Abstract

Public infrastructure investments are critical in addressing the high rates of unemployment, poverty and inequality in South Africa. Infrastructure investments facilitates economic activities, thus enabling economic growth, job creation and poverty alleviation. In addition economists and policy makers are recognizing the importance of governance for economic growth and development. Good governance or lack thereof, contributes to the differences in economic growth. This study focused primarily on electrical infrastructure. The availability of electric power forms the backbone of any nation's economy, and electrical infrastructure plays a central role in electrical distribution. In South Africa, there are existing factors that cause significant delays in the pre-contract procurement process of construction projects, electrical infrastructure projects in particular. These existing factors should typically be resolved within ninety days of initiating the procurement process. However, from frequent occurrences in most of these electrical infrastructure projects, the procurement process can take up to six months due to various delays, such as awarding of contracts. This quantitative study aimed to identify what are the factors causing significant delays in the pre-contract procurement process of electrical infrastructure projects. There is a paucity of studies undertaken to investigate the causes of delays in the pre-contract stage, particularly delays affecting electrical infrastructure projects. A survey was conducted and consisted of a self-administered questionnaire. The questionnaires were initially emailed to more than forty professionals including project managers (PMs) employed by Eskom Holdings SOC Ltd with no response. The questionnaires were then disseminated to fifteen project managers possessing more than five years of work experience. They were all working for South Africa's electricity parastatal, Eskom Holdings SOC Ltd, Transmission Division, Asset Management Execution department in Gauteng province at the time of data collection. The questionnaire responses were captured on Microsoft Excel, and data obtained were analysed descriptively in order to identify themes that emerged from the participants' responses. The Relative Importance Index (RII) was used to identify the most significant factors that contributed to delays in the procurement process. The findings of the study indicate that factors that cause delays in the delivery of electrical infrastructure in South Africa include: the workload from staff, lack of quantity surveyor resources, unavailability of all stakeholders for negotiation, at the same time, an unexpected number of received tenders, rescheduling of negotiations, understaffed technical departments, lack of communication and coordination amongst various stakeholders and departments.

The findings suggest that there is lack of technical capacity to execute the amount of work within Eskom Holdings SOC Ltd, Transmission Division, Asset Management Execution Department and as a result the pre-contract procurement process takes longer, this results in projects not being executed within the planned time. It is therefore significant for the company to capacitate the department within the identified areas of expertise that are causing delays in order to mitigate most of the identified delays. The research approach for the study is deductive and is associated with a positivist philosophy. In the deductive approach, a theory is not developed, instead an existing theory developed from a thorough literature survey and data collection is tested (Saunders & Thornhill, 2011).

Key Words: Electrical Infrastructure, Pre-Procurement, Delays, Eskom Holdings SOC Ltd, Transmission Division, Asset Management Execution Department, Project Managers