps and to close such gaps. This department (CoGTA) encouraged the VDM to develop policies, implement and continuously monitor them to ensure that skills development remains a priority within the municipality.

5.2.5 Performance management

From the interviews conducted in VDM, it seems that a performance management system was not effective. People complained that performance management was very poor and they had lost hope as they did not see the purpose. VDM was advised by other respondents to liaise with CoGTA to develop proper performance management systems. At present, CoGTA is working on a plan to assist municipalities to develop such a system.

5.2.6 Knowledge management

The concept of Knowledge Management was perceived as one of the strategies that organizations, including VDM, should implement as a means to impart skills, especially, to the new graduates who enter the workplace with little or no work experience. Weigel (n.d) explains that Knowledge Management is concerned with organizing knowledge repositories (databases, etc.) so as to allow for easy retrieval and exchange of the information stored therein. The concept of Knowledge

Management is relevant to VDM in the sense that the knowledge, tacit or explicit, that they store will be used by other people. The introduction of affirmative action has left many organizations including VDM handicapped as most of the skilled workers who were against the implementation of affirmative action vacated their jobs. Unfortunately at that time Knowledge Management was not practiced and the knowledge that employees acquired during their working careers was not stored.

5.2.7 Skills transfer

Skills transfer initiatives were well accepted by all respondents. Skills transfer includes transferring skills that were acquired during training into the actual job. However, this initiative is not implemented in VDM as the municipality fails to train its technical employees. Respondents mentioned different ways of imparting skills to employees and urged municipalities to adopt this strategy. It was suggested that VDM should also consider utilizing the services of retired engineers in a bid to transfer skills.

5.2.7.1 Involvement of government

The effort that government has made in terms of bridging the gap as far as skills transfer is concerned was acknowledged by respondents. However, most of them felt that the same government is not helping much as experts that were made available for deployment are costly. However, initiatives from DPSA were well accepted and viewed as the only possible solution.

5.2.7.2 Corruption hinders development

The word “corruption” was often mentioned during data collection. All respondents unanimously agreed that development of staff will never be realized if corruption is not dealt with. It also emerged that awarding of tenders to contractors whose roles include skills transfer to internal

technicians was characterized by mismanagement and irregularities. Respondents called for fair and transparent processes to award tenders to contractors who are more competent and willing to transfer skills to municipal employees.

5.2.8 Importing skills

All respondents emphasized the significance of importing skills from outside of the province or country. However, this will remain a challenge as it is linked to geographical location of the municipality. It was also linked to the rigid remuneration system and it was felt that until such time that government changes the remuneration structure, importing skills will remain a challenge.

5.3. Things that are working well

The relationships between the water project employees, especially technicians and external contractors, on imparting skills seems to be working well for VDM. Although there were complaints that were raised on the awarding of tenders, the overall objectives of utilizing service providers seem to have been well received by the municipality.

Apart from imparting skills, service providers are helping the municipality to realize its goals of providing clean water to the community. Although few cases of corruption with regard to awarding of tenders were mentioned, service providers were praised for the good work they are doing as most of the communities have water taps.

5.4 Areas of improvement

It was discovered during data collection that VDM is in need of skilled engineers to render quality service to the people. Several attempts have been made by the municipality to address the challenge. However, this study revealed that the attempts were not as extensive as they should have been. The municipality has developed mechanisms such as a bursary scheme that is not being implemented. The Skills Development Act No. 97 of 1998 aims to develop the skills of the South African workforce and to improve the quality of life of workers as well as their prospects of work. It also improves productivity in the workplace and the competitiveness of employers, and promotes self-employment. The role that CoGTA plays in terms of skills development is to develop and co-ordinate government policies, and encourage government departments including municipalities to effectively implement policies aimed at developing skills.

The results also revealed that the skills audit was not done properly. New initiatives by CoGTA should be embraced by VDM so that the skills gap can be addressed. The training of technical staff has been very slow at VDM and the municipality must develop strategies to upgrade employees' skills.

5.5 Reflections

The NCBF (2008) noted an increase in the demand for skills mainly due to upgraded service delivery methods linked to the restructuring of the internal work environment. Technical services are one of the areas identified with regard to skills development.

This paper explains nine knowledge areas discussed in Chapter 2 and their interdependences. Each knowledge area is crucial in realizing the objective of the water project in VDM. This study based its argument on the human resource knowledge area which describes the need for human capacity in order to achieve organizational objectives. By developing employees, organizations receive equal benefit as workers. Therefore, organizations including VDM must prioritise skills development to ensure their competitive advantage.

Municipalities must prioritise capacity needs. The NCBF explains that capacity needs in the municipality should be indicated by assessment processes which identify gaps in overall capacity levels and the ability to implement specific functions, projects and programmes. However, it is noted that it will not be possible to address all capacity needs and gaps immediately. As mentioned by CoGTA during the data collection process, the process starts with a skills audit, which is being conducted. The Municipality must therefore prioritise skills considered to be critical and identify training needs. This should also take into account the budget constraints that VDM experiences.

The acquisition of service providers is mainly to address backlog resulting in “service delivery protests”. In other words, service providers implement projects and the maintenance roles should be filled by the municipality. It is therefore clear that VDM should acquire more skills, either through recruitment or by developing the existing personnel, to be able to maintain the infrastructure and ensure that clean water is available to the community.

The VDM renders basic services to about 1.2 million people (Statistics SA Community Survey, 2007). South Africa has been characterized by protests in the communities over the lack of services that municipalities are mandated to render. Communities are not interested in the challenges

that municipalities face in terms of poor service delivery but want their democratic vote to yield results. This is where political parties score points and failure to provide quality service might result in the ruling party in that district losing support.

The fight to improve the life of people in South Africa is not only the responsibility of municipalities, however, and other institutions such as SETA play a major role in ensuring that training systems developed to serve this purpose are of high quality and meet agreed standards. The LGSETA has been accredited by the South African Qualifications Authority (SAQA) as an Education and Training Assurance Body and they ensure that training in the municipality is aligned with their requirements.

The LGSETA develops a Sector Skills Plan (SSP) within the framework of the National Skills Development Strategy. The SSP analyses the labour market within the local government sector which is compiled once every five years, and submitted to the Department of Labour, and is updated annually. The purpose of the SSP is to ensure that the LGSETA has relevant and current information and analysis to allow it to perform its strategic skills planning function for the sector. It also aims to maximize implementation by employers in the National Skills Development Strategy.

It was mentioned more than once during data collection that a skills development plan is not being administered at the municipal level. Inappropriate training courses are identified without taking into consideration the skills gap. SSP, Workplace Skills Plans and Annual Training reports are submitted to LGSETA by employers and these should be used to better identify the training needs.

Through the SSP, strategic projects that arise from skills needs are identified and developed to meet the needs of municipalities as far as training and development is concerned. What is more important is that the

initiative of SSP ensures that skills development facilitators are registered, trained and given full support to ensure the high quality of training provided to personnel in municipalities. This will avoid irregularities within the municipality where funds for critical skills training is spent on areas considered less important.

The VDM has indicated that training does take place but not in the technical area, even though the LGSETA has identified lack of skills in infrastructure and service delivery. With all the initiatives that the LGSETA has developed, all areas of operations in the municipality should be addressed insofar as training and development is concerned. VDM contributes 1 per cent of all their workers' salaries to the skills development levy every month as stipulated in the Skills Development Levies Act and is thus eligible for both the mandatory training grant, and the discretionary training grant from the LGSETA.

5.6 Conclusion

This chapter interprets and analyses the findings through the identified themes. It emerged that not only internal factors contribute to poor service delivery at VDM but also external factors such as political interference and geographical location. This chapter describes the importance of utilizing external service providers in the municipality. However, it emphasizes that systems should be in place to manage service providers in order to prevent corruption which could lead to poor service delivery.

The chapter revealed different ways in which critical skills such as engineering could be addressed. It describes the collaboration between municipalities and educational institutions, upgrading of artisans and the implementation of service providers as a means to impart skills to technical staff.

CHAPTER SIX
CONLUSIONS AND RECOMMENDATIONS

6.1 Introduction

The purpose of this study was to investigate the impact of the skills shortage on water provision in the Vhembe District Municipality**.** This research identified several factors that contribute to the skills shortages. For many years people in the VDM area have been under the impression that shortage of water was a result of lack of rain in the province. Being situated in the northern part of the province, which is extremely hot during the summer season, the province generally experiences short rainfall patterns during the rainy season. The perception has been that lack of rain is the main cause of shortage of water in the district.

The following are the main findings of this study:

6.2 Main findings of the study

6.2.1 Lack of enough skilled personnel

The study revealed that lack of enough skilled personnel in the water services section compromised the quality of service that the municipality is expected to render to the community. According to the organogram attached as Appendix A, about 98 per cent of positions in the water services remain vacant seven years after the DWA transferred water services to municipalities. However, this challenge could have been addressed if VDM and the DWA had reached agreement on the absorption of technical staff who were expected to have joined the municipality during the transfer of the water service function.

6.2.2 Educational institution

The lack of engineering courses in the South African tertiary education system contributed to the slow pace at which the development of the required skills happens. Universities in Limpopo, for example, have no direct engineering courses that could also cater for people within the province. The situation was exacerbated by the previous apartheid educational system which catered largely for whites.

6.2.3 Geographic location

The VDM is situated in the far north of the Limpopo province which by virtue of its somewhat isolated location fails to attract skilled people. Most people are more interested in working in big cities where there are many opportunities and facilities. This research also identified weaknesses in the structuring of public servant salaries which do not attract skilled employees to join the municipality. Metropolitan municipalities, for example, pay better salaries than rural municipalities which cause instability within the local government. This was evident during recent protests by municipal workers demanding equal pay across the country.

6.2.4 Budget allocation

The VDM claimed that budget allocation was inadequate and contributed to the municipality's inability to attract and enhance the skills of individual employees. However, this study revealed that funds that VDM is expected to direct to skills development are often utilised for other operational expenditure. It also became apparent that VDM does not have a training plan in place and they tend to spend budget on training for areas deemed not critical for the development of technical skills for the benefit of the municipality.

6.2.5 Policy implementation

The research interrogated the way in which policies and strategies are implemented in VDM and in municipalities at large. It was revealed that policies are not adopted, and if adopted, they are not serving what they are suppose to serve. The study revealed that there are organizations such as CoGTA that are responsible for the development of policies for the municipalities and explained explicitly the positive impact that these policies could have on VDM should policies be implemented effectively and efficiently.

6.3 Recommendations

The following recommendations were made to VDM:

6.3.1 Retain retired employees

VDM should consider employing retired skilled employees to work closely with the project staff within the water services section on a contract basis. The primary role of the retired employees will be to impart skills to the current staff. This includes a skilled white minority who left municipalities in protest after the inception of affirmative action.

6.3.2 Collaborate with educational institutions

VDM should form a partnership with universities and technikons that produces engineering students. This should be done through awarding bursaries to students who study for a degree or national diploma in engineering. The bursary contract should give students an opportunity to do practical work at VDM during schools holiday. The contract should oblige students to spend at least the first three years of their working career in the municipality.

6.3.3 Join forces with other municipalities

VDM should work together with other municipalities, especially metros, to ensure that knowledge sharing is done successfully. This will assist VDM to develop and maintain the required skills to effectively provide quality water to the people of Vhembe.

6.3.4 Implementation of bursary policy

Capacity building must be a priority if service delivery is to be enhanced. VDM must mobilize and direct resources that could be used to strengthen the capacity to develop technical skills so that employees perform to their optimal expectations. VDM must invest in their employees and encourage them to further their studies through bursaries. Informal training such as on-the-job training and workshops should be introduced in the municipality and employees encouraged to attend. More skilled personnel must be employed in the water service section and their skills nurtured so that they can maintain the infrastructure required to supply quality water to the people.

Recommendations were also made to the following organizations that were identified as role-players insofar as service delivery is concerned in VDM:

6.3.5 Department of Cooperative Government and Traditional Affairs

Amongst other things, the CoGTA has a responsibility to strengthen municipal infrastructure programmes to meet targets for water, sanitation and electricity. In line with the principle of co-operative government, national and provincial government must strengthen the capacity of municipalities to manage their own affairs. VDM must ensure that policies that CoGTA develop and co-ordinate are implemented fully, and to do this,

CoGTA must consider establishing a policy monitoring system for municipalities, including VDM. Skills audits should be conducted properly in VDM and used as the basis for provision of skills development training programmes.

6.3.6 Local Government Sector Education and Training Authority

VDM must adhere to the requirements of the LGSETA in a bid to enhance their processes in the development of skills. The LGSETA must ensure that the training conducted by VDM addresses the same challenges faced by municipalities. The LGSETA is accredited by the South African Qualification Authority (SAQA) as an Education and Training Assurance Body. Therefore, the training that VDM provides must firstly be assessed by the LGSETA to ensure that it is aligned with SAQA's requirements.

The LGSETA has created training initiatives such as learnerships, skills programmes, internships, bursary funds and apprenticeships to capacitate municipal workers with required skills to ensure that service delivery is of a high quality. They must continue to play a supportive role such as evaluating the Workplace Skills Plan (WSP) for municipalities including VDM, ensuring that training programmes are accredited, and administering municipal levies which determine the level of training at the municipal level.

6.3.7 National Government

The challenge of skills shortages in municipalities is exacerbated by poor linkages between the government, educational institutions and the private sector. The national government through the Department of Higher Education and Training must introduce engineering courses in all institutions, including both universities in Limpopo Province. The department must further ensure that mathematics and science as school

subjects are readily available in all schools and are made compulsory subjects.

Suggestions were made regarding the inclusion of various stakeholders that should work closely with the Department of Higher Education and Training to encourage young potential mathematicians and physicians in the country to pursue engineering courses at the university level. This could be done through offering engineering students an opportunity to gain practical experience in the workplace during school holidays.

This study also recommends that the National Government must revisit the salary structure, especially for highly skilled engineers, and provide incentives to those who are willing to work in rural municipalities like VDM.

6.3.8 South African Local Government Association

SALGA as mandated by the South African Constitution must continue to assist in the transformation of local government in South Africa to enable it to fulfil its developmental objectives. VDM should engage closely with SALGA in addressing challenges around geographical location which appears to be compromising their developmental initiatives. VDM must take advantage of SALGA's role of representing, promoting and protecting the interests of local government and creating more opportunities for the growth of municipalities in general.

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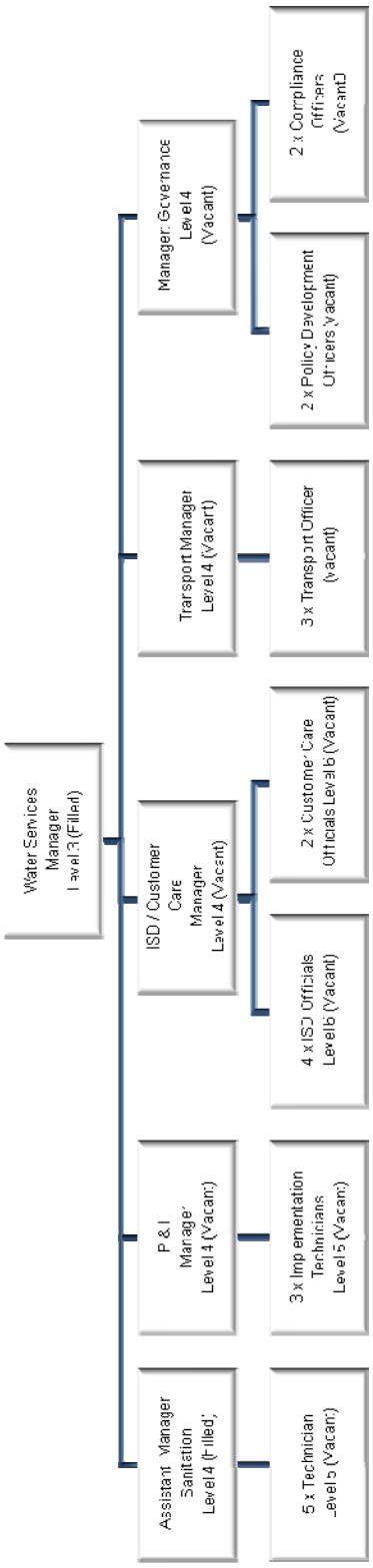
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APPENDICES

A. Part of organogram for Water Services section, sourced from VDM in May 2010.

VDM WATER SERVICES



B. INTERVIEW QUESTIONS FOR QUALITATIVE RESEARCH

1. What factors influence the lack of knowledge, experience and skills within the project of the Vhembe district municipality (VDM)?

1.1. How is the recruitment of project members conducted within VDM?

1.2. Do you have educational institutions within the province that produce skills required in your projects and to what extent do such skills produced?

1.3. At what rate is the level of skilled employees leaving the municipality, and what causes that?

1.4. At what extent would you say budget contribute to skills shortage in VDM?

2. What intervention(s) is Vhembe district municipality adopting to address the challenge thereof?

2.1. How does VDM implements policies on human capacity development?

2.2. Does VDM has a retention strategy? If yes, to what extent does the municipality implements such strategy?

2.3. To what extent does municipality implement skills transfer strategy?

2.4. Does the municipality adopts any form of training, internal or external, as Part of skills development and if so to what extent?

2.5. How successful is the VDM in terms of importing skills?