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FINDING THE MANAGEMENT BALANCE WITHIN THE SABC: CENTRALISATION VERSUS DECENTRALISATION

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Chapter 1

1. Introduction

This study proposes to examine the appropriate levels of centralisation and decentralisation required to enhance the South African Broadcasting Corporation's (SABC) delivery of its mandate.

The South African Broadcasting Corporation is a public broadcaster mandated by the Broadcasting Act No. 4 of 1999 to provide broadcasting services to all South Africans irrespective of creed, colour, nationality, gender and sexual orientation. Pursuant to fulfilling this mandate, the Corporation in 2001 established a portfolio called Regions, with offices in each Province of the Republic of South Africa, to cater for the broadcasting needs – such as linguistic and cultural nuances – of audiences in those Regions.

The SABC's Regional offices are a strategic point of the broadcasting business, purported for the corporation to maximise its interests and to fulfil the requirements of the given public mandate.

1.1 Historical Background

Prior to the establishment of a Portfolio called Regions, the SABC offices in the Provinces were autonomous to centrally driven business units located at the Head Office in Johannesburg. Every Region has the following components: Radio, Television, News and Support Services. Section 5 (c) of the Broadcasting Act No.4 of 1999 requires the SABC to provide a range of broadcasting services, to South Africans and to source content locally, regionally and nationally. Centralisation and decentralisation thus becomes a challenge for the organisation because of the nature of service it has to provide. Further more, the questions of relations as far as they pertain to decision-making, power relations, roles and responsibilities between Head Office and the Regions, have been an inevitable result of the establishment of Regions.

1.2 Purpose of Study

Some of the critical questions are:

- To what extent does centralisation of authority at the SABC's Head Office advance or hinder the operations of the Regions?
- How independent are the Regions, and is the amount of independence they enjoy in the best interests of the Corporation?

These questions are apt, given the fact that prior to the establishment of the Regions virtually all decisions pertaining to both strategy and operations were centralised at Head Office. Determining whether the establishment of Regions was in fact decentralisation or not is a challenge faced by the study.

The purpose of this study is therefore to consider the effects and extent of centralisation within the SABC, how centralisation impacts upon the delivery of the mandate of the Corporation, and to determine the advisability and extent – from a strategic point of view – of greater decentralisation via the Regions.

Power and authority, as relational definitions, will constitute the backdrop of the interrogation of the effectiveness or ineffectiveness of centralisation or decentralisation. Besides these, other factors impinging upon the centralisation versus decentralisation dichotomy will be considered, including environmental factors such as, among others, the geographic separation and product structure between Head Office and the Regions.

1.3 Research Question

The research will investigate how management and operational levels of centralisation and decentralisation at the SABC affect the delivery of the mandate, and whether the model should be reviewed or not. The following questions are a more specific articulation of the main question:

- How does the functional and authority structure of Head Office relate to Regional functions and decision-making?

- What is the service and product differentiation between Head Office and the Regional Offices, and how are decisions made regarding the delivery of those products and services?
- What is the best model of relations between Head Office and the Regions for optimal performance and delivery?

1.4 Limitations

Leedy (2001:107) draws researcher's attention to the challenge of securing voluntary participation and objective views on the part of respondents. A limitation of the study might well be the inability of the SABC's Limpopo Office's staff to volunteer and/or be objective in their responses to questions of centralisation versus decentralisation, as they are directly either positively or negatively affected.

Secondly, the researcher herself, being the SABC Executive responsible for Regions, could inherently bring her perception of own bias and interests into the findings of the study. Moreover, respondents' responses to the questions might be influenced by their knowing that their responses are to be seen and evaluated by their Head.

Independent researchers and the Academic Supervisor, combined with the intellectual integrity of the researcher, can however manage this challenge through structured debriefing sessions, constant review of milestones or findings, and being open to advice or different view-points.

Thirdly an additional limitation is the fact that the SABC has gone through a series of restructuring processes, a situation which might lead to the perception that the study is an attempt to accumulate data for yet another restructuring process, in which case staff might either refuse to participate in the study voluntarily, or deliberately give wrong or misleading information.

This could be remedied by drawing up a consent form that would describe the aims and objectives of the research project as well as the nature of participation and soliciting a “buy-in” or mutual trust from each respondent information giver. (Leedy 2001:108)

Lastly the most significant limitation is the paucity of research into the SABC and broadcasting in South Africa in general, especially the debate on centralisation versus decentralisation. What the limitation offers, though, is scope for a broader interrogation of the situation than would have been the case had there been a plethora of documentation on the subject.

1.5 Significance of the Study

The last few years have seen the SABC subjected to legislative and regulatory obligations to address the regional nuances of the country in its broadcasts. Additionally, the organisation operates in an increasingly competitive environment where regional broadcast media are proliferating. Both developments call for a greater and more effective balance and flexibility between the traditional centralisation and the more modern decentralisation. The study should assist in determining the relative merits and demerits of either centralisation or decentralisation, or a combination of the two.

Chapter 2

2. Literature Review

Centralisation and decentralisation are operational modes that organisations continually consider with the objective of improving productivity, enhancing the delivery of services or aligning the activities of the organisation. Different authors believe that a plethora of factors, among them centralisation or decentralisation, are influenced by the organisational structure. The reasons for the existence of a structure are to make provision for the continuation of operations directed towards the achievement of stated goals or aims. Lawrence R. (1970:3) asserts that the dilemma facing managers in most cases is the basic structure of their organisation; whether activities should be aligned on a functional or a product basis. This complexity is also compounded by the size of the organisation and the geography arrangement of where subsidiaries are situated.

The preliminary findings of the research highlight the challenges of the functionally dominated structures for an organisation with Regional Offices; whether the nature of the service or product offered as well as the size of the organisation in terms of the Regional Offices are the most appropriate structural configuration as these have an impact on the centralisation and decentralisation of a variety of activities in the organisation.

Below is an interrogation of the two central concepts of the study. It is a basic articulation of some theorists' views of the concepts of centralisation and decentralisation.

According to Mintzburg (1993:95), "centralisation and decentralisation have been bandied about for as long as there has been writing about organisations".

Centralisation and decentralisation are operational modes that organisations

continually consider with the objective of improving productivity, enhancing the delivery of services or aligning the activities of the organisation. Different authors believe that a plethora of factors, among them centralisation or decentralisation, influence the organisational structure. One can therefore conclude that there are both advantages and disadvantages in the centralisation or decentralisation of responsibility, power and authority. These concepts needs to be defined as well

The organisational design of the South African Broadcasting Corporation was a consequence of a strategy whose objective was to create ‘subsidiaries’ in the different Regions of South Africa. These regional offices or subsidiaries would then cater for the broadcasting needs of the people such as radio, television and news broadcasts, support services such as technology , human resources, finance, marketing, and the collection of television licences. The coordination of activities across the different functions in the Regional offices proved to be a challenge, because the functions have direct authority and control over their units in the Regions. To cite an example, all the different units in Limpopo are directly accountable to a functional head at the Head Office.

A Regional General Manager who accounts directly to the Head of Regions at the Head Office manages the Regional office. The different units in the Regions have what is referred to in the Regions as a ‘dotted line’ to the Regional General Manager. The direct control of the functional heads to ‘their respective’ units in the Regions have all the characteristics of centralisation, though in reality the execution of day to day management tasks by the different units in the Regions is coordinated and overseen by the Regional General Manager, a responsibility that has characteristics of decentralisation. At this point it is imperative to unpack the meaning of centralisation and decentralisation by the different authors.

2.1 Centralisation

For purpose of this study it is important that centralisation as a concept, and its impact as an operational mode on the activities of organisation, be unpacked. Litterer (1969:70) described centralisation as a situation where the lower levels of the organisation are primarily concerned with executing decisions, which for the most part are made at the top of the organisation. According to Galbraith (1977:18) and Mintzburg (1996:338); when all the power in the organisation rests at a single point, the structure is referred to as centralised. When discussing centralisation as a concept it is critical to look at the nature of the organisation and the service the organisation has to deliver.

The size of the organisation could also determine the extent to which the organisation centralises or decentralises. With a big organisation that is expected to deliver quality services to local or regional clients, centralisation could hamper the smooth delivery of services. The centralisation of power at a single point could encourage bureaucracy and lack of accountability by adding management layers to the control structure.

With Reference to the study in Limpopo, bureaucratic practices are prevalent in the area of decision making as well as in the execution of decisions. Any unit in the Regional office cannot make decisions on the procurement of stationery, furniture, equipment and other services required for the smooth running of the office. The decision to procure is preceded by a process of line management from the Head Office up to the functional head having to approve the request, and the approval will then follow the same pattern as the request until the goods are received. The long process of authorisation and the time it takes to make decisions affect the delivery of services speedily, it is a waste of time and resources. The centralised systems and policies of the SABC could ultimately render the Regional offices ineffective. Management in the Limpopo Regional office rely on the functional head to send them templates designed by the Head Office for their strategic input or for information on the needs of the Region.

On the lack of accountability, centralisation encourages the tightening of policies, procedures, standard operating measures and systems generally because the Head Office functionaries use them as control measures. These are ultimately used as reasons for lack of performance, for taking responsibility and accountability.

Nadler (1992:31) cites General Electric, the rail road and steel companies in America as organisations which had a high level of centralisation due to the fact that they were geographically distributed, and functionally diverse in order to master the knowledge required in many different disciplines and markets. To govern themselves, these organisations adopted an architecture characterised by unity of command and steep hierarchy.

With the changing environment this traditional method with all the characteristics of rigidity would not allow the organisation to be flexible and respond to the needs of the clients quickly. The level of centralisation in an organisation could consequently determine its success or failure.

The changing environment in the Broadcasting industry will require the organisation to reconsider its centralised practices that impede its flexibility and responsiveness to the needs of the stakeholders, audiences and clients. The Regulatory authority of the Broadcasting industry is in the process of awarding licences to community and independent broadcasters, who will offer Radio, news and television services in the Limpopo Region. The challenge for the SABC remains to evaluate whether the services offered in Limpopo will respond and survive in the competitive environment or whether there will be a need to identify areas of responsibility that could be devolved to the Region, such as “regional strategy” to counter competition, marketing, programming, editorial, and other support services. There is a need for the SABC Head Office to “unlearn its old dogmas” that have entrenched centralisation.

Handy (2001:70) quotes Kofi Annan, the Secretary- General of the United Nations having said that, if there was one thing that had been learnt in the twentieth century it was that “ centrally planned systems don’t work.”

The choice of centralisation should be motivated by the ultimate goals of the organisation. In a dynamic environment where there is a continuous demand for access to quality services, speed and accountability become important and require organisations to be flexible and continuously evaluate what needs to be centralised and decentralised. Senge (1990:289) refers to centralisation as rigid authoritarian hierarchies that are failing to harness the spirit, enthusiasm and knowledge of people throughout the organisation and that end up not responding to shifting business conditions.

Galbraith (1977:19) on his part maintains that "the question of centralisation – decentralisation is a simple question of proportion. It is a matter of finding the optimum degree for the particular concern." Whilst this statement cannot be disputed, there are other complexities in organisations such as the structural design, the power relations and authority that remain unresolved, to a point where the question of proportion is not considered. The challenge also could be what level of proportion and in which area of the organisation the proportion should be considered.

The supporters of centralisation maintain that it is associated with strong benefits that range from pure cost saving to cost improvement, full compliance with corporate policies, process standardisation, increased productivity and expertise consolidation. Areas of finance and technology seem to be the ones promoting centralisation, the argument they advance is that technology provides for one internal infra structure, which helps to institutionalise both mandate execution as well as functional consolidation within the organisation, and to achieve economies of scale and widespread adoption of better and common business practices.(http://www.jpmorganchase.com,retrieved on 9/27/2006)Technology at the SABC has helped to provide a link between the Regions and the head office, the difference is that it has not been used as a tool to empower the workforce, but to churn out instructions and to use it as a measure of control.

Decentralisation

Decentralisation is simply put, a means of empowering individuals and business units, which are geographically removed from an organisation's Head Office.

The obvious and logical advantages of a policy of decentralisation:

- An empowered, and therefore motivated work force
- Decisions are made more quickly
- Execution of decisions follows more rapidly
- Execution of decisions are quicker
- External clients or stakeholders experience that their needs are met rapidly, resulting in improved relationships
- Mistakes are contained in the decentralised unit

As with any management style or approach, there is another side to the coin:

- Decentralised decisions made may not be in the best interest of the organisation.
- Poor relationships with clients or stakeholders may remain "hidden" from the organisation, for a considerable time

Ueckermann (1987:11) quotes Sloan (1963:429) on decentralisation as saying: "From decentralisation, we get initiative, responsibility, development of personnel, decision close to the facts – in short, all the qualities necessary for an organisation to adapt to new conditions." This assertion is supported by Chandler (1962:18), Litterer (1969:70) and Galbraith (2000: 4-45).

Litterer (1963:135) in his interview with an executive of General Motors made the following points when explaining what decentralisation meant:-

- The speed at which a decision can be made and the lack of confusion as to who makes it.
- The democracy of management.
- The absence of a gap in the executive group between the 'privileged few' and the 'great many'
- The absence of "edict management" with lack of roles clarification.

Judging by the response from Limpopo regional management team, decentralisation could benefit the organisation greatly, it could provide an opportunity for the team to device better strategies on how to improve the quality and efficiencies of the provision of broadcasting services in their Region. Functionally dominated structures have a strong element of control that stifles creativity.

Sharma (2006) supports the success of bureaucracy by indicating that it facilitates the grooming, training, and motivation of the frontline functionaries or the customer-contact employees, and that the sustainability of a decentralisation plan will to a considerable degree depend on how this momentum is sustained.

Other writers maintain that decentralisation is not a panacea that clearly there are limits to what it can achieve. With the success of decentralisation there can be challenges in terms of duplication of roles and the lack of proper coordination. Decentralisation requires a strong central effort to regulate, to provide an overall framework to manage the re-allocation of responsibilities and resources in a predictable and transparent way.

Chandler (1962:18) explains decentralisation as a situation that is empowering, motivating, that should create an opportunity for learning and developing a good corps of knowledgeable leadership for the organisation. The extent of decentralisation should also be determined or else it could result in the development of silos and lack of synergies in an organisation. Decentralisation is furthermore about decision-making prerogatives and privileges; how these are devolved to areas where operations take place. Decentralisation gives employees the autonomy to operate and be creative, to respond to the needs of clients they provide services to. Because of its clearer lines of responsibility and reporting, decentralisation makes accountability generally easier to deal with.

Senge (1990:287) does not talk about decentralisation but about "localness", which is similar to decentralisation. He contends that if decisions are moved down the organisational hierarchy, better business advantage is taken of local actors they have more access to current information on customer preferences, competitor actions and market trends. Local actors are in a better position to manage the continuous adaptation that change demands, the company then benefits from the decentralised arrangement. The ambivalence of many senior managers to giving over greater authority and control over decision-making to lower structures is in part rooted in fear of loss of authority and control.

First – hand experience has shown that calls for decentralisation consistently originate in the Regions of the SABC. It has also shown that resistance against decentralisation come from certain units, which may perceive decentralisation as a threat.

Decentralisation's promoters request it on the grounds that a more efficient and responsive management model will benefit a Region.

Detractors of decentralisation appear to resist the direct control that would remove some of their perceived "freedoms".

Caution should be exercised in an environment where decentralisation is opted for. The following questions must be answered: How will coordination and synergy between business units, and collaborative efforts towards common corporate-side objectives be achieved? Other concerns on decentralisation relate to the duplication of resources, potential loss of control and the creation of silos. Smith (1993:198).

Personal observations, which were corroborated in interviews with the Regional General Manager: SABC Limpopo and the Manager: SABC Regions Operations, indicated that:

The disempowerment of centralisation is clearly contrasted by dentralisation's outcomes: SABC Limpopo's decentralised control over its properties has lead to its exploring of various options to address the needs of internal clients, and an active role in finding solutions to the handling of redundant properties. On the other hand, the centralised control over studio technology has stifled all creative thinking – innovative thinking is totally absent in the presence of a centralised technology plan.

An equally – negative outcome is the perceived impact of centralised control on relationships in the Limpopo Region. The previous Regional General Manager and the Technology manager experienced a total relationship breakdown. This is not surprising when it is realised that if the Regional General Manager disapproves of an operational decision, a line manager, such as that of News, HR or Technology, could get a senior manager in Auckland Park to endorse an action or expenditure that would not necessarily be in the best interest of the Region.

Motivation of personnel is extremely difficult when it is widely – known that the Regional General Manager may recommend salary or bonus adjustments, but in all instances the centralised control prevents hands – on , decentralised approach to performance management. The impact on all operations in any Region could be vastly improved by the man – management advantages of first hand performance management.

The examples above, taken from daily operational experience, illustrate the various operational and management advantages that may be derived from a decentralised regional management model.

Chapter 3

3. Methodology

For purposes of this study a qualitative approach was used for the following reasons:

- The centralisation versus decentralisation at the SABC question is exploratory
- The corpus of research on the organisation as well as the problem being explored is severely limited, the issue of centralisation and decentralisation was never investigated by the SABC
- Literature available focuses more on organisational structure and less on theoretical and philosophical issues such as centralisation and decentralisation
- No single reality underlies the research problem and different individuals who will be interviewed may have constructed different and possibly equally valid realities relevant to the problem Leedy (2001:112)

Given that all the Regional Offices are conceptualised and structured along similar organisational lines, instead of including all Regional offices in the study, the Limpopo Office will be used as a representative case.

In order to establish the preferred business model, a qualitative approach is followed, as neither data analysis, nor literature study will yield the required results. All the relevant information will be considered, pertaining to the opposing approaches. The aim is not only to establish what the best business model is, but also to establish the “degree” of centralisation/decentralisation that is required.

3.1 Theoretical Framework

The theoretical framework of the study will be underpinned by an interrogation of the merits and demerits of centralisation and decentralisation in a public broadcasting context, the effect of power relations on the centralisation versus decentralisation paradigm, and the impact of strategy, structure and operations on the centralisation versus decentralisation debate.

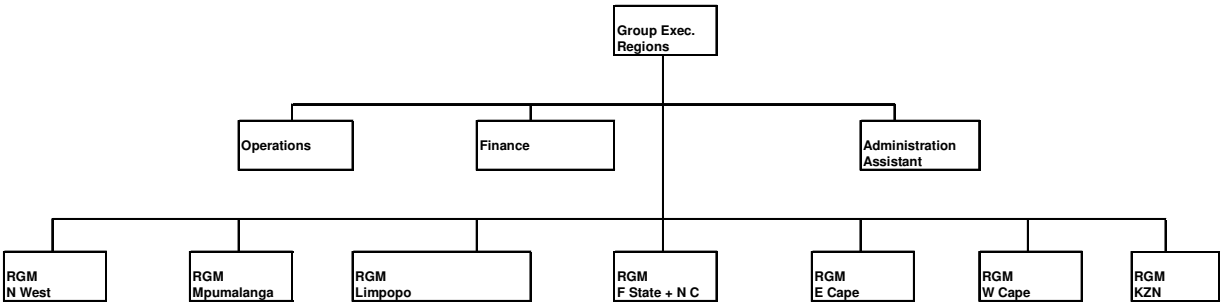
3.1.1 Centralisation versus decentralisation

Levels of centralisation and decentralisation in any organisation have the potential of determining the success or failure of the organisation. This is particularly the case in the ever-evolving dynamics of broadcasting in South Africa and, indeed, the world. The challenges around centralisation and decentralisation from a theoretical definition point of view are therefore germane to a study of this nature.

An analysis of factors influencing the Region's operations have been considered, in order to identify negative and positive factors attached to the concepts of "centralised" and "decentralised" management.

The information was be integrated so that understanding of the opposing business models is enhanced, and to support a finding on the best model for the SABC.

<u>Observations on centralisation in Regions</u>:



The seven Regional General Managers are responsible for their respective Regions, but because the organisational structure is functionally dominated, there are functional lines that report to Executives at the Head Office. Examples are News and Technology. Ambiguous control over units such as HR and Finance, whose operating standards are set in Johannesburg, further clouds the issue. Specific observations confirm that News and Technology managers would use the dual reporting lines to obtain RGM decisions (e.g. approval of expenditure) that best suit their own agenda, and not necessarily the SABC's best interests. This situation has created silos in the Regions, and a challenge on where responsibility and accountability resides.

3.1.2 Power and Authority

Any discourse on centralisation and decentralisation implies power and authority relations. A theoretical unpacking of the power and authority questions relative to the centralisation versus decentralisation question is thus apropos. Power, can be referred to as the ability to cause another individual, function or division to do something that it would not otherwise have done. It differs from authority in the sense that authority stems from holding a formal position in the organisational hierarchy, whereas power comes from the ability to influence informally the way others behave.(Smit et al:1992)

Authority entails having the right to perform certain actions according to specific guidelines, the right to say who must do what, the right to expect people to do their duty and to punish failure or negligence. It is the right to insist on action by subordinates and the right to act against subordinates. Authority in an organisation is delegated from the Shareholders to the Board of directors, to the executive management until the lower levels of management.

The focus is mainly on hierarchical power, which is the power possessed by supervisors over subordinates, or bosses over employees, power which serves functionalist imperatives (Kearins Year: 7) Decentralisation of authority would result in the empowerment of managers to make decisions without having to seek approval from the Head Office, whereas centralisation of authority evidently refers to the seat of power, which is at the apex of the organisation.

Power and authority are intertwined, where there is no authority there is no power. Mintzburg refers to the seat of power and authority as the strategic apex, charged with ensuring that the organisation serve its mission in an effective way, and also that it serves the needs of those who control or otherwise have power over the organisation. (1993 :13) Furthermore he states that in a situation where centralisation and decentralisation are challenges facing the organisation, it is critical to analyse the areas of business that are strategic, and should therefore be centralised, and the areas of business that are operational, and should be decentralised.

Galbraith(2002:20) asserts that the distribution of power in an organisation refers to two concepts, the first is the vertical distribution of decision-making power and authority. This according to him, is called centralisation or decentralisation.

There has to be clarity on the roles and responsibilities of the different managers so as to ensure accountability and responsibility. When the organisation has a functionally dominated structure, there is a risk of confusion brought about by the blurred or dual reporting lines. In a state entity like the SABC where different legislation has to be enforced the danger is that the centralised or decentralised model could be against what is stipulated in legislation. A relevant example is the SABC's financial efficiency and effectiveness (as required by the Public Finance Management Act of 1999). In terms of the Act, an official responsible for any regional operation has to be held accountable for the operations of that particular region. This requires the SABC to revisit the structural configuration and to ensure that it is in line with legislation (section 57 and 58 of PFMA).

The Broadcasting Act no 99 of 1999 requires the SABC to provide broadcasting services to all South Africans and to ensure that the Regions are reflected Regionally and Nationally. The two pieces of legislation are an indication that considerations for centralised and decentralised activities by the organisation are important.

3.1.3 Strategy

Mintzburg (1996:3) defines strategy as “a pattern or plan that integrates an organisation’s major goals, policies and action sequences into a cohesive whole”. Effective formal strategies contain three essential elements, goals or objectives to be achieved, the most significant policies guiding or limiting action, and the major action sequences or programs that are to accomplish the defined goals within the limits set. Dawson (1996:125) speaks of a “strategic apex” which is inclined to ‘pull to centralise’ goals, because these goals are designed and developed mostly by the top echelon in an organisation, the challenge is to ensure that they are clearly articulated and shared by all.

Strategy may also be viewed as a mediating force between the organisation and its environment. The organisation has to be dynamic and respond to the needs and wants of the public receiving its services, hence it has to be reviewed, adjusted and changed when necessary.

The process of strategy development happens at the apex of the organisation, driven by the Chief Executive Officer and a team of Executives. In the case of the SABC, the executives are heads of different divisions such as Radio, Television, News, Technology, Human Resources, Finance, Sales and Marketing, Content Enterprises and Regions. The challenge is to determine, through a theoretical analysis, whether the SABC’s overall strategy amounts to centralisation or decentralisation, or a combination of both. If, as a preliminary perusal of documentation suggests, the two are combined, the question is how effective they are, and which aspect, of whose strategy, should be changed, and how?

The Broadcasting Act of 1999 illustrates the mandate of the SABC, which is to inform, educate and entertain all South Africans. The Board of directors has developed a set of Corporate goals, in order to ensure that the SABC implement what is stipulated in legislation. The CEO and the executive team developed a strategy derived from the mandate enacted in legislation and the Corporate goals. The vision of the organisation is ‘Broadcasting for total citizen empowerment’.

The mission of the organisation is ‘to be a people centred, content driven, technologically enabled, strategically focussed and sustainable public broadcaster’.

The legislative framework, the Corporate goals, the vision and mission of the SABC have been developed with the objective of meeting the broadcasting needs of all South Africans. The SABC operations in all regions are part of the strategy to deliver services to all South Africans. The challenges of centralisation and decentralisation seem to surface at the point of the implementation of the strategy by the executives and management in the organisation whose responsibility it is to implement strategy. The dynamics of the centralisation and decentralisation that surface during the implementation of strategy will be discussed in detail when the analysis of the research data is illustrated.

3.1.4 Structure

Organisational structure can be regarded as the ‘anatomy’ of the enterprise and serves as a framework for the activities of the enterprise. The aim of an organisational structure is to control, eliminate or at least reduce uncertainty in the behaviour of individual employees.

Most authors purport that structure follows strategy, that a good strategy should deliver a good structure. Mintzburg(1993:2) defines the structure as the sum total of the ways in which the organisation’s labour is divided into distinct tasks and then its coordination is achieved among these tasks. It is critical for the elements of the structure to be selected in a manner that will ensure the achievement of internal consistency or harmony, as well as basic consistency with the organisation’s size, its age, the kind of environment in which it functions and, the technical systems it uses.

The structure is further characterised by reporting lines, the layers of management, the responsibility and accountability.

In a functionally dominated structure, the challenge is to manage activities which could render the structure dysfunctional, these include amongst other things, inefficiencies, rejection of innovative ideas, fraudulent activities, absenteeism, mistreatment of clients, general inertia and sometimes the subversion of the operations of the organisation. The dysfunctional always leads to the organisation considering adoption of an alternative structure. It is a challenge to manage a company with a variety of products or channels through a functionally dominated structure, the functional organisation is best managing a single product or service line (Galbraith:24).

The above challenges have forced organisations to consider different business models that could inform the choice of an appropriate structure. R. Lawrence (1970: 3) asserts that a major dilemma facing managers in most cases is the basic structure of their organisation; whether activities should be aligned on a functional or a product basis. The study explored whether the functional, product or geographic model is followed at the SABC, and what effect this has on the centralisation versus decentralisation situation.

Beyond determining which of the three models exists at the SABC, the study should theorise on the appropriateness of the one or the other given the nature of challenges facing the SABC. A clear understanding should emerge of the preferred structure and its implications for the SABC's operations.

3.1.5 Operations

Every organisation exists partly because of operations, and the nature of the operations will often determine the structural delivery mechanisms necessary. How the operations of the SABC influence the choices relating to centralisation and/or decentralisation is a question to be answered. The complex interaction between departments that operate in a high-technology environment that is also simultaneously subject to extreme societal expectations, presents many facets that have to be scrutinised. This research will attempt to bring into the open all the factors that come into play when the three business models are applied, so that the model with the most success factors attached to it is selected.

The strategy and structure have a influence on the type of coordination that has to take place, when, where and how it has to be done. The operations in a functionally dominated structure are complex and require that a lot of time should be spent in planning meetings or sessions, as well as soliciting support and cooperation from the unit managers who could at anytime decide to liaise directly with the divisional head or the Head Office to take decisions on operations affecting their areas.

3.2 The research design

The qualitative method of research has been chosen for this study. Interviews were conducted, recorded on tape, transcribed, and the text then coded or categorised. The questions were open-ended though semi-structured. A sample of questions is attached (Annexure A). The motivation for this method is what Leedy (2001:159) emphasises when he says that "interviews can yield a great deal of useful information; the researcher can ask questions related to facts, people's beliefs about facts, feelings, motives and standards for behaviour".

All important ideas and guidance on conducting productive interviews were adhered to as indicated in the literature. The interviewees were representative of the group, the location was suitable, rapport was established, there was written permission, focus was on the actual rather than on the abstract or hypothetical, and the interviews were objective. Leedy (2001:160)

3.3 Role of researcher – qualification and assumptions

Different researchers who have done qualitative studies argue about the objectivity of the researcher. Some argue that although objective methods may be appropriate for studying physical events such as chemical reactions, an objective approach to studying human events such as interpersonal relationships, social structures and so on 'is neither desirable nor, perhaps, even possible' Leedy (2001:147). The presence of bias in the design and implementation must therefore be acknowledged.

The researcher has experience in interviewing and facilitation techniques acquired from working as a Technical Assistant for Research, as a Radio Journalist and at managerial level in various units (also represented in Regions) of the SABC. The study is about centralisation and decentralisation in the researcher's own workplace.

3.4 Selection and Description of Site and Participants.

Selection of a suitable research site (Region) was done by selecting a Region from the following:

SABC Regions

Western Cape.
Eastern Cape.
KwaZulu Natal.
Free State and Northern Cape.
Mpumalanga.
Limpopo.
North West.

Regions' main activities are in the area of Radio broadcasting. The SABC Radio Services are very active in the Regions: Every Region has between one and three PSB Radio stations present.

Also present in all the Regions are the following SABC Corporate units:

News.
Technology.
Finance.
Human Capital.
Sales and Marketing.
Audience Services.

The challenges for the RGM's are to ensure that a viable operational platform is available for the activities of each Region, that the various services and activities are co-ordinated harmoniously, and that the SABC is represented in the provinces at the highest political, economical and social level.

Limited Human Resources are made available to the RGMs, as they have to make use of the SABC's full resources complement present in the Regions.

Human Capital

The RGM's direct structures provide them with the following human resources:

Western Cape:	165
Eastern Cape:	137
KwaZulu Natal:	166
Free State and Northern Cape:	108
Mpumalanga:	55
Limpopo:	168
North West:	84

Employment Equity performance is managed from month to month, with detailed reporting in the Regional Monthly Report.

Financial management is also an important part of the Region's management processes. Adherence to Corporate norms and goals are ensured, while also continually fine-tuning every Region's performance.

Finance

The Regional operational performance is managed, as well as the performance of services/units present in every Region.

Capex of around R50M is managed.

For purposes of this study, judgemental sampling was used; Hussey (1997:146). The participants were selected on the strength of their experience and inter- action with their Divisional Heads operating from Head Office. Interviewees were selected from a list of managers in the Limpopo Regional Office where the study was conducted. There are 170 employees in the Office, and at least 7, from the management echelon, were interviewed. The interviewees were selected from different managerial levels. The interviews took as long as an interviewee had views (maximum of 1 hour) to express and information to provide on the centralisation versus decentralisation situation in the organisation.

Head Office interviewees were Divisional Heads with authority over regional operations. They number at least three.

The challenges inherent in the Regions, which will form part of the study and are symptoms of centralisation and decentralisation, they are; the lack of Regional identity, perceived loss of regional synergies within functional reporting structure, loss of holistic income statement view of the SABC and the related balancing between revenue and various cost centres, ineffective management of Regions by the business units' head office management. In addition to this, there is lack of clarity around roles/responsibilities within and across business units resulting in wrong skills in the Regions and the Head office management. The lack of clarity around roles and responsibilities within and across business units resulting in inconsistent use of regional support services, lack of adherence to reporting lines, the lack of accountability across the business units, the lack of adherence to policies and processes within and across business units, poor financial management, control and budgeting process.

Chapter 4

4. Data Collection Strategies

Semi-structured interviews were conducted with some managers in Limpopo, they are responsible for the management of the different units in the region namely, Radio, News, Technology, Human Resources, Finance as well as the Regional General Manager.

In terms of the location, the interviews took place at the Limpopo Regional office. A formal request was sent to the Regional General Manager and arrangements were made for interviews. A questionnaire was used to ensure a structured and consistent process. The interviews were recorded on an audio tape, note were also taken. These were later properly structured, given codes. The duration of the interviews was an hour to an hour and a half.

Interviews with Divisional Heads at the Head Office took place a week after the ones conducted in Limpopo. The same questionnaire was used the objective being to try and extract views on centralisation and decentratisation, as well as to ensure consistency. The interviews mostly lasted for forty five minutes to an hour, they were recorded and notes taken.

Strategic documents in the organisation mainly the Mid Term Economic Forum document with strategic focus of the organisation of 2004 the turn around strategy prepared by Mc Kinsey consultant on the turn around strategy of 1997,the Gemini document of 2000 and the SABC Regional Model document prepared by Pyxis in 2002.

A summary of the Mc Kinsey recommendations as they pertained to the Regions was that they should be scaled down in order to save costs. Further more a recommendation on the centralisation of business processes and disempowerment of the SABC Regions started at this time. The role of the Regional head charged with the responsibility of overseeing and managing the operations of the Regions was reduced to that of a junior managing, playing a ceremonial role in the Region.

The document indicates that operations were centralised for purposes of saving on costs and improving on efficiencies.

The Gemini document is silent on the Regions and their role, and yet the purpose of the document was to operationalise the recommendations of the Broadcasting Act no.99 of 1999.The Act is clear on the role of the SABC and the Region, in terms of providing access of Broadcasting services to all South Africans, as well as on the production of content which should happen Regionally as well as Nationally. It however addresses the issue of the organisational structure of the SABC as well as the role of the functions; this looked more like building on the Mc Kinsey's recommendations, the business model and the organisational structure still remained centralised.

The Pyxis document attempted to identify the problems in the Regions; they concentrated more on the dysfunctional structure in the Regions, and tried to improve on the roles and responsibilities of the Regional Managers. The focus of the document is more on the organisational structure and does not address the question of centralisation and decentralisation of the Regions.

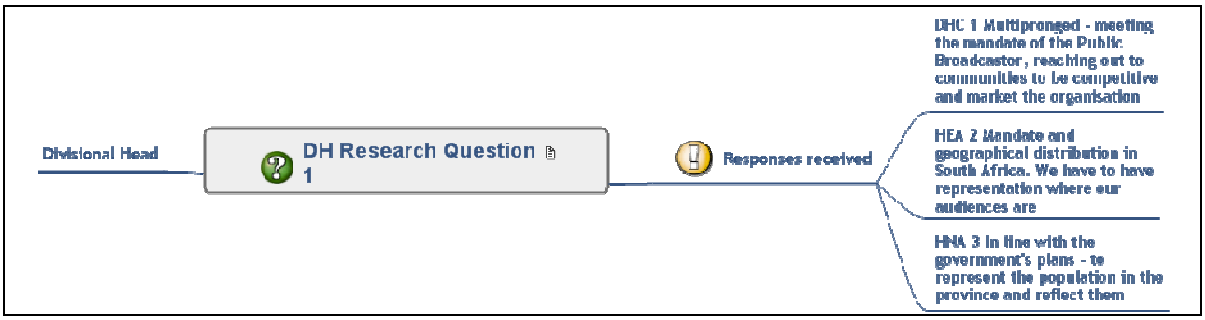
4.1 Primary Data

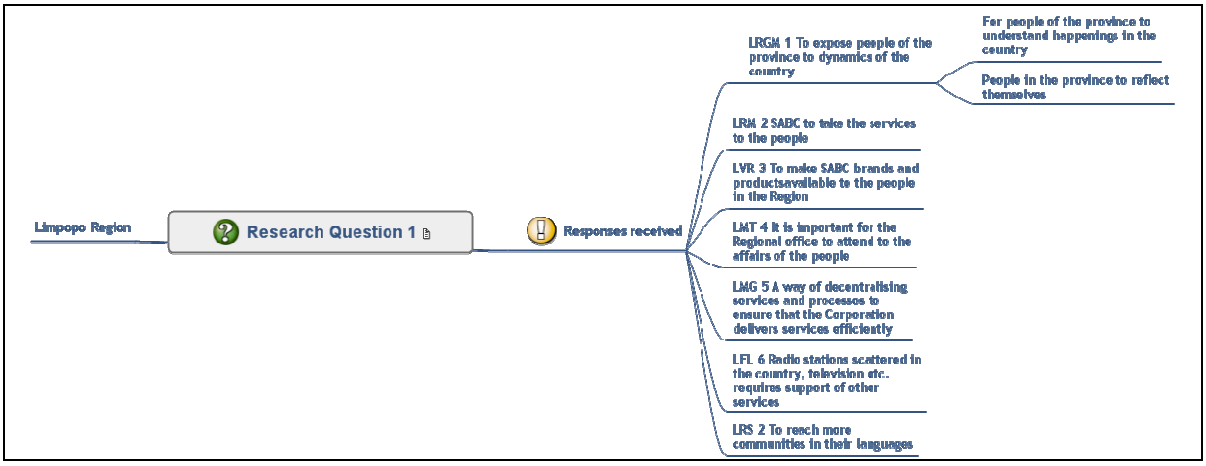
Question 1:

What is the rationale for establishment of Regional offices?

Responses Received:

- Interviewees gave reason for the establishment of the Regions as taking the services to the people.
- 1 linked it to decentralization of Services.
- 1 interpreted the establishment of the Regions in terms of the unit he works for providing a service to the Radio Service.





Summary of Responses

Unanimous response that the mandate of the Public Broadcaster and the government's framework plans necessitated the establishment of the Regions.

Themes from the responses: Limpopo Regional Managers

Interviewees agreed that there is a need for the establishment of region

Relationship Link

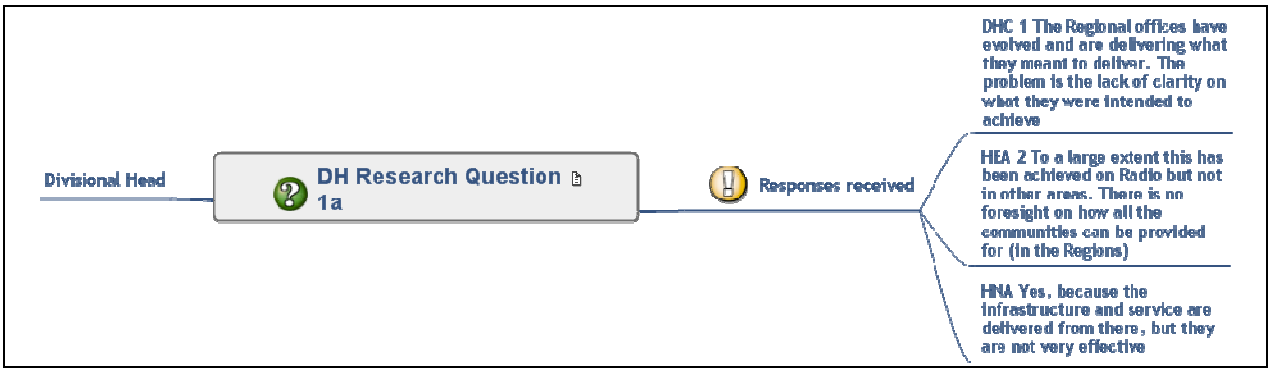
The response to the two questions (1, 1(a) indicates an understanding of the rationale to establish the regions.

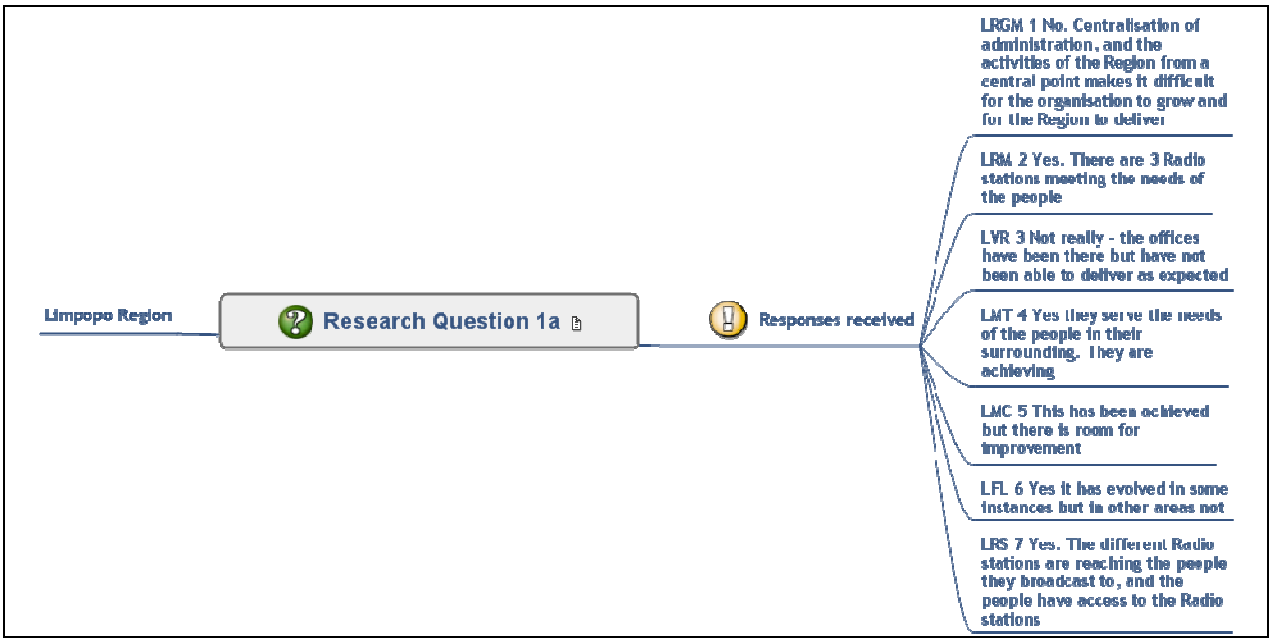
Question 1(a):

Have the offices, in your experience, evolved as per the original intention?

Responses Received:

- 5 interviewees believe that the Regions have evolved as per the original intention but there is room for improvement.
- 2 Interviewees do not think that they evolved as intended.





Summary of Responses

General agreement from the three divisional heads that the regions have evolved and are delivering what they meant to deliver.

Themes from Responses: Limpopo Regional Managers

Majority of the respondents concur on the need for the existence of the regions.

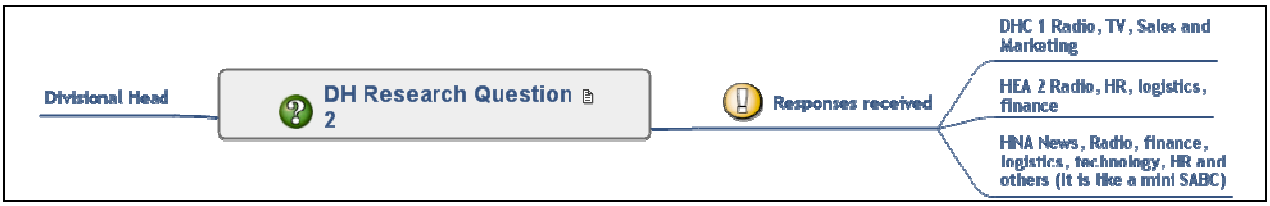
Relationship/Link

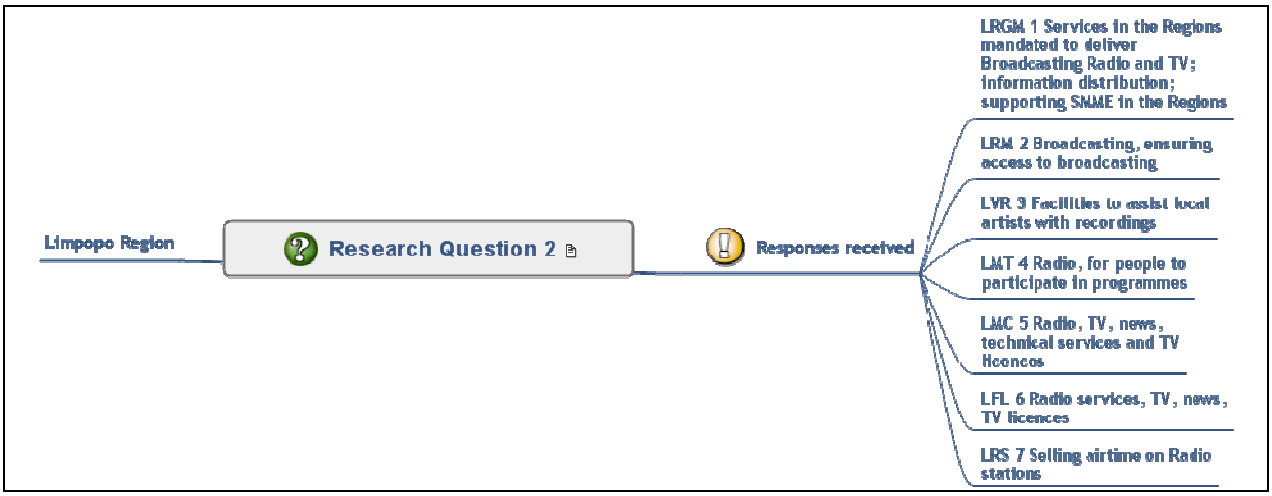
Responses from the divisional heads and the majority of regional management are that the regions have evolved as per their mandate and are delivering services/products.

Question 2: What services and products are the Regional offices mandated to deliver to their respective constituencies?

Responses Received:

- 5 Interviewees knew the services and products the Regional Offices are mandated to deliver.
- 2 Interviewees spoke about the services rendered by their units only i.e. Technology and Airtime Sales.





Summary of Responses

There is knowledge of the products that the Regional Offices are mandated to deliver.

Themes from the responses: Limpopo Regional Managers

- Interviewees agreed that there is a need for the establishment of regions.
- Concurrence on the need for the existence of the regions.

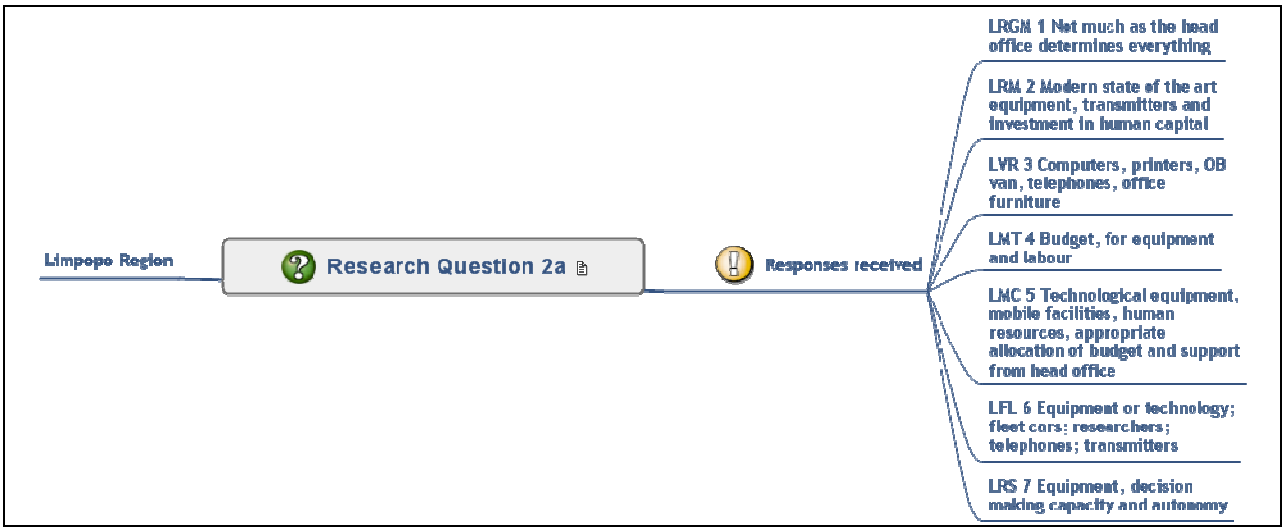
Relationship Link

Response from the divisional heads and the majority regional management that the regions have evolved as per their mandate and are delivering services/products.

Question 2 (a): What kind of resources do you require to do your work?

Responses Received:

- 6 Interviewees know the type of resources required for the business.
- 1 Interviewee was unhappy about the Head Office and how they determine resources required for the Regions.



Summary of Responses

- Respondents agreed that different resources were made available to the Regions, except for one respondent who felt that the head office determined everything.

Themes from the responses: Limpopo Regional Managers

- The resources are determined and provided for by the head office, the Regions do not have a say in the decision making of this process.

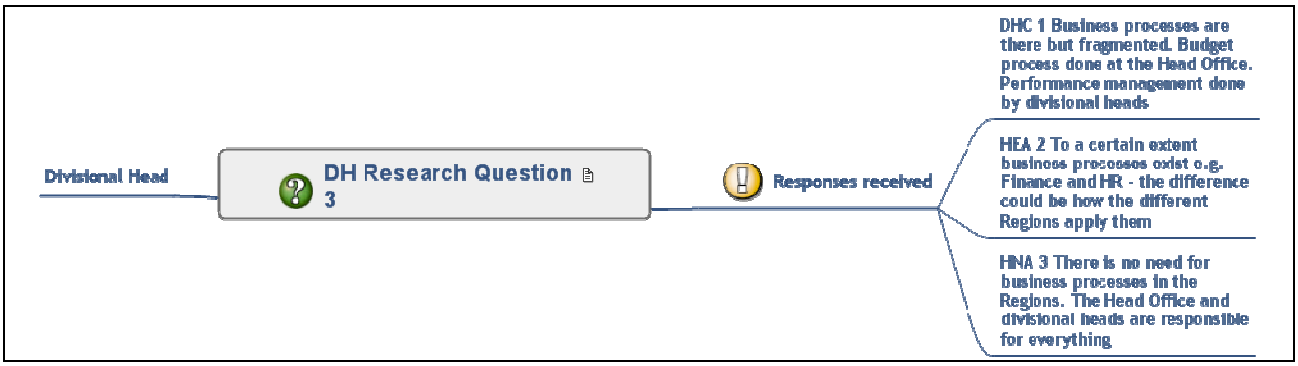
Relationship Link

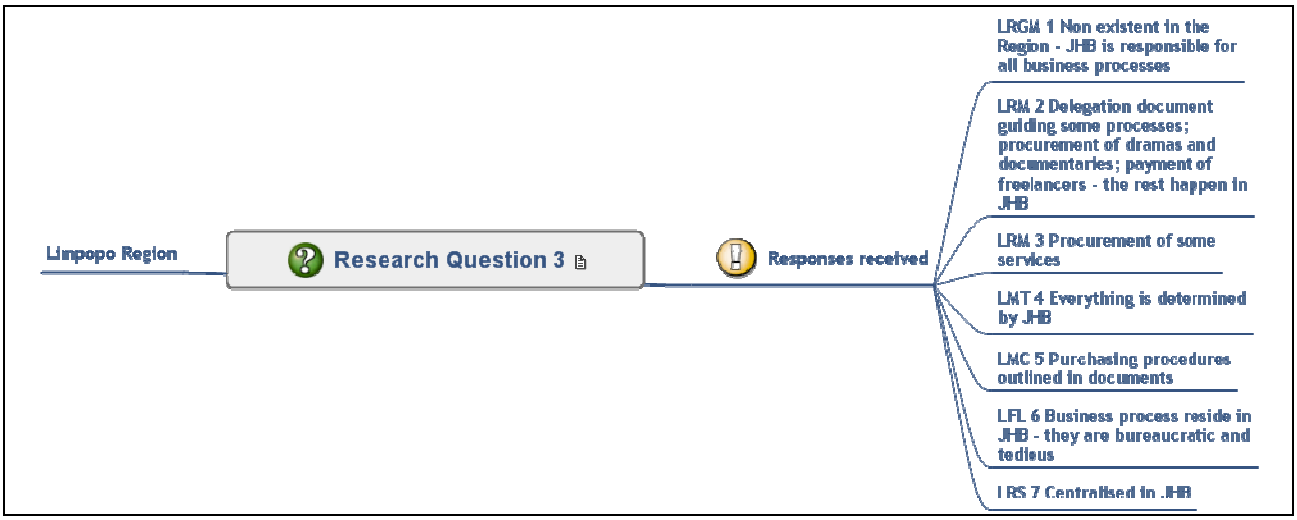
- The divisional heads hold a different view; they believe that when they compile the budget for provision of resources, they include the Regions.

Question 3: Which business processes exist in the Regional offices?

Responses Received:

- With the exception of one interviewee – the rest indicated that the business processes are centralized in Johannesburg.





Summary of Responses

- Two divisional heads concur that the business process exist in the Regions, though it is fragmented.

- One divisional head is not aware of any business processes in the Regions and believes that there is no need for them.

Themes from the responses: Limpopo Regional Managers

- All respondents made reference to the fact that the business processes are centralized in Johannesburg.
- The respondents indicated that they were not involved in the determination of business processes.
- Confusion and dysfunctionality of the organisational structure.
- Knowledge of the products and services in the regions.
- The operations in the regions (internally) whether they are enabling the achievement of organisation's goals or not.

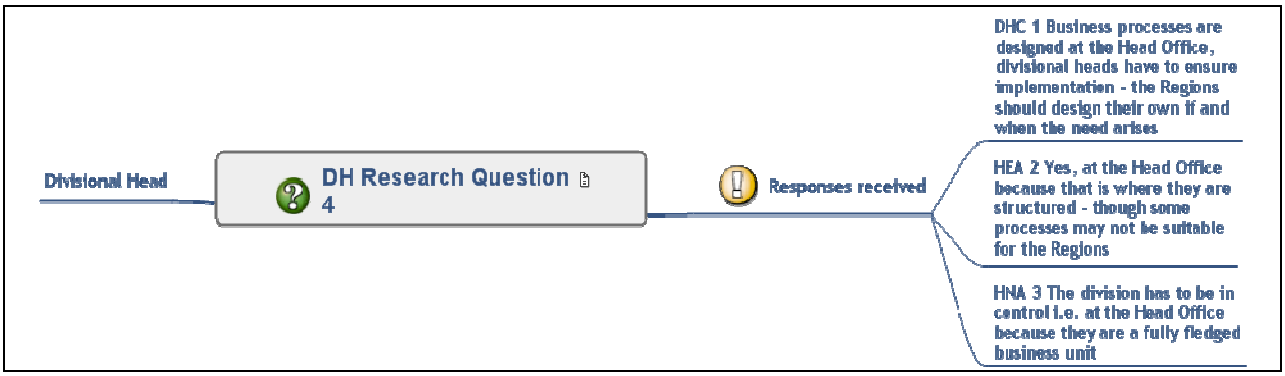
Relationship Link

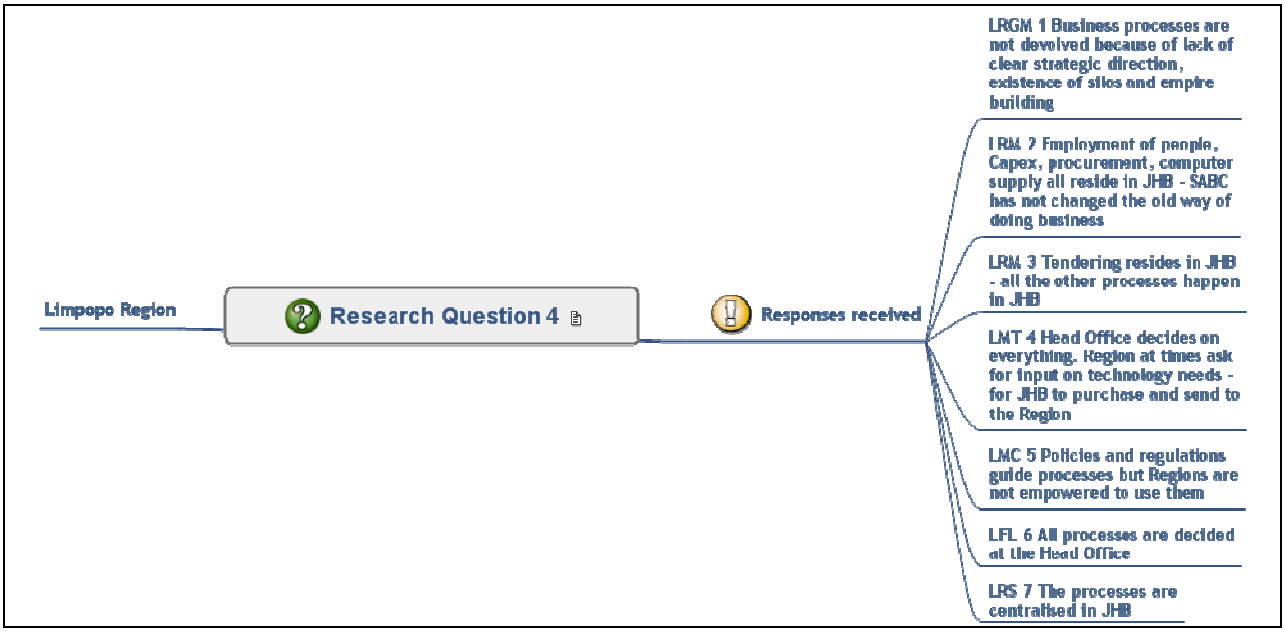
Unanimity between the divisional heads and the regional management that business processes are determined and designed at the Head Office.

Question 4: Which business processes exist at the Head Office only, and why are they not devolved to the Regional offices?

Responses Received:

- All interviewees expressed strong views on all business residing in Johannesburg.
-





Summary of Responses

Unanimity that the business processes are designed at the Head Office

Themes from the responses: Limpopo Regional Managers

- Explains the nature of the business processes employed by the Head Office and the Regions.
- The involvement of the Regions in the critical processes of the business.
- Indicate the structural challenges of the Regions and the Head Office.
- Is an illustration of the operations in the Regions.
- Determines where power and authority resides in the organisation.
- Deal with issues pertaining to strategy.

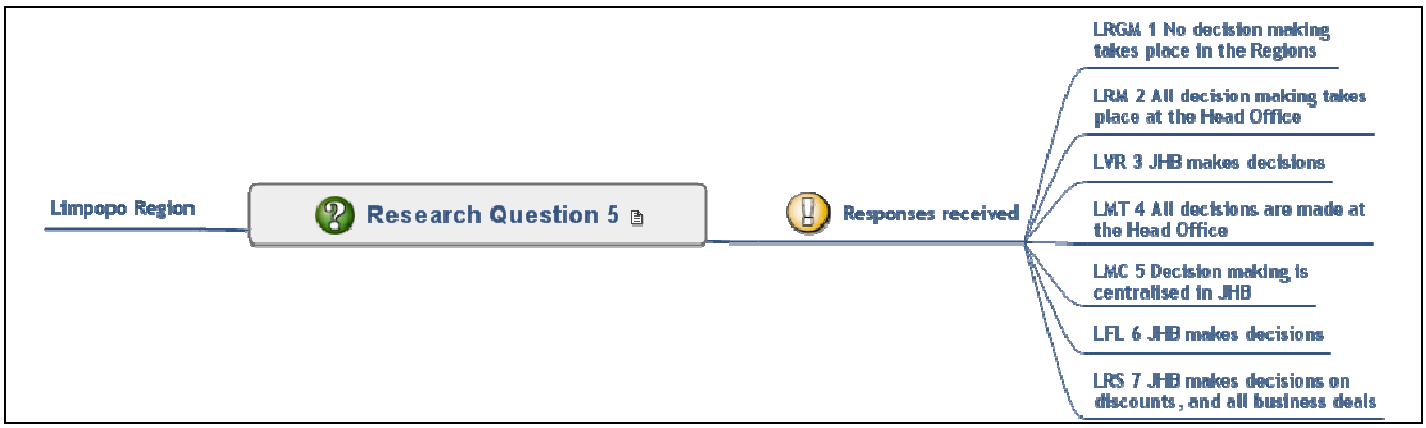
Relationship Link

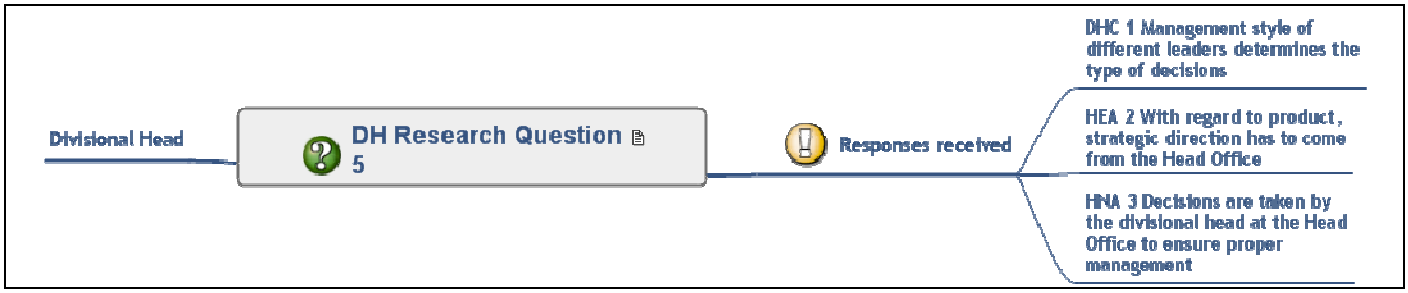
Unanimity between the divisional heads and the regional management that business processes are determined and designed at the Head Office.

Question 5: What type of decision-making resides at Head Office?

Responses Received:

- Decision making according to interviewees resides at the Head Office (referred to as Johannesburg).





Summary of Responses

- One divisional head believes that the leadership style of different leaders determines the type of decisions.
- Two believe that strategic direction has to come from the Head Office.

Themes from the responses: Limpopo Regional Managers

- Explains the nature of the business processes employed by the Head Office and the Regions.
- The involvement of the Regions in the critical processes of the business.
- Indicate the structural challenges of the Regions and the Head Office.
- Is an illustration of the operations in the Regions.
- Determines where power and authority resides in the organisation.
- Deal with issues pertaining to strategy.
- The operations in the Regions (internally) whether they are enabling the achievement of organisation's goals or not.
- Strategy seems to be a process that happens at the Head Office.

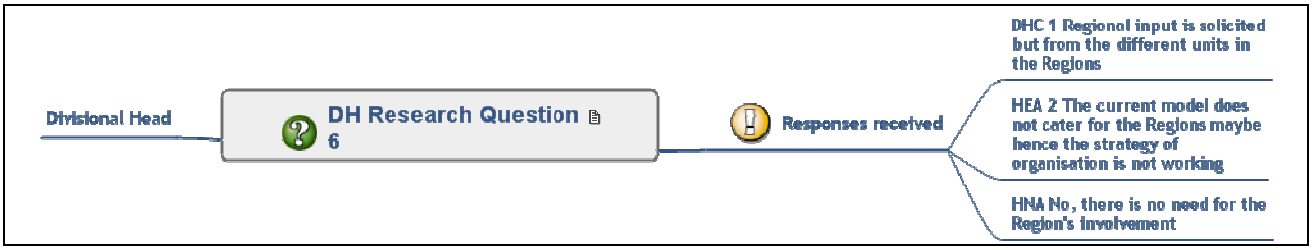
Relationship Link

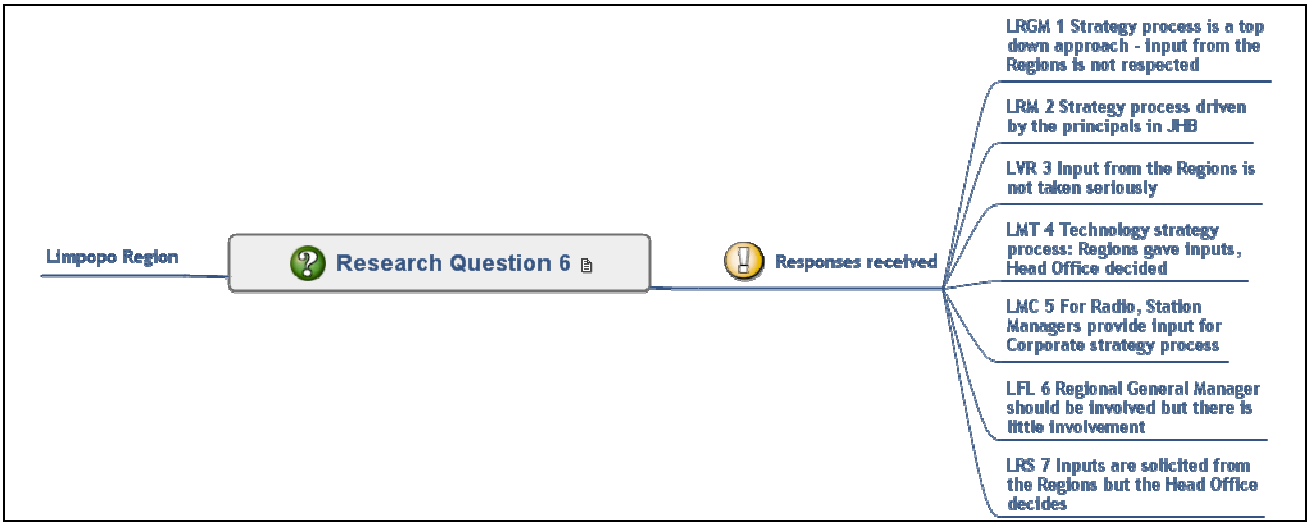
Concurrence from both divisional heads and the management team of Limpopo that no decision making takes place in the Region.

Question 6: To what extent are Regional offices involved in the formulation of the corporate strategy of the organisation? Specify their role.

Responses Received:

- The interviewees are of the opinion that the Regions involvement in corporate strategy is minimal – input from the Regions is not taken seriously.





Summary of Responses

- One divisional head contents that there is no need for the Region's involvement in the formulation of corporate strategy.
- One mentioned that the current model did not cater for Regions hence the strategy of the organisation is not working.

Themes from the responses: Limpopo Regional Managers

- Is an illustration of the operations in the Regions.
- Determines where power and authority resides in the organisation.
- Deal with issues pertaining to strategy.

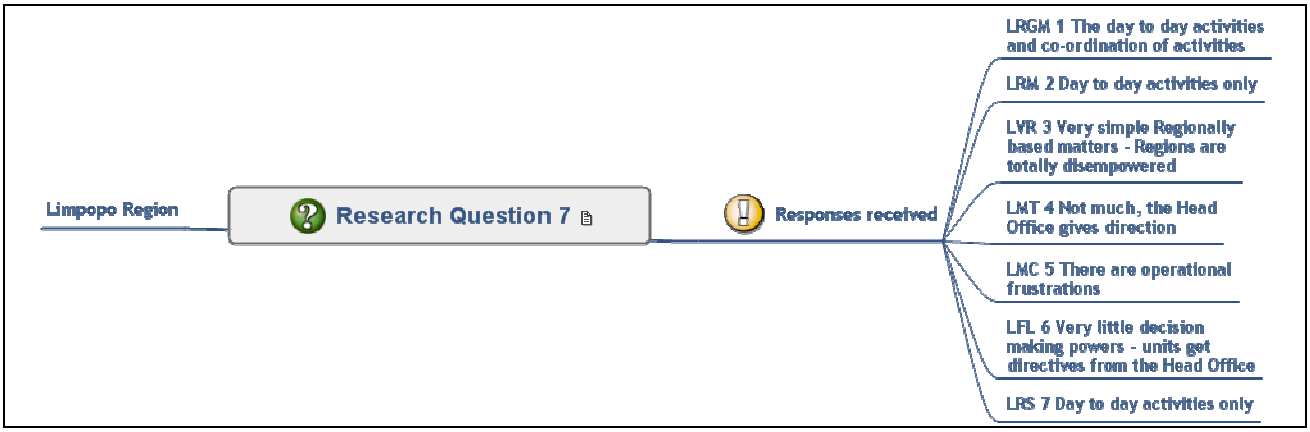
Relationship Link

On corporate strategy, the decision resides at the Head Office, though some managers indicated that there are instances when input is requested from them.

Question 7: What are the exact areas of operation in which Regional offices have decision-making powers and authority?

Responses Received:

The Regional offices have decision making powers on day to day activities; they are directed remotely by the Head Office.



Summary of Responses

None received.

Themes from the responses: Limpopo Regional Managers

No theme.

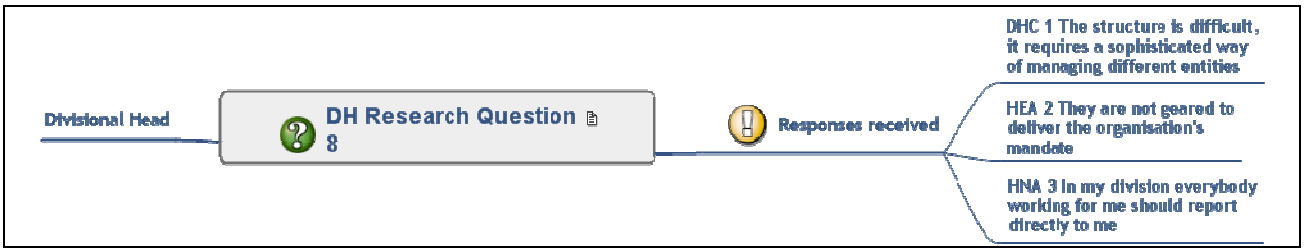
Relationship Link

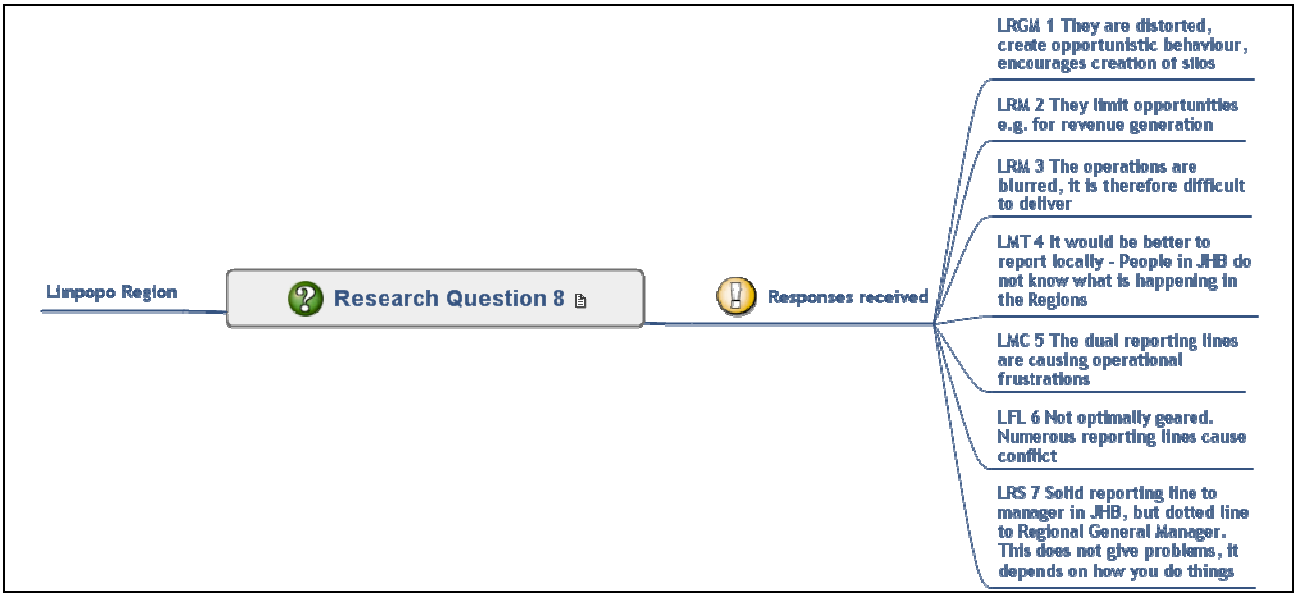
The areas where the Regions have decision making powers were indicated as areas which deal with day to day activities. On further probing, the areas indicated were communicating messages from Head Office, care-taking of the regional infrastructure and co-ordinating activities across the units and discipline in the region. The divisional heads could not comment or provide response to this question.

Question 8: Are the reporting lines between Head Office and the Regions optimally geared for the delivery of the organisation's mandate?

Responses Received:

- The responses indicate that the reporting lines between Head Office and Regions are not optimally geared for the delivery of the organizations mandate.
- Only 1 interviewee had no problems with the dual reporting lines.





Summary of Responses

The divisional heads have a different perspective on the reporting lines, with once believing that everybody in his/her division has to report directly to him or her.

Themes from the responses: Limpopo Regional Managers

- Indicate the structural challenges of the Regions and the Head Office.
- Deal with issues pertaining to strategy.

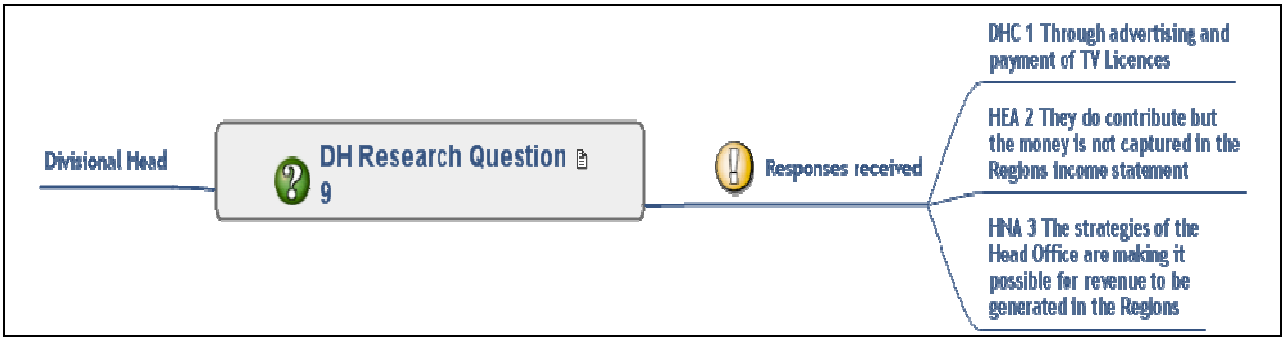
Relationship Link

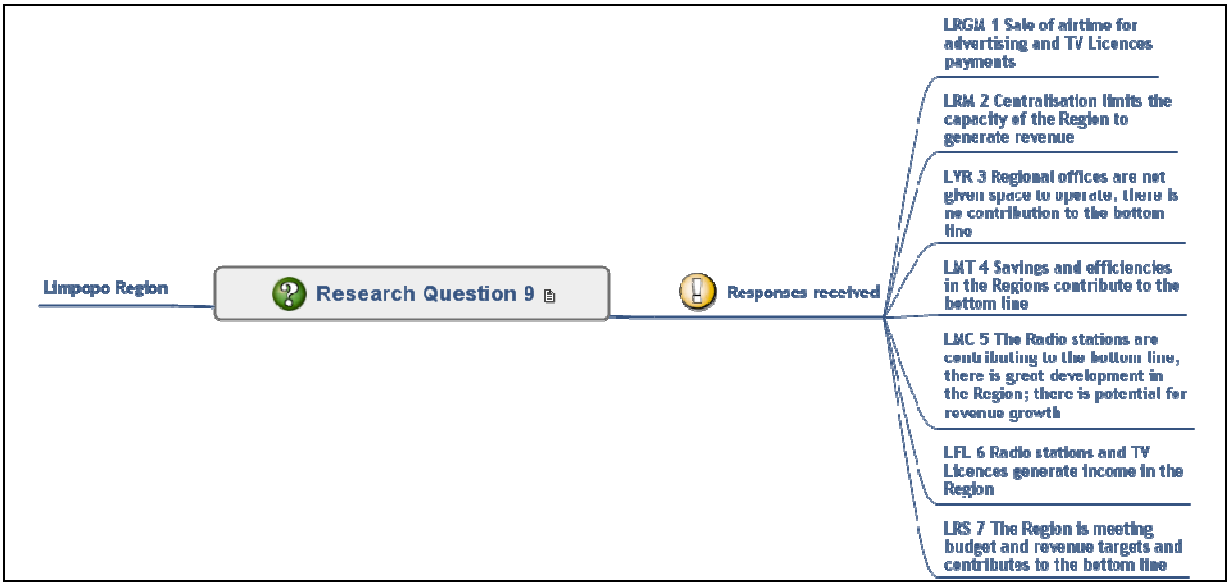
The Limpopo Regional management team except for 1, indicated that the reporting lines were not geared for the delivery of the organisation's mandate. The divisional head also concurred that this was the situation.

Question 9: How do the Regional offices contribute to the bottom line of the organisation?

Responses Received:

- The Regions are contributing to the bottom line of the organization.
- Hampered by centralization of decisions e.g. on tapping on available opportunities.





Summary of Responses

Unanimity that there is revenue generated from the Regions, one divisional head believes that the Head Office strategies make it possible for Regions to generate revenue.

Themes from the responses: Limpopo Regional Managers

- The products or services in the Regions.
- Is an illustration of the operations in the Regions.

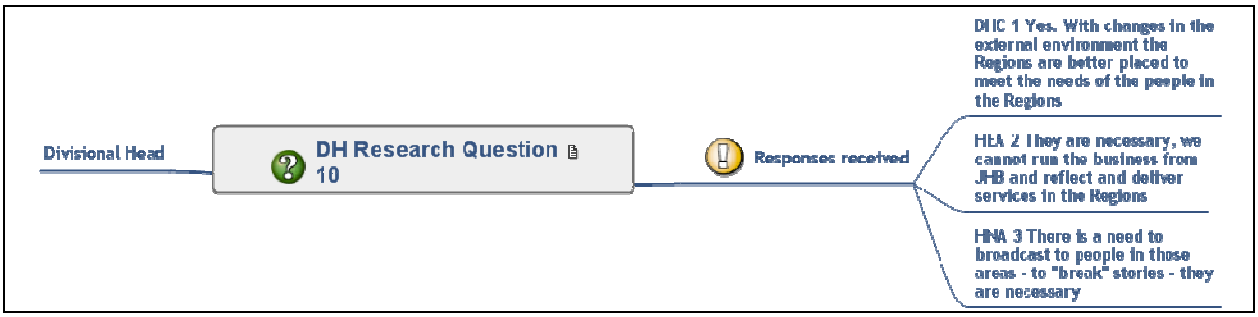
Relationship Link

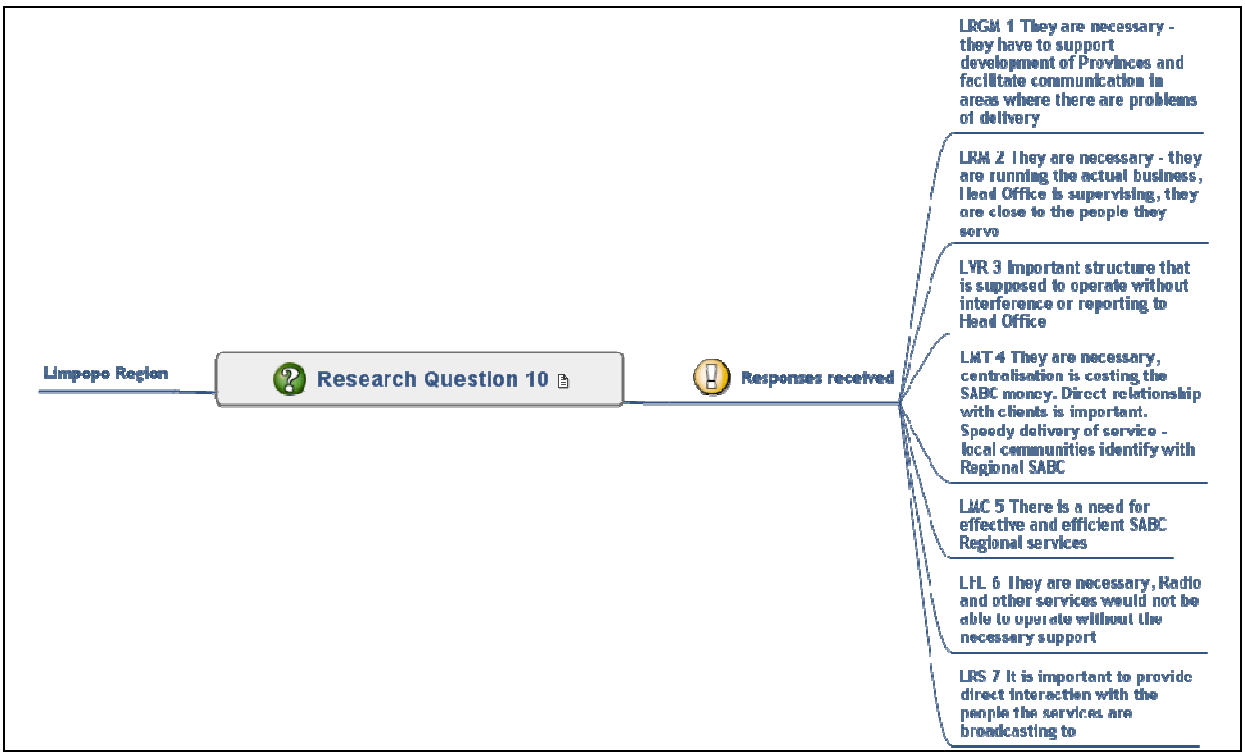
- The Limpopo Regional team and the divisional heads agreed that the Regions contribute to the bottom line of the organisation.

Question 10: Are Regional offices necessary? If yes, why? If no, why not?

Responses Received:

- Positive response on the need for the existence of the Regions, they exist to provide different broadcasting services.





Summary of Responses

Unanimity about the need or necessity for the existence of Regions.

Themes from the responses: Limpopo Regional Managers

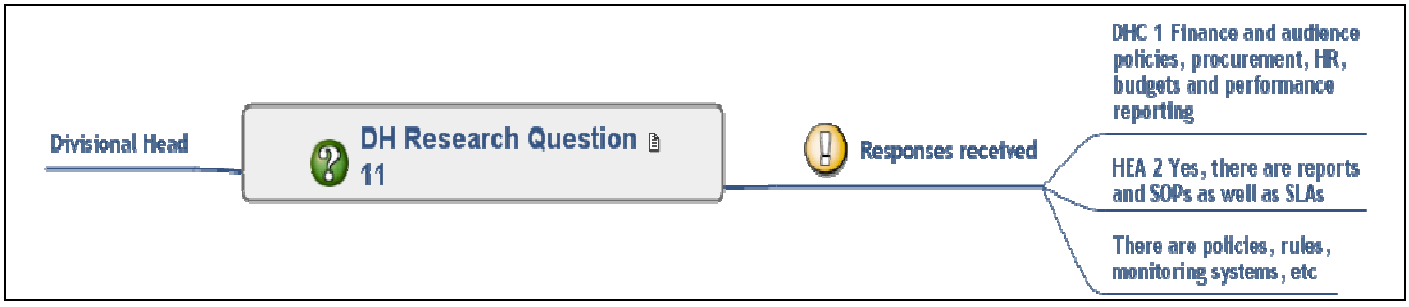
- Interviewees agreed that there is a need for the establishment of Regions.
- Concurrence on the need for the existence of the Regions.
- The products or services in the Regions.
- Deal with issues pertaining to strategy.

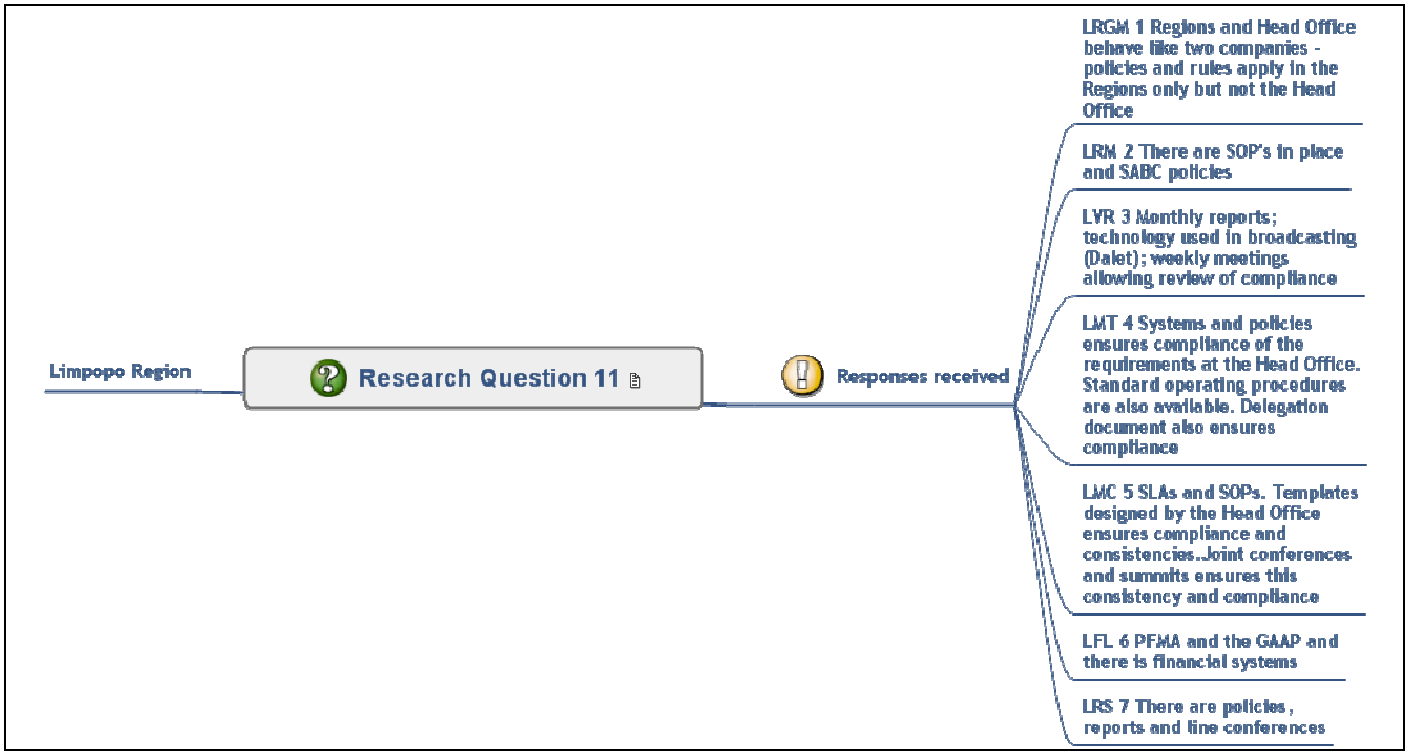
Relationship Link

Question 11: What are the compliance mechanisms in place between the Regions and the Head Office?

Responses Received:

- Interviewees know that there are mechanisms /frameworks for the Regions and Head Office.
- 1 interviewee concern with the 6 but believe that rules apply in the Regions, but not at the Head Office.





Summary of Responses

The different compliance instruments such as policies, SOPs and SLAs were mentioned.

Themes from the responses: Limpopo Regional Managers

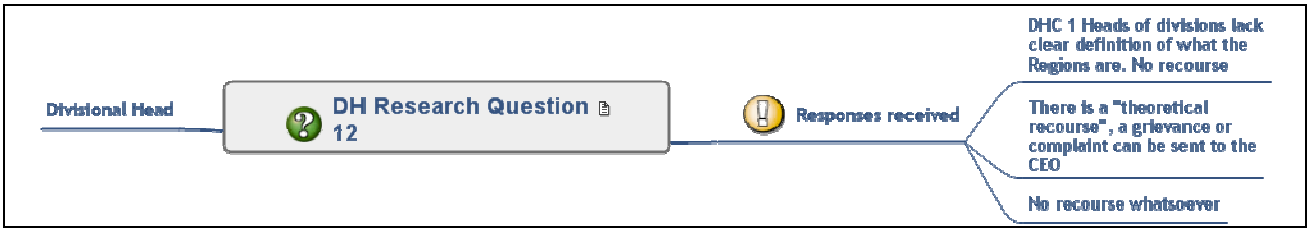
- The products or services in the Regions.
- Is an illustration of the operations in the Regions.
- Determines where power and authority resides in the organisation.
- Compliance mechanisms or measures used to control the regions.
- The operations in the Regions (internally) whether they are enabling the achievement of organisation's goals or not.
- Business systems seem to have been perfected to control what happens in the Regions. The Regions have no recourse to how the Head Office operates.

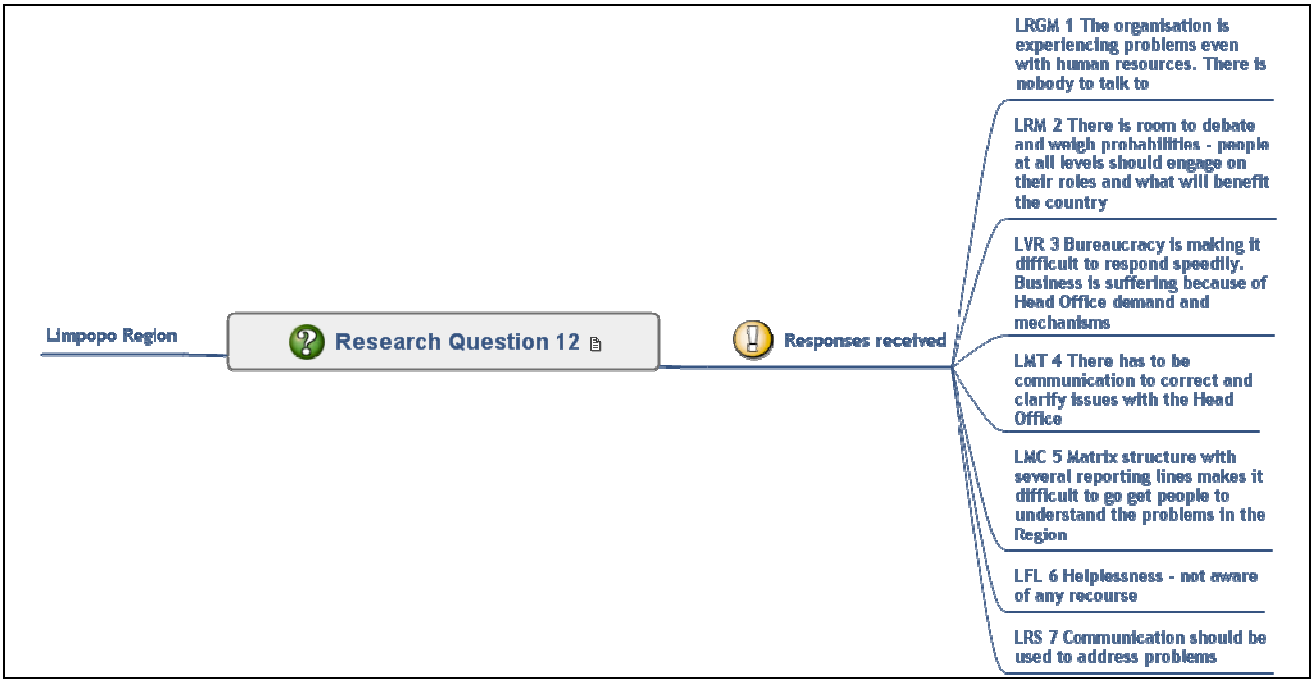
Relationship Link

The Limpopo Regional management team and the divisional heads agreed that there are compliance mechanisms in place across the organisation.

Question 12: What recourse do Regional offices have in the event of dissatisfaction and/or disagreement with Head Office?

Responses Received:





Summary of Responses

Different responses which do not give any clarity on the existence of a recourse or not.

Themes from the responses: Limpopo Regional Managers

- Determines where power and authority resides in the organisation.
- Compliance mechanisms or measures used to control the regions.

- Business systems seem to have been perfected to control what happens in the Regions. The regions have no recourse to how the Head Office operates.

Relationship Link

Unanimity by both teams that the Regions have no recourse in the event of dissatisfaction.

The response by the two sets of interviewees resulted in the need to further analyse the issue of people in terms of the skills they possess and how that has had impact on the strategy, structure, systems, style of management and how they impact on the centralization and decentralization of the organisation. This will be linked to the analysed data.

4.1.1 Secondary data

Literature and research articles on organisational studies will be scanned for information.

Additional information, whose integrity will be carefully determined, will be secured from the internet.

General library searches will be done.

Chapter 5

5. Data Analysis and Interpretation

The purpose of the study is to determine whether centralization and decentralization affects the delivery of broadcasting services in the Region. The research questionnaire was designed with the objective of determining firstly whether there is centralization and decentralization at the SABC. Secondly, if there is centralization and decentralization which areas of the business are centralized and which ones are decentralized. Thirdly, what are the levels or extent of centralization and decentralization?

Interpretation of the Themes from the Interviews

Question 1 was meant to determine the reasons the SABC establish the Regional offices. The Limpopo Regional Management team and the divisional heads concurred in their responses that the Regions were established as per legislation and were mandated to provide broadcasting services to all the South Africans., The strategic intent of the SABC should have been to decentralize services. One divisional head indicated in his response that, the reason for the establishment of the Regions was meant to take services to the people. “Broadcasting in its nature especially Public Broadcasting is about people reflecting themselves, they have to hear their voices and see themselves so that they can grow and develop”. One could interpret the act of establishing Regional services as an act of decentralization.

The Regional offices operate outside Johannesburg in the different provinces of South Africa. The Head Office is located in Johannesburg. The proximity between the Head Office and the Regional Offices advocates for a degree of centralization that allows for services to be delivered effectively, efficiently and speedily. The Public Radio Services located in the regions are required to respond to the needs of the audiences and the public in those regions immediately (immediately in Radio is what keeps the audiences listening. This kind of environment requires an element o decentralisation in terms of decisions pertaining to the operations where the services are provided.

The response of especially the three divisional heads indicates that strategy has to be determined by the divisional heads at the Head Office and be implemented by the managers in the particular units in the Regions.

Question 1(a) dealt with the merits of whether the Regions had evolved as it was initially intended. Different views on the responses of the divisional heads, the people with functional responsibility to the Regions is a clear indication of a challenge experienced with the implementation of a strategy to decentralize services. This could be a symptom of the high turnover of the executive layer of the organisation. The disjoint in strategy happens every time new leadership is brought on board. On the contrary, the regional management except for one believes that the regions have evolved as per the original strategy because services such as Radio are being provided in the Regions.

An element of decentralization is evident given the response by this team, the response and example cited, could also be motivated by the passion and satisfaction the team experienced in terms of their roles as managers of units in the Region. The responses to this question raised questions in terms of the role of the employees irrespective of their positions in the organisation inn their perceptions, believes and skills required to work in the Regions or at the Head Office, and the capacity the employees have to achieve objectives in an environment indicative of strong centralization characteristics and others decentralized.

Question 2 was another question meant to determine the extent to which the services are centralized. The responses indicated knowledge of the services provided in the Regions, at face value, this is a characteristic of decentralization.

Question 3 and 4 were meant to determine knowledge of the business processes residing at the Head Office in the Region. Both teams interviewed found it difficult to identify business processes in the Regions. The Head Office, it was indicated designed and determined business processes.

The responses are an indication of centralization in terms of determining business processes, the challenge is whether these processes are suitable for application in the Regions or not.

The response to these questions by the Regional team gave an indication of frustration and disempowerment.

An important element of centralization was linked to the lack of decision making authority by the Regional Management Team. They have no power or authority to make decisions on matters pertaining to the areas they are responsible for. The divisional head at the Head Office authorizes from leave forms to expenditure. Once more the respondents from the Limpopo Regional office feel very strongly about their lack of authority on decision making powers. Two divisional heads agreed that this was inappropriate and expressed some views on how the management team in the Region could be empowered. The question which arises in terms of centralized decision making is whether the functional heads have the competency to provide leadership in a functionally dominated structure. The danger of over centralization of decision making is that it could affect morale and productivity. If mangers are not empowered, there could be an inclination not to empower their sub-ordinates and end up with a situation where the services are not delivered efficiently.

The extent to which Regional offices are involved in the formulation of the Corporate Strategy of the organisation is non existent. The Regional management team's responses indicated that there is minimal input solicited from the managers in the Regions. In one respondent's words, the Head Office disregards input for Corporate Strategy from the Regions. The three divisional heads gave different responses, one said input is solicited from the different units in the Regions and the other one indicated that "the current model does not cater for the Regions maybe hence the strategy of the organisation is not working".

The two divisional heads seem aware of some element of engagement of the Regions in the process of developing Corporate Strategy, that an element of decentralization is indicated in this instance.

The structure and the reporting lines gives an impression that the Regional Management team was unhappy, they gave examples of how decision making is delayed and that the organisation could not leverage their potential.

They explained their reporting lines in terms of “a solid line” to the divisional head and a “dotted line” to the Regional General Manager. This is a convoluted structure, which is to some extent dysfunctional. The centralization of the reporting lines at Head Office is affecting the capacity of the organisation to maintain order and discipline. It creates opportunistic behaviour where employees could report to the Head Office when it suits them and to the Region when it does not suit them.

On the question of allocation of resources, the Head Office determines the budget with input from the Regions, but decides on what should be allocated. The procurement policies as well as the delegation of authority policies do not make provision for the Regions. The respondents compared their working environment in Limpopo with the Head Office; they complained about old technology, in their studies, lack of enough computers, printers and other resources. The responses gave an indication of a centralized process in terms of allocation of resources.

There was a common understanding between the regional management team and the divisional heads that the Regions were contributing to the bottom-line of the organisation through the payment of television licenses as well as advertising revenue. The centralization of the strategies to collect advertising and TV licence revenues according to the respondent, hamper the ability of the regions to capitalize on the opportunities prevailing the regions to increase revenue. The sales and marketing teams can also not make decisions on discounts and prices for advertising without permission from the Head Office. In a competitive environment it could be difficult to meet the revenue targets.

Question 10 on whether there is a need for the existence of the Regions, generated positive response from the regional management team and the divisional heads, which is consistent with responses to question 1. A positive indication that despite the strong elements of centralization in the business model, there is appreciation of the work and services delivered in the regions.

The policies, standard operating measures, performance management systems were mentioned as the tools on mechanisms used to ensure compliance of the regions to the Head Office. A critical point is that the tools mentioned provide a link between the Head Office and the Regions. They are used to align the organisation

Chapter 6

6. Conclusion and Recommendations

Centralisation and decentralisation at the South African Broadcasting Corporation is a challenge that needs to be confronted and dealt with in order to enable the Regional operations to deliver services as mandated by the Broadcasting Act as well as the vision of the Group Chief Executive and his team.

A highly centralized model has resulted in the lack of skills development, inability to capitalize on local growth opportunities in terms of revenue generation, audience growth, ensuring that all South Africans have access to Radio or Television services. During the interviews with the Regional Managers, they expressed frustration and a sense of helplessness with regard to the conditions under which they were expected to perform and how that generally affected the morale of staff. Centralisation in this sense is disempowering and could result in the organisation losing critical skills.

Decentralisation of activities in some of the units especially for finance section is working well, the day to day financial needs for the Regions are provided for, the Regional Finance Manager is empowered to make decisions as per the delegation of authority document, he assists in co-ordinating inputs for the budget process. This individual has a dual reporting line, that is directly to the Regional General Manager and strategically to the Chief Financial Officer. Driving the interviews this is the only regional manager who provided ideas on how a regional manager should manage the slow response of the head office. This has enhanced the financial systems is the Regions and has ensured that financial policies are consistently applied in the Region. Perhaps it could help to look at the model used by the finance division and apply in the other divisions.

A question that beckons answers is whether in the dynamic media environment, a highly centralized model could survive and for how long. The other challenge to this model is the advent of competition, where delivery of quality service and speedily determines the viability and sustainability in the media environment.

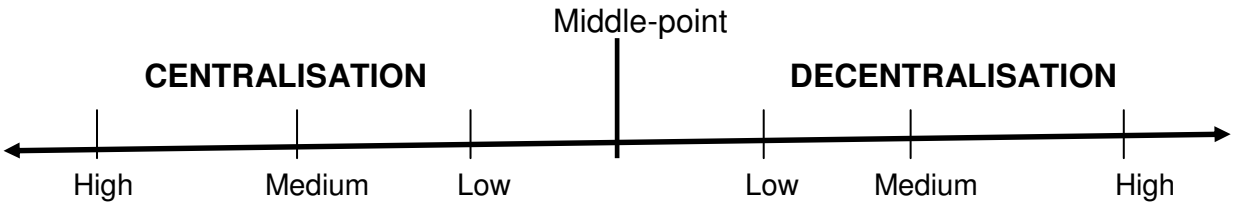
The Legislative framework and the strategy of the organisation has to be implemented as intended.

Recommendations

The following recommendations are based on the study.

Mintzburg (1993) maintains that no one word can possibly describe a phenomenon as complex as the distribution of power in the organisation. This goes to the root of the centralization and decentralisation where it is a challenge to indicate that an operation is totally centralized or totally decentralized. A possible approach to this challenge is to determine in every situation the extent of centralization or decentralisation. An example is if a continuum could be drawn where the levels of centralization can be plotted as follows:-

CONTINUUM



The middle point is the centre of the continuum; point where there would be a balance between centralization and decentralisation.

A move further from the middle point to the left side of continuum would indicate an increase in tendencies significantly high levels of centralization. The same would apply to the right hand side of the continuum, the further the move towards the middle point towards the right, the more the levels of decentralisation would increase. The SABC using this model should identify areas that can be decentralized in order to create a balance between centralization and decentralisation. The areas that should be decentralized should be identified in terms of the needs of the people in the regions. When some responsibility is devolved what needs to be done and by whom. The decision making capacity should be developed through training regional managers.

The strategy of the organisation should be interrogated to try and identify the gaps in areas that could be strengthened to accommodate the devolution of some responsibilities to the Regions. This should be done with

Methods of achieving Trustworthiness

The researcher will begin by communicating the intentions of the study to the executive team; followed by a meeting in Limpopo with the team of potential participants to explain the purpose of the study as well as to get the necessary buy-in. During these meetings the researcher will emphasise the fact that participation in the study is voluntary, and that people should be free to state their views both on the study and the issues covered.

6.1 Management Plan, Time Line and Feasibility

Activity	Reason	Responsibility	Timeframe
1. Primary data collection	Preparation for secondary data collection	TC Mampane	September 2004
2. Meeting with Supervisor	Review process of data collection	TC Mampane / D Ntombela	01 October 2004
3. Meeting individual SABC divisional heads	Preparation for secondary data collection	TC Mampane	11 to 15 October 2004
4. Interviews with Divisional Heads	Part of sample	TC Mampane	18 to 22 October 2004
5. Meeting with Supervisor	Feedback & Advice	TC Mampane & D Ntombela	23 or 24 October 2004
6. Field work in Limpopo	Part of sample (interviews with 17 potential respondents)	TC Mampane	26 to 29 October 2004
7. Meeting Supervisor	Feedback & Progress Report	TC Mampane & D Ntombela	30 October to 01 November 2004
8. Data Processing	Preparation for report writing	TC Mampane	01 November to 30 November 2004

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Annexure

Questions

1. What do you understand to have been the rationale for the establishment of Regional Offices? Have the Offices, in your experience, evolved as per the original intention? Please give a detailed response.

2. What services and products are the Regional offices mandated to deliver to their respective constituencies? What kind of resources do you require to do your work?

3. Which business processes exist in the Regional Offices?

4. Which business processes exist at Head Office only, and why are they not devolved to Regional Offices?

5. What type of decision-making resides at the Head Office?

6. To what extent are Regional Offices involved in the formulation of the Corporate Strategy of the organisation? Please specify their role, if any, as clearly as possible.

7. What are the exact areas of operation in which Regional Offices have decision-making powers and authority?

8. Are the reporting lines between Head Office and the Regions optimally geared for the delivery of the organisation's mandate?

9. How do the Regional Offices contribute to the bottom line of the organisation?

10. Would you say Regional Offices are necessary? If yes, why? If no, why not?

11. What are the compliance mechanisms in place between the Regions and the Head Office?

12. What recourse do Regional Offices have in the event of dissatisfaction and/or disagreement with Head Office?