

THE POTENTIAL ROLE OF PROJECT MANAGEMENT IN CATEGORY B MUNICIPALITIES

by

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ABSTRACT

Title of treatise	:	The potential role of Project Management in Category B Municipalities
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The South African Government's Demarcation process has ensured that the entire Country now have "City to City" municipal areas. This process has been put in place to ensure that basic services can now be provided to all the people of the Country.

With the demarcation process the South African Government also introduced Integrated Development Planning (IDP). The IDP is a process through which municipalities prepare a strategic development plan, for a five-year period. The IDP is a product of the Integrated Development Planning process and a principle strategic planning instrument, which guides and describes all planning, budgeting, management and decision making in a municipality.

According to the Municipal Systems Act 1998 (Act No. 117 of 1998), every new council that comes into office after the Local Government elections has to prepare its own IDP, which will guide them for the five years that they are in office. The IDP is therefore linked to the term of office of Municipal Councillors. This process is aimed to provide basic services to the community, by means of making the community part of the entire process.

The research focuses on the following i.e. to determine the need for Project Management when implementing projects as reflected in the Integrated Development Plan (IDP) and to determine how Project Management can be applied in community participation for development projects in Category B Municipalities.

The following is discussed and forms part of the corpus of the research:

- The Integrated Development Plan and its benefits in terms of service delivery to the community.
- The important role Project Management plays in terms of projects as reflected in the Integrated Development Plan.
- The Project Manager must be on board during all the phases of the project life cycle, to ensure that the projects are implemented according to the following constraints: -
 - On time;
 - Within budget;
 - Utilising limited resources;
 - And achieving the desired deliverables.
- The Project Manager must have leadership qualities to be successful in a municipal environment.
- That the Project Manager must be appointed on a performance contract to save guard the interest of the community and the municipality.
- The inclusion of the community must always be a motivational force behind development, and therefore one of the most important role-players during the project management process.
- That Project Management plays a vital role in service delivery and community participation, especially when implementing the Integrated Development Plan.

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INTERPRETATION OF TERMS

- **“basic municipal services”** means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety or the environment.
- **“category”** in relation to municipalities, means a category A, B or C municipality envisaged in section 155 (1) of the Constitution.
- **“councillor”** means a member of a municipal council.
- **“delegating authority”** in relation to delegation of power or duty by a municipal council, means the municipal council; or in relation to a sub delegation of a power or duty by another political structure, or by a political office bearer, councillor or staff member of a municipality, means that political structure, political office bearer, councillor or staff member.
- **“delegation”** in relation to a duty, includes the instruction to perform the duty, and; **“delegate”** has a corresponding meaning (delegation).
- **“development”** means sustainable development, and includes integrated social, economic, environmental, spatial, infrastructure, institutional, organisational and human resources upliftment of a community aimed at –
 - improving the quality of life of its members with specific reference to the poor and other disadvantaged groups of the community ; and
 - ensuring that development serves present and future generations.
- **“district municipality”** means a category C municipality envisaged in section 155(1)(c) of the Constitution,
- **“executive authority”** in relation to a municipality, means the municipality’s executive authority envisaged in section 156 of the Constitution, to be read with Chapter 11 of the Structures Act 2000.

- **“financially sustainable”** in the relation to the provision of municipal services, means the provision of a municipal service in a manner aimed at ensuring that the financing of that service from internal and external sources, including budgeted income, grants and subsidies for the services, is sufficient to cover the cost of –
 - the initial capital expenditure required for the service;
 - operating the service;
 - maintaining, repairing and replacing the physical assets used in the provision of the service.

- **“integrated development plan,”** means development envisaged in terms of section 25 of the Constitution

- **“local community”** in relation to the municipality, means that body of persons comprising-
 - the residents of the municipality;
 - the rate payers of the municipality;
 - any civic organisations and non-governmental private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
 - visitors and other people residing outside the municipality who, because of their presence in the municipality make use of services or facilities provided by the municipality.

- **“local municipality”** means a category B municipality envisaged in section 155(1)(b) of the Constitution.

- **“municipal council”** means a municipal council referred to in section 157(1) of the Constitution.

- **“municipality”** when referred to as –
 - an entity, means a municipality as described in section 2 of the Constitution and;

- a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)

- **“municipal manager”** means a person appointed in terms of section 82 of the Municipal Structures Act.

- **“municipal structures act”** means the Local Government Structures Act 1998 (Act No. 117 of 1998).

- **“political structure”** in relation to a municipality, means the local council of the municipality or any committee or other collective structure of a municipality elected, designated or appointed in terms of specific a provision of the Municipal Structures Act.

- **“resident”** in relation to a municipality, means a person who is ordinarily resident in the municipal area.

LIST OF ABBREVIATIONS

PM is the abbreviation used for Project Manager.

P&F is the abbreviation used for Powers and Functions.

IDP is the abbreviation used for Integrated Development Plan.

MM is the abbreviation used for Municipal Manager.

HOD is the abbreviation used for Head of Department.

PDA is the abbreviation for Planning and Development Act.

PPM is the abbreviation for Public Project Manager.

DPM is the abbreviation for Director Project Management.

MSA is the abbreviation for the Municipal Systems Act 2000.

CHAPTER 1

THE PROBLEM AND ITS SETTING

1.1 The Milieu of the Problem

Local Municipalities have been dramatically reduced in numbers, due to the South African Government's Demarcation process. South Africa now has "wall to wall" or "City to City" municipalities. This process has integrated existing municipality boundary areas that previously were not part of any municipality.

The majority of these newly incorporated areas are what is formally known as rural areas. These areas have minimal services, as the majority of the existing municipalities have spent moneys received from service delivery and rates in their own areas. The incorporation of these rural areas into existing municipalities will be putting great strain on the municipal budget in terms of service delivery.

The Integrated Development Plan (IDP) has been implemented to address these backlogs of services in the new municipalities. The Integrated Development Plan is a five-year plan that gets reviewed on an annual basis in terms of projects implemented and service delivery. Project Management will play a major role in the entire process, as the Project Manager must be involved during the various phases i.e. community liaison, public meetings, prioritisation of projects, drafting of the IDP document, the review process, etc.

Furthermore Project Managers must be trained within the municipal structures in order to be effective in facilitating service-delivery mechanisms and to promote community participation that will be aimed at addressing the backlog of services in terms of the Integrated Development Plan.

The inclusion of the community must always be the motivational force behind development, and therefore the most important role-player during the project management process.

This research will focus on how Project Management principles can be applied to implement projects reflected in the IDP and why it's so important to make the community part of the process.

1.2 The Statement of the Problem

This research proposes to determine the potential role of Project Management in Category B Municipalities.

1.3 The Subproblems

The demarcation process and Integrated Development Planning both are new approaches implemented by Government to ensure the provision of basic services to all the citizens of South Africa. Implementing these projects utilising Project Management principles poses numerous problems. This research will focus on the following two: -

- To determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities.
- To determine how Project Management can be applied in community participation for development projects in Category B Municipalities.

1.3.1 The first subproblem

The first subproblem is to determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities. (How will the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities be determined?)

1.3.2 The second subproblem

The second subproblem is to determine how Project Management can be applied in community participation for development projects in Category B Municipalities. (How will Project Management be applied in community participation for development projects in Category B Municipalities?)

1.4 The Hypotheses

- The first hypothesis is that Project Management can be integrated into existing Category B Municipalities.
- The second hypothesis is that an existing Category B Municipality organisational structures have to be restructured as a matrix organisational structure to integrate the Project Management function successfully.
- The third hypothesis is that the Project Management function can be integrated into newly established Category B Municipalities.
- The fourth hypothesis is that the utilisation of Project Management when implementing the Integrated Development Plan, can be advantageous to Category B Municipalities.
- The fifth hypothesis is that Project Management plays a vital role in the Integrated Development Plan Process.
- The sixth hypothesis is that a Project Manager can be an Organisational Leader.
- The seventh hypothesis is that the Project Managers must be employed on a performance management contract.
- The eighth hypothesis is that service delivery in Category B Municipalities must include community participation when implementing projects in terms of the Integrated Development Plan.

- The ninth hypothesis is that the Project Manager must involve the community through all the life-cycle phases of projects as reflected in the Integrated Development Plan.

1.5 The Delimitations

The study will be limited to Category B Municipalities that falls within the boundaries of the uThukela District Municipality (DC23), KwaZulu-Natal.

The study will not promote the restructuring of existing Category B Municipalities organisational structures, but rather the modification of existing organisational structures to integrate Project Management.

The study will not recommend organisational structures for newly established Category B Municipalities.

The study will not recommend the powers and functions of a Project Manager in newly established and existing Category B Municipalities, but will only propose the powers and functions of the Project Manager when implementing projects as reflected in the IDP to ensure that these projects are completed on time, within budget with the resources available.

The study will not recommend that the Project Manager replace the powers and functions of the Municipal Manager.

The study will limit the scope of community participation projects to that of projects as reflected in the Integrated Development Plan.

The study will not recommend that Project Managers only be involved in a project's execution, but in all phases of the project i.e. planning through to evaluation of the final deliverables.

The study will not recommend that Project Managers replace the role of community leaders, but will recommend community participation.

1.6 The Definition of Terms

Project Manager

A Project Manager can be defined as a person with the following attributes: -

1. He/she must have broad knowledge and experience in his/her field of expertise.
2. He/she must be design and solution orientated.
3. He/she must be able to evaluate against a broad background.
4. He/she must take all factors into account when evaluating: -
 - Time and cost constraints and there must be a clear understanding of the quality requirements.
 - All the contractual requirements.
 - There must be a good relationship between all the stakeholders involved.
 - Must have good human relations.
5. Must be able to manage across interfaces.
6. Must be more behavioural than quantitative orientated.
7. Must be able to see the broad picture of the total project.
8. Must be able to see the warning signs i.e. red flags: -
 - Anticipate warning signs and have contingencies in place.
 - Avoid or reduce the outcomes of these warning signs.
9. He/she must have the required seniority or experience to ensure broadness of knowledge and experience.
10. He/she must have the right attitude and view and be open-minded.
11. He/she must be flexible and gentle but firm.

Category B Municipalities

Category B Municipalities can be defined as follows:

Section 155 (1) of the Constitution provides that a Category B Municipality is one, which shares Municipal executive authority in its area with a Category C Municipality within the area in which it falls. Therefore a Category B municipality is commonly referred to as a "Local Municipality".

Integrated Development Plan (IDP)

IDP is a process through which municipalities prepare a strategic development plan, for a five-year period. The IDP is a product of the Integrated Development planning process. The IDP is a principle strategic planning instrument, which guides and describes all planning, budgeting, management and decision making in a municipality.

According to the Municipal Systems Act, every new Council that comes into office after the Local Government elections has to prepare its own IDP, which will guide them for the five years that they are in office. The IDP is therefore linked to the term of office of Municipal Councillors.

Requirements of the Municipal Systems Act (MSA)

Section 25 of the MSA requires each municipality to prepare IDPs within a prescribed period after the start of its elected term. The IDPs are intended to comprise a single, inclusive and strategic plan for the development of the municipality which:

- a) links, integrates and co-ordinates plans and proposals for the development of a municipality;
- b) aligns the resources and capacity of the municipality with the implementation of the plan;
- c) forms the policy framework and general basis on which annual budgets must be based;

- d) is compatible with national and provincial development planning policy and legislation.

1.7 List of Abbreviations

PM is the abbreviation used for Project Manager.

P&F is the abbreviation used for Powers and Functions.

IDP is the abbreviation used for Integrated Development Plan.

MM is the abbreviation used for Municipal Manager.

HOD is the abbreviation used for Heads of Department.

PDA is the abbreviation for Planning and Development Act.

PPM is the abbreviation for Public Project Manager.

DPM is the abbreviation for Director Project Management.

1.8 Assumptions

The first assumption

That only Category B Municipalities will be used as research reference.

The second assumption

That the appointment of a PM in the proposed matrix organisational structure will be thoroughly discussed with all the relevant stakeholders.

The third assumption

That the powers and functions of the PM will follow the guidelines as set out in the Structures Act, Act 84.

The fourth assumption

That the powers and functions of the MM & HOD will not become obsolete in terms of implementing the projects as indicated in the IDP. The PM will only be involved in getting the projects done whereas the MM & HOD will still be responsible for the daily functions of management of his/her department.

The fifth assumption

That the overall accountability for implementing the projects as indicated on the Integrated Development Plan will not be shifted from the Director Project Management or the Project Manager, to the Municipal Manager. The Municipal Manager will be evaluated annually in terms of his performance contract, and will remain accountable for the implementation/completion of these projects.

The sixth assumption

That the PM will play a vital role in community participation when implementing projects as reflected in the IDP.

The seventh assumption

That the PM will be involved in all aspects of a project, from the planning phase right through to the project evaluation phase.

1.9 The Importance of the Study

This study is of importance to all newly established and existing Category B Municipalities, as this study will outline the need for Project Management to ensure that all the projects as indicated in the IDP are implemented as per the Local Government Structures Act 2000.

The following aspects will be covered:

- Organisational Structures of existing and newly established Category B Municipalities.
- The powers and functions of the various service delivery departments.

- The restructuring of existing organisational structures to integrate Project Management.
- The Integrated Development Plan.
- The role of a Project Manager when implementing the IDP.
- The positioning of a PM in the organisational structure of a Category B Municipality.
- Project and development management.
- Community participation.
- Project Managers and community participation in Category B Municipalities.

CHAPTER 2

THE REVIEW OF THE RELATED LITERATURE

2.1 Introduction

The method that will be used in the review of the related literature is based on Leedy P.D. (1997:71-91).

Due to the fact that the Demarcation Process and Integrated Development Planning both are new process implemented by the South African Government to ensure the provision of basic services to all the countries citizens, the literature available pertaining data to the potential role of Project Management in Category B Municipalities are fairly limited. The data that were obtained will be reviewed below.

2.2 Review of the Related Literature

A Historical Overview

As this is a new process that has been set in motion with the elections that were held on 5 December 2000 and the Municipal Demarcation Board is a newly formed sphere of Government, not much of information and historic overview can be quoted.

With the promulgation of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), and the formation of the new municipalities after the December 2000 Local Government elections, the Department of Provincial and Local Government is spearheading an initiative to assist municipalities to prepare their IDP. The initiative proposed by the Department recognizes the capacity constraints existing in many municipalities and provision has been made for support systems and mechanisms to be put in place to assist municipalities in preparing their IDP.

The requirements of the MSA with regard to the preparation of an IDP are such that the future funding of development will depend on the preparation and

completion of the IDP. In KwaZulu-Natal, the Department of Traditional and Local Government Affairs is responsible for the overall co-ordination of the preparation of the IDP and has established a high-level management system to facilitate the co-ordination, integration and alignment of Local, Provincial and National priorities and budgets in the preparation of IDP.

Project Manager and Project Management

The following are examples of definitions of a Project Manager and Project Management as quoted in the unpublished notes of Basson Gert (2000/2001):-

The Project Management Institute (USA): Project Management Body of Knowledge defines Project Management as follows: -

"The application of knowledge, skills, tools and techniques to project activities in order to meet or exceed stakeholders needs and expectations."

The Association of Project Management (APM) defines Project Management as follows: -

"The planning, organising, monitoring and control of all aspects of a project and the motivation of all involved in achieving the project's objectives safely and within agreed time, cost and performance criteria."

ISO 10 006 defines Project Management as follows: -

"The planning, organising, monitoring and controlling of all aspects of the project in a continues process to achieve its project objectives, both internal and external."

Kerzner defines Project Management as follows: -

"Planning, organizing, directing and controlling company resources for a relatively short-term objective that has been established to achieve a specific set of goals and objectives."

The above can be summarized in terms of this problem as follows: -

The planning, organizing, leading and controlling of newly established or consolidated Category B Municipalities' resources for the implementation of

short-term objectives that has been established to achieve the goals and objectives of a five-year period (Life-cycle of an IDP) in terms of the IDP.

Mark E. Mullaly, PMP (2002, 1-2) states the following on Redefining the Project Managers Role: "Scope is the wholly grail of the project management profession. It is what we must control, what we must manage, what we must defend. To accommodate something that is out of scope is a truly egregious sin punishable by excommunication and ten lashes with a whet noodle. But is the objective, really, to manage and deliver according to the scope of the project? Is that how we are being evaluated? Is that what the customer really needs?"

In an ideal world, yes. But we don't live in an ideal world. Nor are we likely to anytime soon. I would argue, and vehemently, that the purpose of project management is not to deliver the scope of the project. It is to deliver to our customers the business outcomes they desire."

According to Gerrit van der Walddt and André Knipe (2001:60-63). "In public institutions i.e. Local Municipalities, authorities (mandate or authority) play a mayor role." For instance, a Local Municipal Department may not make random internal changes if it does not have council approval.

Project Management requires a change in Local Municipality hierarchies, lines of authority and traditional utilization of resources.

According to Kerzner (1998:110-121) "The Matrix Organizational Form, Project management is a "coordinative" function, whereas matrix management is a collaborative function division of project management. In the coordinative or project organisation, work is generally assigned to specific people or units who "do their own thing." In the collaborative or matrix organisation, information sharing may be mandatory, and several people may be required for the same piece of work. In a project organisation, authority for decision-making and direction rests with the project leader, whereas in a matrix structure it rests with the team."

Mark E. Mullaly, PMP (2002: 1-2) extracts of his article on "The Project Manager as Organisational Leader".

“One of the biggest questions that we need to ask ourselves is this: " Is the role of project management also one of organisational leadership?"

The role of project manager, then, is not managing, but more importantly managing the boundaries themselves. It is this shift in thinking that defines the project manager as an organisational leader. Even on the smallest projects, the potential impact of a project manager is significant. Managed well, and the positive impact on the organisation can be exceptional, while the impact of a failed project can be devastating. Managed indifferently, the results will be commensurate. We get out of life what we put into it; projects are no exception.”

The Director of Project Management will have to be appointed on a Performance Management Contract in terms of the Local Government Municipal Systems Act (2000:58-60)

Gerrit van der Walt and Andre Knipe (2001:127) quoted the following regarding the origins of development management:

“The World Bank itself began implementing a management approach (Esman, 1991:22), but even there it did not gain acceptance on as large a scale as was expected. The continual reference to the problems and shortcomings that could result if proper development management did not form part of development projects began to show results, especially in the mid-1990's, when more and more academics and theoreticians began to refer to development management as a field of study in its own right.”

Osborn and Gaebler (1993:72) states that to transform existing management practices in the public sector, the emphasis should be on results and creative solutions should be obtained to complex problems.

Prinsloo (1996:3) points out that there is an insistence today on participative management owing to ubuntu principles.

Prinsloo (1996:7) argues that participation is vital and states the following:

"Don't look for differences, but look for similarities and accommodate differences."

Van der Walt & Knipe (2001:178): “The idea is to form opinions jointly, rather than enforcing them.”

Brooderyk (1996:2) suggests that a paradigm shift should take place from a dictatorial management style to an Afro-centric relationship between management and employees. In relationships, management relies increasingly on personnel for their expertise and co-operation.

Brooderyk (1996:12) suggests the following principles to establish this:

- “There should be co-operation instead of competition.
- Africa esteem teams and not individuals.
- Democracy means consensus, not majority rule.
- Third-world does not necessarily mean third-land.
- Flexibility is preferable to suitability.
- Management should be available to personnel.
- Management should not expect employees to be like them.”

According to Brooderyk (1996:12): “A strategy with Afro-centric principles should meet the following criteria : -

- openness and transparency;
- consensus;
- teamwork;
- flexibility;
- participation;
- sufficient, continental information;
- a clear vision;
- a clear mission;
- ongoing strengths, opportunities, weaknesses and threats (SWOT) analysis;
- settling of strategic issues.”

There is remarkable resemblance between the above-mentioned and the functions performed by project managers.

Category B Municipalities

Section 155 (1) of the Constitution provides that a Category B Municipality is one, which shares Municipal executive authority in its area with a Category C Municipality within the area in which it falls. Therefore a Category B Municipality is commonly referred to as a Local Municipality.

The Act defines local and district municipalities as Categories B & C, respectively, as those terms are referred to in Section 155 (1) of the Constitution.

Integrated Development Planning

The Local Government Municipal Systems Act (2000:36-46) defines Integrated Development Planning as follows: -

“Municipal planning, as a function of municipalities in terms of the Constitution, must be development orientated. This orientation is necessary to ensure that municipalities can: -

- pursue the objectives of local government contained in the Constitution
- give effect to the development duties of municipalities and
- "assist" national and provincial organs of state in the progressive realisation of the fundamental rights in the Constitution.”

Municipal planning must be aligned with and must compliment the plans and strategies of other spheres of government and other municipalities. The real concern of Chapter 5 of the Local Government Municipal Systems is, however, Integrated Development Planning. Every council must, after its election, and within a period that will be determined by regulation adopt a "single, inclusive plan for the development of the municipality". Obviously, the term of the plan would be about five years. Section 22 of the Constitution sets out the requirements for such plans being: -

- “It must link, coordinate and integrate plans and proposals for development.
- It must align the resources and the capacity of the municipality to implementation of the plan.
- It must form the policy framework for, and general basis of, the budgets of the municipality.
- It must be compatible with National and Provincial requirements.”

Project, Development Management and the Category B Municipality

Esman, 1991:24) states that: “development management roles should be designed to compensate people.” The local municipality, municipal manager or project manager must therefore manage a project so that the community and the local municipality would ultimately gain something from it. The Municipal and/or project manager will develop personally and will be in a better position to manage similar projects more effectively. Development management has grown as a discipline from one that received relatively little acceptance to one that is recognised today as being essential to and almost inclusive of all the other disciplines. With its origins mainly in economics and public administration, it is therefore not only multi-dimensional, but also multi-disciplinary.

There are various approaches and views to development management. If these are borne in mind, and define development, one can conclude a definition of development management, namely.

Development Management is equal to Integrated Development Planning.

Community Participation Defined

Paul (1987:2) defines Community Participation as, “an active process in which the clients, or those who will benefit, influence the direction and implementation of a development project aimed at improving the welfare of people in terms of income, personal growth, independence and other values regarded as valuable.”

According to Bekker (1996:69-77) Community participation has the following advantages and disadvantages: -

“Advantages of community participation:

- Reduction of psychological suffering and apathy.
- Positive application of community powers.
- Willingness to sustain deprivation, in terms of service delivery.
- Converting opponents, to see the bigger picture in terms of development.
- Information dissemination among community members and leaders (Councillors).”

“Disadvantages of community participation:

- Supporting the goals of Local Municipal Management.
- Low citizen participation levels.
- There could be a threat to the image of the Local Municipality.
- There are huge potential for conflict among administration and community members.
- Lack of Government response.
- Lack of information.
- Attitude of Local Municipal Managers can be non-conducive to community participation.
- Competence of the community to participate in terms of lack of basic reading and writing skills, and language barriers.”

The Local Government Municipal Structures Act (2000:30-34) defines Community Participation under the following headings: -

- Development of a culture of community participation.
- Mechanisms, procedures and procedures for community participation.
- Communication of information concerning community participation.
- Public meetings of municipal councils.
- Admission to public meetings.
- Communications to local community.
- Regulations and guidelines.

Conclusion

Taking the above-mentioned into consideration the literature that will be utilised in this research is fairly substantial, considering that the data available on the potential role of Project Management in Category B Municipalities is limited.

The literature utilised covers various aspects of the research problem and its two subproblems. Herewith a short summary of the relevant literature utilised: -

- Defining Project Management and the Project Manager.
- Defining a Category B Municipality.
- The Existing Organisational Structures in a Category B Municipality.
- The Matrix Organisational Structure, Advantages and Disadvantages.
- Restructuring of existing Category B Municipal Department Structures to integrate Project Management.
- The Advantages and Disadvantages of integrating Project Management Structures in Newly established Category B Municipalities.
- Integrated Development Planning, IDP.

- Performance Management Systems – Project Manager.
- Project, Development Management and the Category B Municipality.
- Community Participation.
- Project Managers and Community Participation in Category B Municipalities.

CHAPTER 3

THE DATA AND THE TREATMENT OF THE DATA

3.1 Introduction

Due to the fact that the research topic being a new approach in integrating Project Management into Category B Municipalities when implementing projects as reflected in the Integrated Development Plan and ensuring that the community and the various role players are made part of the process from start to finish, the data available is fairly limited, due to the fact that the Demarcation process and Integrated Development Planning both are new approaches by the South African Government in ensuring that basic levels of services are provided to all the citizens of the country.

3.2 The Data

The data that will be used in this research are of two kinds i.e. primary data and secondary data. The nature of each of these two types of data will be given briefly below.

3.3 The Primary data

The responses of the Municipal Managers, Managers, Line Managers, IDP Managers, Councillors and members of the community of Category B Municipalities will be classified as primary data.

3.4 The Secondary data

The published Acts, studies, texts and unpublished dissertations will serve as secondary data.

3.5 The Criteria for the Admissibility of the Data

Only Category B Municipalities that falls in the uThukela District Municipality (DC23) in KwaZulu-Natal will be utilized for the purpose of this study.

3.6 The Research Methodology

One of the methods and procedures that will be used in this study are those developed by Leedy (1997). The other method that will be consulted is the method proposed on the World Wide Web, on www.research.com where guidance is also given to researchers for carrying out research proposals.

3.7 Specific Treatment of the Data for Each Subproblem

3.7.1 Subproblem one

The first subproblem is to determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities.

The Data Needed

The data needed for solving of subproblem one are as follows: -

- (a) the responses of the Municipal Manager, Heads of Departments, IDP Manager, Human Resources Consultants, Councillors and members of the community regarding the appointment of a PM;
- (b) the composition of other Category B Municipalities;
- (c) the views of Project Management Consultants and other Project Management Professionals.

The Location of the Data

The data will be obtained directly from Category B Municipalities, Municipal Managers, Heads of Departments, IDP Managers, Human Resource Consultants, Councillors and members of the Community. Project Management Consultants as well as Project Management Professionals will also be consulted.

The Means of Obtaining the Data

The data required will be obtained by arranging formal meetings with Category B Municipalities, Municipal Managers, Heads of Departments, IDP Managers, Human Resource Consultants, Councillors, members of the Community, Project Manager Consultants as well as PM Professionals. Furthermore information related to the role of a PM will be obtained from other sources i.e. libraries, unpublished journals, published articles and textbooks.

The Treatment of the Data

The information obtained will be screened under three (3) headings as follows:-

- (a) the potential role of Project Management in Category B Municipalities;
- (b) how Project Management can be integrated into the organisational structures of Category B Municipalities;
- (c) the role of a Project Manager in community participation driven projects.

The data obtained will be interpreted analytically to enable one to make a decisive conclusion, in terms of the role of Project Management in Category B Municipalities.

3.7.2 Subproblem Two

The second subproblem is to determine how Project Management can be applied in community participation for development projects in Category B Municipalities.

The Data Needed

The data needed for solving subproblem two are as follows: -

- (a) the responses of the Municipal Manager, Heads of Departments, IDP Managers, Councillors and members of the Community regarding developmental projects and the utilisation of Project Management for community participation driven projects;
- (b) the views of other Category B Municipalities that have had experience of community participation driven projects;
- (c) the comments of Project Management Consultants & other Professionals.

The Location of the Data

The data will be obtained by arranging formal meetings with Category B Municipalities, Municipal Managers, Heads of Departments, IDP Managers, and Councillors, members of the Community, Project Management Consultants as well as other Professionals. Furthermore information related to community participation driven development will be obtained from the following sources i.e. libraries, unpublished journals, published articles and textbooks.

The Means of Obtaining the Data

Interviews will formally be arranged with Community Members, Councillors, MM, HOD'S, other Category B Municipalities, Project Managers and Construction Professionals and Contractors. Extensive use will also be made of the World Wide Web.

The Treatment of the Data

Only data relevant to community participation driven developmental project will be screened. Furthermore only Project Management Consultants and Project Management Professionals with experience in community participation driven projects in Category B Municipalities will be screened.

The data obtained will also be interpreted analytically, as to enable one to clearly define the role of a PM when implementing projects that are community

based in Category B Municipalities in terms of the IDP and the Local Government Systems Act 2000.

3.8 Conclusion

The above-mentioned do conform to the requirements set out in Leedy P.D. (1997:115-116). The following four fundamental questions are indeed resolved with respect to the data: -

- What data are needed?
- Where are the data located?
- How will the data be secured?
- How will the data be interpreted?

CHAPTER 4

THE NEED FOR PROJECT MANAGEMENT WHEN IMPLEMENTING PROJECTS AS REFLECTED IN THE IDP OF CATEGORY B MUNICIPALITIES

4.1 Introduction

Local Municipalities have been dramatically reduced in numbers, due to the South African Government's Demarcation process. South Africa now has "wall to wall" or "City to City" municipalities. This process has integrated existing municipality boundary areas that previously were not part of any municipality.

The majority of these newly incorporated areas are what is formally known as rural areas. These areas have minimal services, as the majority of the existing municipalities have spent moneys received from service delivery and rates in their own areas. The incorporation of these rural areas into existing municipalities will be putting great strain on the municipal budget in terms of service delivery.

The Integrated Development Plan has been implemented to address these backlogs of services in the new municipalities. The Integrated Development Plan is a five-year plan that gets reviewed on an annual basis in terms of projects implemented and service delivery. Project Management will play a major role in the entire process, as the Project Manager must be involved during the various phases i.e. community liaison, public meetings, prioritisation of projects, drafting of the IDP document, the review process, etc.

This chapter will test the relevant theory against the various hypotheses quoted by either confirming or rejecting them.

The role of Project Management in Category B Municipalities when implementing projects in terms of the Integrated Development Plan will be researched to give clarity on the following: -

- The different types of Category B Municipalities
- The organisational structures of Category B Municipalities.

- The functions of the various departments of Category B Municipalities.
- How existing organisational structures can be modified to integrate Project Management.
- A clear overview and the benefits of the Integrated Development Plan process.
- Project Management and the Integrated Development Plan.
- Where to position the Project Manager in the organisational structure of a Category B Municipality.
- Performance Management and the Project Manager

4.2 Definition of a Category B Municipality

Section 155 (1) of the Constitution provides that a Category B Municipality is one, which shares Municipal executive authority in its area with a Category C Municipality within the area in which it falls. Therefore a Category B Municipality is commonly referred to as a "Local Municipality".

According to the Acts/Provincial and Local Government/LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT NO. 117 OF 1998/1, a Local Municipality is defined as follows: -

"Local Municipality" means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls and which is described in section 155 (1) of the Constitution as a Category B Municipality.

The Act defines local and district Municipalities as Categories B and C, respectively, as those terms are referred to in Section 155 (1) of the Constitution.

4.2.1 Existing Category B Municipalities

The existing Category B Municipality or alternatively known as Amalgamated Urban - Rural Municipalities, are Municipalities with a full range of municipal powers and functions. These Municipal boundaries are extended to incorporate smaller neighbouring towns and rural hinterlands.

The amalgamation of this Urban - Rural Municipalities have: -

- Increased the rates base of the existing municipality.
- Have to a great extent reduced the cost of governance by eliminating duplication of municipal structures, increasing efficiency and effectiveness of resources.
- Facilitated access to public services by rural communities.
- Ensured that rural residents who contribute to the urban rates base share benefits of service delivery.
- Promoted urban and rural development.
- Improved Local Governance as a whole by combining existing municipal capacities.
- Enhanced Local Governance in terms of financial and technical support, due to the reduction of competition for resources.

In terms of section 156 of the Constitution a Municipality has the executive authority and the right to administer Local Government matters listed in Parts B of Schedules 4 and 5. These functions are as follows:

“Schedule 4 Part B

- Air pollution.
- Building regulations.
- Childcare facilities.
- Electricity and gas reticulation.

- Fire fighting services.
- Local tourism.
- Municipal airports.
- Municipal planning.
- Municipal health services.
- Municipal public transport.
- Municipal public works.
- Pontoons, ferries, jetties etc.
- Storm water management.
- Trading regulations.
- Water and sanitation services.”

“Schedule 5 Part B

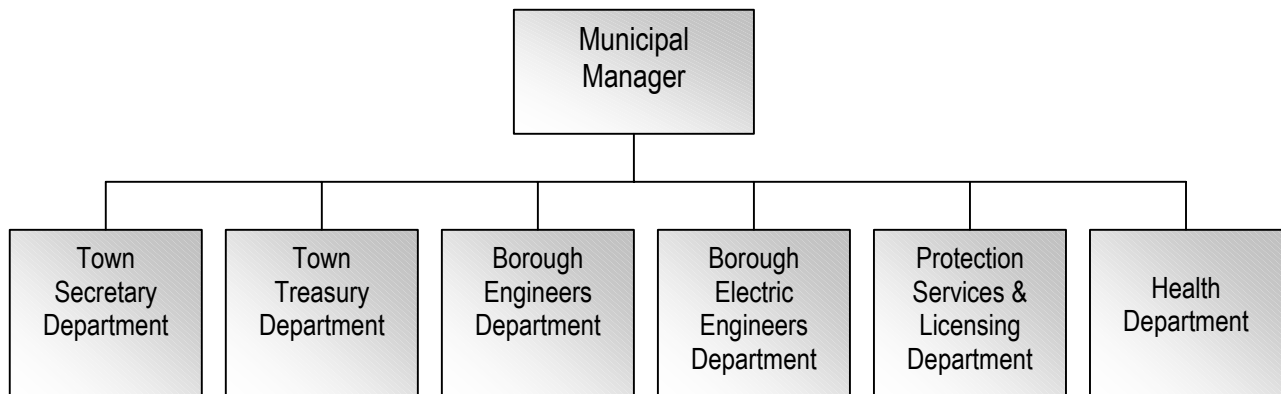
- Beaches and amusement facilities.
- Billboards/advertisement in public places.
- Cemeteries.
- Cleansing.
- Control of public nuisances.
- Liquor control.
- Animals.
- Fencing and fences.
- Licensing of dogs.
- Licensing etc. for the selling of food in public.
- Local amenities.
- Local sport facilities.
- Markets.
- Municipal abattoirs.

- Municipal parks and recreation.
- Municipal roads.
- Noise pollution.
- Pounds.
- Public places.
- Refuse removal, refuse dumps etc.
- Street trading.
- Street lighting.
- Traffic and parking.”

4.2.1.1 Existing Category B Municipalities Current Departmental Structures and Functions

The majority of existing Category B Municipalities has line organisational structures. These structures are hierarchical and have a clear distinction between line and staff powers. This form of organisation compresses specialisation into a smaller number of units and can ease the duties of the Municipal Manager in terms of span of control.

Figure 1 Existing Category B Municipality: Departmental Line Structure



The following is a brief summary of the different responsibilities of the various departments of existing Category B Municipalities: -

- **Municipal Manager**

"55(1)As head of the administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for-

- (a) the formation and development of an economical, effective, efficient and accountable administration-
 - (i) equipped to carry out the task of implementing the municipality's integrated development plan;
 - (ii) operating in accordance with the municipality's performance management system;
 - (iii) responsive to the needs of the local community to participate in the affairs of the municipality;
- (b) the management of the municipality's administration in accordance with the Local Government Systems Act 2000 and other legislation applicable to the municipality;
- (c) the implementation of the municipality's integrated development plan, and the monitoring of progress with implementation of the plan;
- (d) the management of the provision of service to the local community in a sustainable and equitable manner;
- (e) the appointment of additional staff, subject to the Employment Equity Act, 1998 (Act No. 55 of 1998);
- (f) the management, effective utilisation and training of staff;
- (g) the maintenance and discipline of staff;
- (h) the promotion of sound labour relations and compliance by the municipality with applicable labour relations;

- (i) advising the political structures and political office bearers of the municipality;
 - (j) managing communications between the municipality's administration and its political office bearers;
 - (k) carrying out the decisions of the political structures and political office bearers of the municipality;
 - (l) the administration and implementation of the municipality's by-laws and other legislation;
 - (m) the exercise of any powers and the performance of any duties delegated by the municipal council, or sub-delegated by other delegating authorities of the municipality, to the municipal manager;
 - (n) facilitating participation by the local community in the affairs of the municipality;
 - (o) developing and maintaining a system whereby community satisfaction with municipal services is assessed;
 - (p) the implementation of national and provincial legislation applicable to the municipality; and
 - (q) the performance of any other function that may be assigned by the municipal council.
- (2) As accountable officer of the municipality the municipal manager is responsible and accountable for-
- (a) all income and expenditure of the municipality;
 - (b) all assets and the discharge of all liabilities of the municipality and;
 - (c) proper and diligent compliance with applicable municipal finance management legislation.”

- **Town Treasury Department**

The Town Treasury Department comprises the following functions: -

- (a) Budget control;
- (b) Stock control;
- (c) Internal audit;
- (d) Loans and investment management;
- (e) Control and banking of moneys received;
- (f) Credit control;
- (g) Control over the compilation of budgets;
- (h) The provision of fiscal and financial policy advice to the council;
- (i) Applying the applicable legislation i.e. Municipal Accounts Act 21 of 1988.

- **Town Secretary's Department**

The department can be divided into the following sections: -

Town Secretary Department: Estates and Valuations

This department comprises the following functions: -

- (a) The provision and administrations of housing (rural and urban);
- (b) Valuation of all properties located within the town boundaries to establish a rates basis;
- (c) Maintenance of all municipal staff houses;
- (d) Registration of servitudes;
- (e) Managing commonage and grazing land;
- (f) Zoning and Re-Zoning of properties.

Community Services

This department comprises the following functions: -

- (a) The provision and maintenance of libraries, civic halls, town halls and community halls;
- (b) Cultural matters such as museums, monuments and the like;
- (c) Organising all social gatherings involving municipal staff and politicians;
- (d) All public relations.

Town Secretary Administration

This department comprises the following functions: -

- (a) General administration;
- (b) Provision of general clerical services;
- (c) Handling of all legal matters;
- (d) Handling of elections,
- (e) Handling of all political issues in general.

Town Secretary Human Resources

This department comprises the following functions: -

- (a) The appointment staff, subject to the Employment Equity Act, 1998 (Act No. 55 of 1998);
- (b) All aspects of Human Resources Management.

- **Borough Engineer's Department**

The Borough Engineer's Department comprises the following functions:-

- (a) Town planning;

- (b) Building control;
- (c) Provision and maintenance of water and sanitation;
- (d) Provision and maintenance of roads and storm water;
- (e) Provision and maintenance of all municipal structures;
- (f) Local airport;
- (g) Maintenance of railway sidings;
- (h) Low cost housing;
- (i) Local and Economical Development (LED);
- (j) Law enforcement;
- (k) River maintenance.

- **Borough Electrical Engineer's Department**

The Borough Electrical Engineer's Department comprises the following functions: -

- (a) Provision and maintenance of electrical reticulation;
- (b) Mechanical workshop;
- (c) Council fleet management;
- (d) Asset management.

- **Protection Services and Licensing**

Protection Services comprises the following functions: -

- (a) Traffic control;
- (b) Fire and rescue services;
- (c) Security;

- (d) Law enforcement;
 - (e) Civil protection;
 - (f) Disaster management;
 - (g) Flood management.
- **Health Department**

The Health Department comprises the following functions: -

- (a) Primary health care;
- (b) Environmental care;
- (c) Pounds;
- (d) Parks & recreation;
- (e) Solid waste management;
- (f) Health inspectorate.

4.2.1.2 Analysing Existing Category B Municipality Structures

In South Africa the majority of the existing Category B Municipalities can be divided into two forms of organisational structures i.e. a long, flat organisation with various departments, or the more line or functional type with fewer departments.

The majority of the existing Category B Municipalities are of a line type. This type of organisation compresses specialization into a smaller number of units, and can be interpreted to ease the pressure of the municipal manager in respect of span of control. The concept of span of control influences the organisational structure as it relates to the number of subordinates a manager will deal with. The norm for the majority of the existing Category B Municipalities is a fairly narrow span, where managers and senior officials only have a maximum of two to four subordinates reporting to them.

In a municipality, where control over policies and decision-making is necessarily political (not necessarily party political, but by elected representation) it is not possible to have a truly decentralised municipal structure. The appointment of officials can be delegated from politicians to management, but political decisions have to be made by the executive committee at Council level.

4.2.1.3 Suitability of existing Category B Municipalities Departmental Structures to integrate Project Management

The majority of existing Category B Municipalities have line type organisational structures. This type of organisational structure is usually hierarchical and there are clear differentiation between line and staff powers and functions as mentioned in 4.2.1.2. For an example of a line structure, see Figure 3: Existing Category B Municipal Line Type Organisational Structure.

The advantages of a line structure are as follows: -

- there are clear lines of authority;
- various specialist departments;
- clearly defined roles and responsibilities.

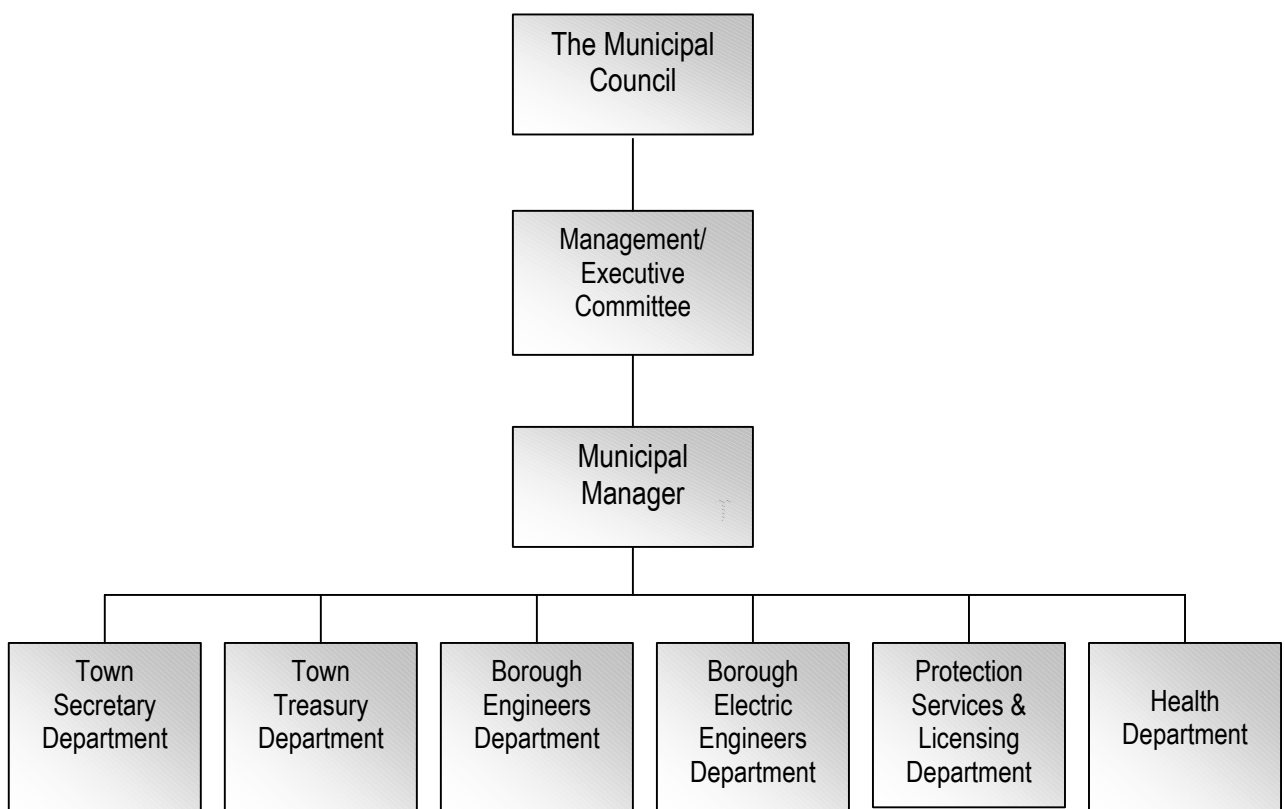
According to Kerzner (1997:107) it soon becomes obvious that control of a project must be given to personnel whose first loyalty is directed towards the completion of the project. Therefore, the project management position must be separated from any controlling influence of the functional managers. Figure 4 shows a typical line staff organisational municipal structure.

There are two possible situations that can exist with this form of line-staff project control. In the first situation, the project manager serves only as a focal point for activity control i.e. information centre. The prime responsibility of the project manager is to keep the Municipal Manager informed of the status of the project and to "harass" or attempt to "influence" Heads of Departments into completing activities on time. The project manager maintains authority only, despite the fact that both he and the Heads of Departments report to the same individual i.e. the

Municipal Manager. Heads of Departments will refuse to take direction from the project manager because to do so would seem an admission that the project manager was next in line to be the Municipal Manager.

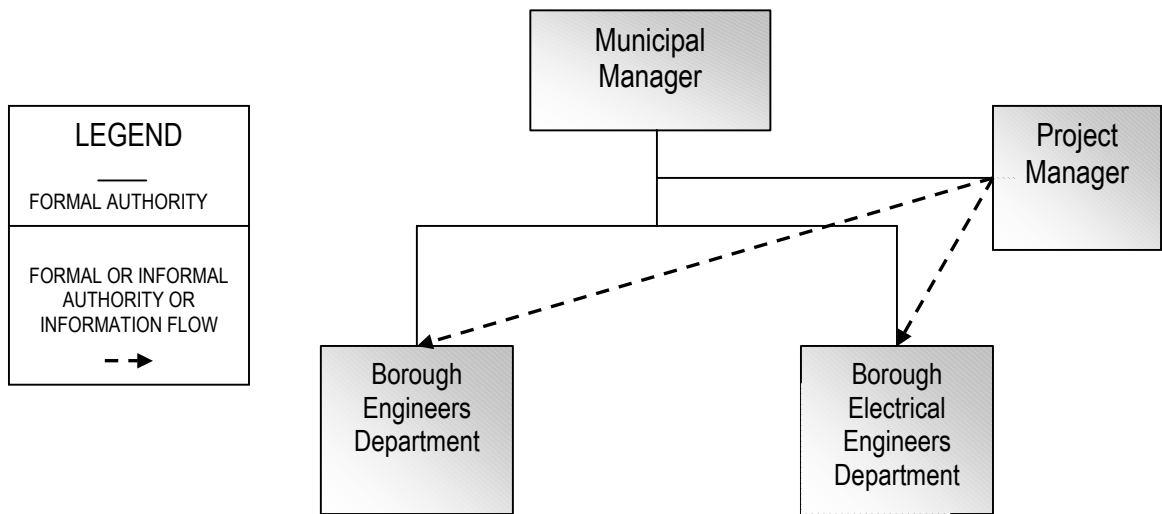
The amount of authority given to the project manager poses serious problems in terms of Local Municipalities where the Municipal Manager is the "Accountable Officer" in terms of legislation.

Figure 3 Existing Category B Municipal Line Type Organisational Structure



In the second situation, the project manager is given certain authorities using authority delegated to him by Council and the Municipal Manager, and can assign work to individuals in the functional organisations. The individuals performing the work are now caught in a web of authority relationships, and additional conflicts develop, because the Municipal Manager is forced to share authority with the project manager.

Figure 4 Line-staff Municipal Organisational Structure



The second situation did occur in the early stages of matrix project management, but did not last because:

- Upper-level management was not ready to cope with the problems arising from shared authority.
- Upper-level management was reluctant to relinquish any of its power and authority to the project manager.
- Line-staff managers who reported to the Heads of Department did not have any authority or control over those portions of a project that falls in other departments.

4.2.1.4 Restructuring of existing Category B Municipal Department Structures to integrate Project Management

According to Gerrit van der Walddt and André Knipe (2001:60-63), in public institutions i.e. Local Municipalities, authorities (mandate or authority) play a mayor role. For instance, a Local Municipal Department may not make random internal changes if it does not have council approval.

Project Management requires a change in Local Municipality hierarchies, lines of authority and traditional utilization of resources. Project Management can be beneficial if implemented in Local Municipalities. Some of the benefits are as follows:-

- The Project Manager will have complete control of the project;
- completion times can be reduced;
- better control of expenditure;
- and quality control will result in;
- improved transparency, as the whole Local Municipality, the community leaders and the community will be onboard from inception to completion.

The following are examples of fields of study that will indicate the diversity of project management in municipalities: -

- Time Management, the management of time to ensure a project is completed within a certain time frame.
- Cost Management, to ensure that a project is completed within the budgeted amount.
- Quality Management, to ensure that the community are provided with a final result that is worth they're hard earned money.
- Scope Management, the control and/or management of a proposed project.
- Human Resources Management, leading to the effective utilization of Local Municipal staff, or alternatively contract appointed staff.
- Communication Management, to ensure that the relevant information is processed and interpreted correctly between the relevant stakeholders to achieve the desired end result.

- Administration, the cost-effective way of acquiring resources to ensure the completion of the project.
- Risk Management, to ensure that negative exposure does not influence the Local Municipality.
- Strategic Management, i.e. a management system that is adaptable to ensure that internal processes are in harmony with the expected external needs.

Project management, today, has multi-disciplinary application value. It is therefore of vital importance that organisational provision be made to ensure that project management is integrated into the existing Category B Municipalities. Clear lines of authority, communication and responsibility of the project team members have to be defined.

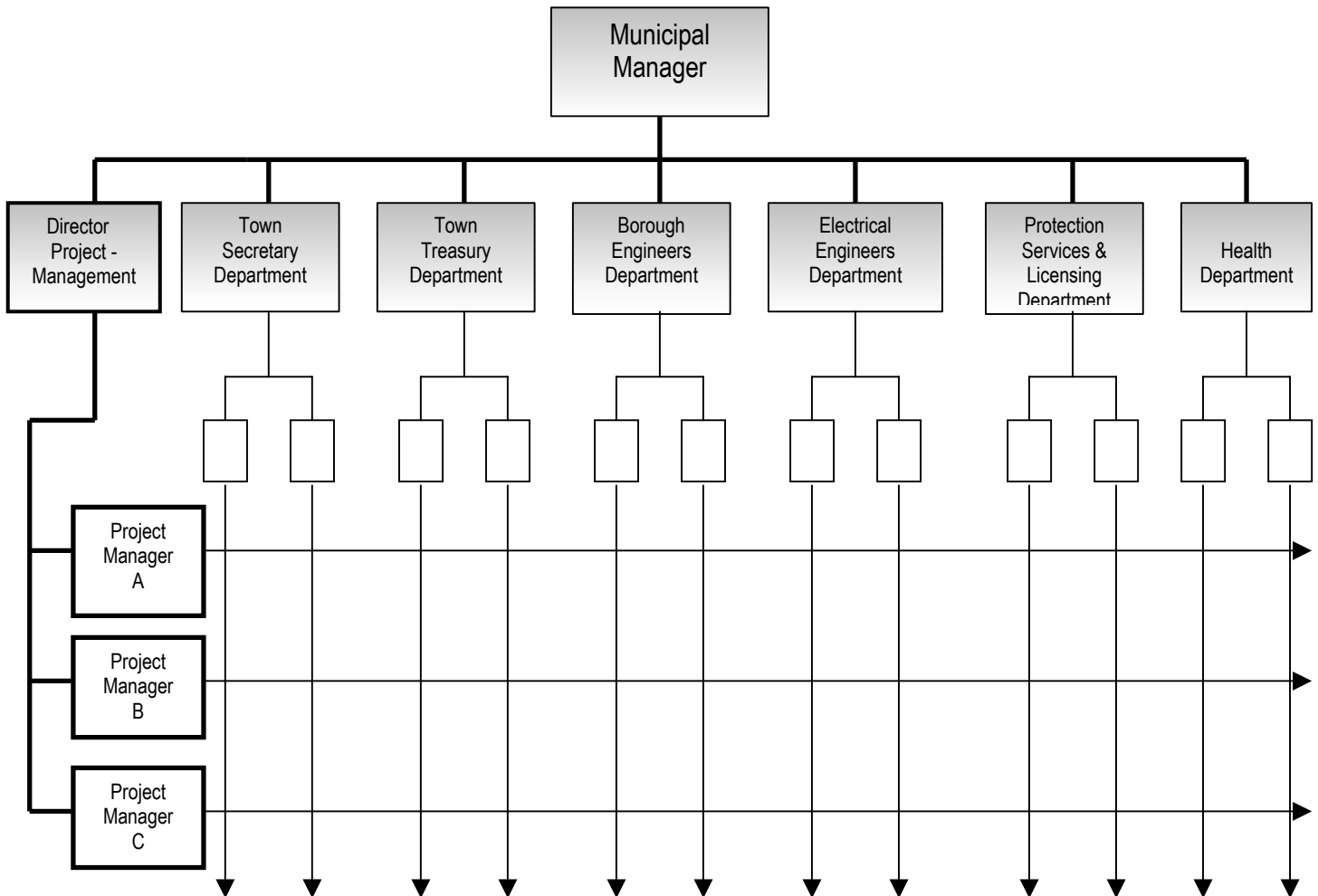
One of the major advantages of Project Management is that it does not require a ridged organisational structure. The organisational structure can be fairly flexible. The following example can be used; An employee may be employed in the Engineer's Department in a line structure, but can also be one of the members of the project team. When the project is completed that employee can continue with normal functional activities and reduce the disruption of the Department.

Therefore the ideal organisational structure for a Local Municipality would be a combination of a line and project management structure, or otherwise known as a matrix organisational structure. A matrix organisational structure is ideally suited for Organisations that are project driven, i.e. Local Municipalities

According to Kerzner (1998:110-121) "The Matrix Organizational Form, Project management is a 'coordinative' function, whereas matrix management is a 'collaborative' function division of project management. In the coordinative or project organisation, work is generally assigned to specific people or units who 'do their own thing.' In the collaborative or matrix organisation, information sharing may be mandatory, and several people may be required for the same piece of work. In a project organisation, authority for decision-making and

direction rests with the project leader, whereas in a matrix structure it rests with the team.”

Figure 5 Matrix Organisational Structures for Existing Category B Municipalities



The following ground rules exist for matrix development:

- Participants must spend full time on the projects; this ensures a degree of loyalty.
- Horizontal as well as vertical channels must exist for making commitments.
- There must be quick and effective methods for conflict resolution.

- There must be good communication channels and free access between managers.
- All managers must have input into the planning process.
- Both horizontally and vertically orientated managers must be willing to negotiate for resources.
- The horizontal line must be permitted to operate as a separate entity, except for administrative purposes.

The basis for the matrix approach is an attempt to create synergism through shared responsibility between project and functional managers (Heads of Departments). The following questions must be answered before successful operation of a matrix structure can be achieved:

- If each functional unit (department) is responsible for one aspect of a project and other parts are conducted elsewhere, how can a synergistic environment be created?
- Who decides which element of a project is most important?
- How can a functional unit (department) operate in a vertical structure, answer questions and achieve project goals and objectives that are compatible with other projects?"

The answer to these questions depends on the mutual understanding between the project and functional managers (Heads of Departments). Since both individuals maintain some degree of authority, responsibility and accountability on each project, they must continuously negotiate.

In a matrix structure:

- There should be no disruption due to dual accountability.
- A difference in judgement should not delay work in progress.

In order to get the job done, project managers always need adequate organizational status and authority, as can be seen in Figure 5. The following

are some of the advantages of a matrix organisational structure if incorporated in existing organisational structures of Category B Municipalities:

- The project manager maintains maximum project control over all resources.
- Local Municipalities can set up new policies and procedures for each project, provided it will not be in contradiction with the existing policies and procedures.
- The project manager will have the authority to commit Local Municipality resources, if not Council can delegate these to him.
- Quick responses are possible to changes, conflict resolution, and project requirements.
- Other departments in the Local Municipality exist as primary support for the projects.
- Key personnel can be shared thereby reducing the project costs.
- A strong technical base can be developed, and more time could be spent on resolving complex issues.
- Conflicts are kept to a minimal.
- Time, Cost and Quality can be better balanced.
- Authority and responsibility can be shared.
- Project stresses are distributed among members of the entire project team.

Some of the disadvantages of a matrix structure if incorporated into an existing Category B Municipality are as follows: -

- Political goals may be different from management and project goals.
- Continuous conflict and conflict resolution may result.

- Priorities change every time new Councils are elected.
- Difficult to control and monitor the project and its deliverables.
- Each department operates independently and care must be taken that duplication of activities does not occur.
- Departmental managers might be biased according to their own sets of priorities.
- The balance between the project management department and other departments must be closely monitored.
- Time and effort are required initially to redefine policies and procedures.
- The balance between Time, Cost and Quality must be closely monitored.
- The occurrence of continuous changing priorities.
- Dual reporting can cause conflict.
- Multidimensional flow of work and information.
- Staff members do not feel they have control over their own destiny if they have to continuously report to multiple managers.

The matrix structure can be described as a compromise to obtain the better of two worlds ie. product and functional organisational structures. The matrix project management attempts to obtain the maximum technology and performance in a cost effective manner, within the time and schedule constraints.

4.3 Newly Established Category B Municipalities

Newly established Category B Municipalities can be defined as Rural Municipalities. The White Paper on Local Government (1998:73-74) defines Rural Municipalities as follows:

“The institutional design of rural municipalities needs to recognise the diversity of rural settlement patterns, and the variation in existing municipal capacity and service demands across rural areas. It is proposed that rural municipalities are allocated a minimum of executive and legislative powers, but are able to 'draw down' powers from the district municipalities (Category C Municipalities) as they demonstrate sufficient administrative and financial capacity to administer the power.

In some areas rural municipalities could immediately assume a number of additional powers and functions. In others, particularly in very sparsely populated areas, the rural municipality may assume relatively few powers, and those over a protracted period as capacity increases. The varied allocation of powers and functions between Category B Municipalities and Category C Municipalities will provide the flexibility necessary to cater for the diversity of rural contents and needs.”

For the purpose of this research it is assumed that newly established Category B Municipalities (Rural Municipalities) will have already been authorized in terms of section 85 of the Municipal Structures Amendment Act, 2000 by the MEC for local government in the province, by means of a notice in the Provincial Gazette, to perform or exercise in its area, the following as stated in 84 (1) of the powers Municipal Structures Amendment Act, 2000 and functions or aspects thereof:

- Solid waste disposal sites in so far as it relates to the determination of a waste disposal strategy; the regulation of waste disposal; the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.
- Municipal roads, which form part or an integral part of a road, transport system for the area of the district municipality as a whole.
- Regulation of passenger transport services.
- Municipal airports serving the area of the district municipality as a whole.

- Fire fighting serving the whole area of the district municipality including planning, co-ordinating and regulation of fire services; specialised fire fighting services such as mountain, veld and chemical fire services; co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures.
- The establishment, conduct and control of fresh produce markets and abattoirs serving the area or a major proportion of the municipalities in the district.
- The establishment, conduct and control of cemeteries and crematoria serving the area or a major proportion of the municipalities in the district.
- Promotion of local tourism of the municipalities.
- Municipal public works relating to any of the above functions.

4.3.1 Proposed Organisational Structure for Newly Established Category B Municipalities

The Local Government Systems Act of (2000:65-66) states the following on staffing in Part 4: Staff matters,

Staff establishments:

“66(1) A municipal manager, within a policy framework determined by the municipal council and subject to any applicable legislation, must-

- (a) approve a staff establishment for the municipality;
- (b) provide a job description for each post on the staff establishment;
- (c) attach to those posts the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation and;

- (d) establish a processor mechanism to regularly evaluate the staff establishment and, if necessary, review the staff establishment and the remuneration and conditions of service.

(2) Subsections (1) (c) and (d) do not apply to remuneration and conditions of service regulated by employment contracts referred to in section 57.”

Furthermore The Local Government Structures Act 2000 states the following regarding Capacity building:

“68(1) 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, and for this purpose must comply with the Skills Development Levies Act, 1999 (Act No. 28 of 1999)”

The local Government Structures Act 2000 then also states the following regarding the Employment contracts for municipal managers and managers directly accountable to the municipal manager. (Managers directly accountable to the municipal manager will in this case be defined as Heads of Departments)

“57(1) A person to be appointed as the municipal manager of a municipality, and a person to be appointed as a manager directly accountable to the municipal manager, may be appointed to the position only: -

- (a) in terms of a written employment contract with the municipality complying with the provisions of this section; and
- (b) subject to a separate performance agreement concluded annually as provided for in section (2).”

The following is a brief example of a description of the proposed members of the organisational structure for a newly established Category B Municipality to incorporate the functions as set out in 4.3.1: Proposed Organisational Structure for Newly Established Category B Municipalities:

- **Director: Corporate Services**

Competencies: Managerial and sound corporate service skills, excellent communication at all levels, public relations, team builder and player and knowledge of local government legislation.

Responsibilities: Includes administration, human resource management, estates, legal services, public relations and committees' administration.

- **Director: Technical Services**

Competencies: Managerial and sound technical skills, excellent communication at all levels, public relations, team builder and player and an excellent corporate planner.

Responsibilities: Includes water, sewerage, waste management, roads, storm water, electricity and asset management.

- **Director: Community Services**

Competencies: Managerial and sound community skills, excellent communication at all levels, public relations, team builder and player and an excellent corporate planner.

Responsibilities: Includes primary health care, environmental care, and law enforcement including traffic services, housing administration, pounds, parks and recreation and fire services.

- **Director: Development and Planning Services**

Competencies: Managerial and excellent communication skills at all levels, public relations, team builder and player and an excellent corporate planner.

Responsibilities: Includes, all the processes of the IDP (Integrated Development Plan), town planning, local economic development, tourism, development co-ordination and building control.

- **Director: Financial Officer**

Competencies: Managerial and sound financial management skills at an executive level, excellent communication at all levels, public relations, team builder and player and an excellent corporate planner.

Responsibilities: Includes estimates and budgeting, income control, expenditure control, credit control, insurance, grants, loans and indigent relief administration services.

- **Director: Project Management**

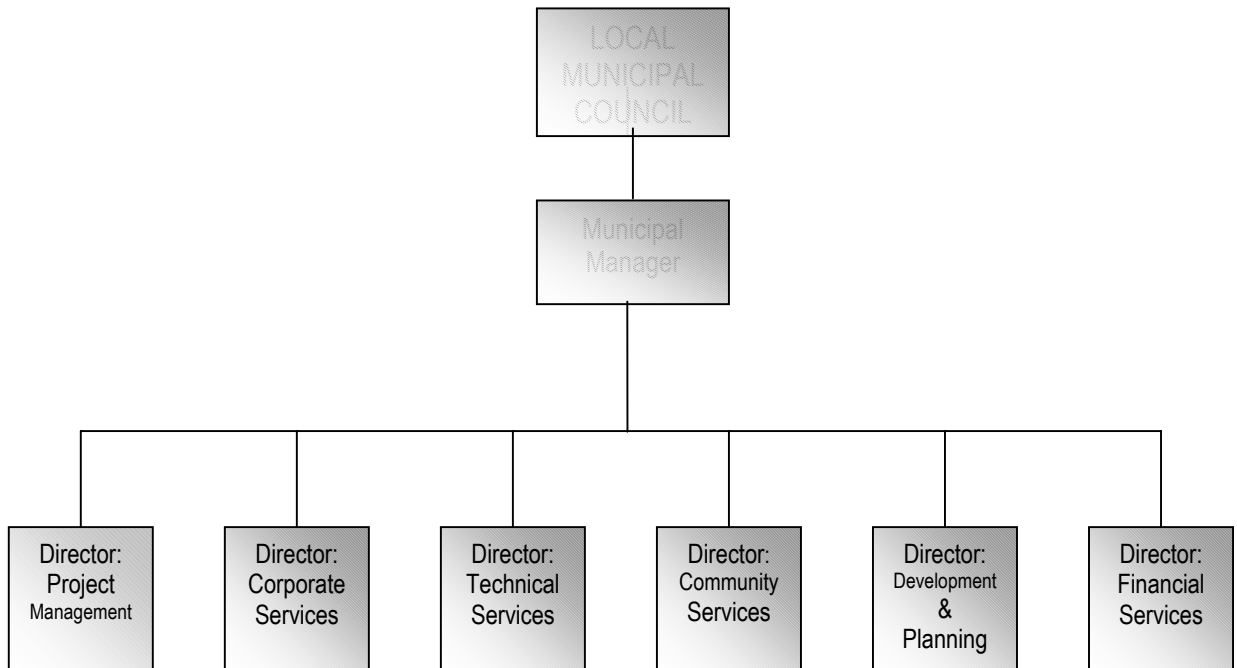
Competencies: Managerial and excellent communication skills at all levels, public relations, team builder and player and an excellent corporate planner. The project manager must be able to achieve project objectives through the matrix organisational structure.

Responsibilities: To implement projects in terms of the Integrated Development Plan (IDP)

4.3.2 Integration of Project Management with Proposed Departmental Structures of Newly Established Category B Municipalities

It is generally accepted that Local Municipalities are regarded as being the closest to the people in terms of the provision of basic services (water supply, sanitation, electricity, housing and transport). Project management in Local Municipalities can be evaluated in terms of the following criteria: -

Figure 6 Proposed Organisational Structure of Newly Established Category Municipalities



(a) Why project management in Local Municipalities is successful in some instances and fails in others:

- The commitment of the members of the project team, i.e. various functional departments, councillors and community members.
- The calculated cost estimates have to be accurate.
- The project team must be competent and must share the same goal.
- There must be agreement on the funding, its availability and application.

- Proper planning and control of projects.
- Minimum project initiation difficulties.
- Try and keep political interference from office bearers to a minimum.
- The project scope must be clearly defined.
- An on site project manager can be advantageous to all role players.

(b) Which factors play a role in the failure of project management in Local Municipalities?

- The project manager does not have the necessary human skills, technical skills, influence or authority over the project team.
- The project team lacks participation in decision-making and problem solving.
- The Local Municipal organization structure is too bureaucratic.
- Local Municipal Councillors are disinterested in the funding criteria of the project.
- There is lack of team spirit and sense of mission within the project team.
- The lack of strategic vision, ability to change, poor co-ordination and poor relations between members project team.
- There are poor relations between members of the project team, councillors and members of the community.
- Lack of community participation.
- The project team is unfamiliar with the scope of the project.

(c) Which factors contribute to the success of project management in Local Municipalities?

- The commitment of the project manager to fulfil his/her duties according to the scope of the project.

- Regular feedback from the Local Municipal Council and Management Team.
 - Regular feedback from community members and their representatives.
- (d) The Local Municipal Councils' commitment to finalise schedules, budgets and technical information.
- That the newly established Category B municipalities tailor their organisational structures to integrate project management, ie. Matrix Organisational Structure.
 - The entire project-team must be involved in determining budgets and schedules.
 - There must be adequate control mechanisms in place when dealing with change.
 - Local Municipal bureaucracy must be removed entirely.
 - The community and community leaders must be in full support.
 - Legal impediments must be kept to a minimum. .

4.3.3 Advantages and Disadvantages of integrating Project Management Structures in Newly Established Category B Municipalities

Newly established Category B Municipalities, and its future role-players in the newly demarcated boundaries have had little or no exposure to project management. The integration of project management into organisational structures of newly established Category B Municipalities have the following advantages and disadvantages, these will have to be taken into account when promoting project management as the project implementing tool.

- (a) Advantages of integrating Project Management Structures in newly established Category B Municipalities are: -

- The project manager will have fully-delegated authority and responsibility.
- Project team members will report directly to the project manager, and will not have to obtain permission from the various heads of departments.
- Communication lines are shortened.
- Decision-making time is restricted.
- Projects can be approached holistically.
- Projects with similarities can be combined.
- Commitment and motivation are high, in terms of performance management.

(b) Disadvantages of integrating Project Management Structures in newly established Category B Municipalities.

- The project team can become isolated from the other functional departments.
- The project team can under utilise resources to the detriment of the Local Municipality.
- There is no guarantee that the project management department will have sufficient work, as the majority of newly established Category B Municipalities are not yet financially sustainable.
- Various tasks may be duplicated between functional departments and resources wasted.

4.4 Integrated Development Planning

The Local Government Municipal Systems Act (2000:36-46) defines Integrated Development Planning as follows: -

“Municipal planning, as a function of municipalities in terms of the Constitution, must be development orientated. This orientation is necessary to ensure that municipalities can: -

- pursue the objects of local government contained in the Constitution
- give effect to the development duties of municipalities and
- ‘assist’ national and provincial organs of state in the progressive realisation of the fundamental rights in the Constitution.”

Municipal planning must be aligned with and must complement the plans and strategies of other spheres of government and other municipalities. The real concern of Chapter 5 of the Local Government Municipal Systems is, however, Integrated Development Planning. Every council must, after its election, and within a period that will be determined by regulation adopt a "single, inclusive plan for the development of the municipality". Obviously, the term of the plan would be about five years. Section 22 of the Constitution sets out the requirements for such plans being: -

- “It must link, coordinate and integrate plans and proposals for development.
- It must align the resources and the capacity of the municipality to implementation of the plan.
- It must form the policy framework for, and general basis of, the budgets of the municipality.
- It must be compatible with National and Provincial requirements.”

The content of the plan is prescribed in further detail in Chapter 5 of the Act. It must contain -

- “the council's vision for the development of the municipality concerned;
- an assessment of the existing level of development in the municipality;
- the council's development priorities and objectives;

- a spatial development framework;
- operational strategies;
- a financial plan and
- the core components of the performance management system.”

What is important, is the process of Integrated Development Planning. Every council must within a set period after it had been elected, adopt a “...processes.... to guide the planning, drafting, adopting and review....” of its Integrated Development Plan. The work plan is about planning process. It must provide for a programme for drafting the Integrated Development Plan, determine the methods and procedures for consultation and identify all planning requirements that bind the municipality. In this regard, note must be taken of the duties of executive committees and executive mayors as set out in the Municipal Structures Act 1998. The process must be monitored to, assist municipalities to comply with the requirements and ensure coordination of development plans between municipalities and between municipalities and other organs of state.

In terms of section 33 of the Constitution, the executive committee or executive mayor or a committee of councillors where there is not an executive mayor or a committee or executive mayor must manage the drafting of the Integrated Development Plan in terms of the process adopted by council. When the draft plan is finished, the council must adopt it and submit it to the Member of a provincial Executive Council (MEC). The MEC, however, does not have the power to approve or disapprove of it. The MEC monitors compliance of the plan with the Municipal Structures Act 1998 and its alignment with plans of other organs of state. Should the MEC find a problem, she/he can request the municipal council to adjust the plan in accordance with her/his proposals. If a municipality agrees with the MEC, it amends the plan. If it does not, it supplies the MEC with its reasons. The MEC then refers the plan to an Ad Hoc committee who would endeavour to resolve the problem.

An Integrated Development Plan is the principal planning instrument for the municipality to which it applies and guides all planning and development and all decisions with regard to planning and development in that municipality. It binds all persons, except if there is an inconsistency between the plan and National or Provincial legislation, in which case the legislation prevails.

4.4.1 Integrated Development Planning: Chapter 5 of the Municipal Systems Act 2000

Chapter 5 of the Systems Act 2000 states the following regarding Integrated Development Planning.

“Part 1: General

Municipal planning to be developmentally orientated

23.(1) A municipality must undertake developmentally-orientated planning as to ensure that it -

- (a) strives to achieve the objects of local government set out in section 152 of the Constitution;
- (b) gives effect to its developmental duties as required by section 253 of the Constitution; and
- (c) together with other organs of state contribute to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.

(2) Subsection (1) must be read with Chapter 1 of the Development Facilitation Act 1995 (Act No. 67 of 1995)

Municipal planning in co-operative government

24.(1) The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities, and other organs of state so as to give effect the principles of co-operative government contained in section 41 of the Constitution.

- (2) Municipalities must participate in national and provincial development programmed as required in section 153 (b) of the Constitution.
- (3) If municipalities are required to comply with planning requirements in terms of national or provincial legislation, the responsible organs of state must -
- (a) align the implantation of that legislation with the provisions of this chapter; and
 - (b) in such implementation -
 - consult with the affected municipality; and
 - take reasonable steps to assist the municipality to meet the time limit mentioned in section 25 of the Constitution and the other requirements of this chapter applicable to its integrated development plan.
- (4) An organ of state initiating national or provincial legislation requiring municipalities to comply with planning requirements, must consult with organised local government before the legislation is introduced in Parliament or a provincial legislature, or, in the case of subordinate legislation, before that legislation is enacted.

Adoption of Integrated Development Plans

- 25.(1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which-
- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
 - (b) aligns the resources and capacity of the municipality with the implementation of the plan;
 - (c) forms the policy framework and general basis on which annual budgets must be based;

- (d) complies with the provisions of this Chapter; and
 - (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.
- (2) An integrated development plan adopted by a municipal council in terms of section 91) may be amended in terms of section 34 and remain in force until an integrated development plan is adopted by the next elected council.
- (3)(a) A newly elected municipal council may, within the prescribed period referred to in subsection (1), adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29 (1) (b) (i), (c) and (d).
- (b) A newly elected municipal council that adopts the integrated development plan from its predecessor with amendments, must effect the amendments in accordance with the process referred to in section 34.
- (4) A municipality must, within 14 days of the adoption of its integrated development plan in terms of subsection (1) or (3)-
- (a) give notice to the public-
 - of the adoption of the plan; and
 - that copies of or extracts from the plan are available for public inspection at specified places; and
 - (b) publicise a summary of the plan.”

“Part 2: Contents of integrated development plans

Core components of integrated development plans

26. An integrated development plan must reflect-

- (a) the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- (b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- (c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- (d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- (e) a spatial development framework which must include the provision of basic guidelines for a land management system for the municipality;
- (f) the council's operational strategies;
- (g) applicable disaster management plan;
- (h) a financial plan, which must include a budget projection for at least the next three years; and
- (i) the key performance indicators and performance targets determined in terms of section 41.”

“Part 3: Process for planning, drafting, adopting and review of integrated development plans.

Framework for integrated development planning.

27.(1) Each district municipality, within a prescribed period after the start of its elected term and after following a consultative process with the local municipalities within its area, must adopt a framework for integrated development planning in the area as a whole.

- (2)A framework referred to in subsection (1) binds both the district municipality and the local municipalities within the area of the district municipality, and must at least -
- (a) identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or on any specific municipality;
 - (b) identify the matters to be included in the integrated development plans of the district municipality and the local municipality that may require alignment;
 - (c) specify the principles to be applied and co-ordinate the approach to be adopted in respect of those matters; and
 - (d) determine procedures -
 - for consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans; and to effect essential amendments to the framework.

Adoption of process

- 28.(1)Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.
- (2)The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.
- (3)A municipality must give notice to the local community of particulars of the process it intends to follow.

Process to be followed

- 29.(1)The process followed by a municipality to draft its integrated development plan, includes its consideration and adoption of the draft plan, must -

- (a) be in accordance with a predetermined programme specifying timeframes for the different steps;
 - (b) through appropriate mechanisms, processes and procedures established in Chapter 4, allow for -
 - (i) the local community to be consulted on its development needs and priorities,
 - (ii) the local community to participate in the drafting of the integrated development plan; and
 - (iii) organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan;
 - (c) to provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and
 - (d) be consistent with any other matters that may be prescribed by regulation.
- (2) A district municipality must -
- (a) plan integrated development for the area of the district municipality as a whole but in close consultation with the local municipalities in that area;
 - (b) align its integrated development plan with the framework adopted in terms of section 27; and
 - (c) draft its integrated development plan, taking into account the integrated development process of, and proposals submitted to it by the local municipality in that area.

(3) A local municipality must -

- (a) align its integrated development plan with the framework adopted in terms of section 27; and
- (b) draft its integrated development plan, taking into account the integrated development processes of and proposals submitted to it by the district municipality.

Management of drafting process

30. The executive committee or executive mayor of a municipality or, if the municipality does not have a executive committee or executive mayor, a committee of councillors appointed by the municipal council, must, in accordance with section 29-
- (a) manage the drafting of the municipality's integrated development plan;
 - (b) assign responsibilities in this regard to the municipal manager; and
 - (c) submit the draft plan to the municipal council for adoption by the council.

Provincial monitoring and support

31. The MEC for local government in the province may, subject to any other law regulating provincial supervision of local government -
- (a) monitor the process followed by a municipality in terms of section 29;
 - (b) assist a municipality with the planning, drafting, adopting and review of its integrated development plan;
 - (c) facilitate the co-ordination and alignment of -
 - (i) integrated development plans of different municipalities, including those of a district municipality and the local municipalities within its area; and

- (ii) the integrated development plan of a municipality with the plans, strategies and programmes of national and provincial organs of state;
- (d) take any appropriate steps to resolve disputes or differences in connection with the planning, drafting, adoption or review of an integrated development plan between-
 - (i) a municipality and the local community; and
 - (ii) different municipalities.

Copy of integrated development plan to be submitted to MEC for local government

- 32.(1)(a) The municipal manager of a municipality must submit a copy of the integrated development plan as adopted by the council of the municipality and any subsequent amendment to the plan, to the MEC for local government in the province within 10 days of the adoption or amendment of the plan.
- (b) the copy of the integrated development plan to be submitted in terms of paragraph (a) must be accompanied by-
- (i) a summary of the process referred to in section 29 (1)
 - (ii) a statement that the process has been complied with, together with any explanations that may be necessary to amplify the statement; and
 - (iii) in the case of a district and local municipality, a copy of the framework adopted i.t.o. section 27.
- (2)The MEC for local Government in the province may, within 30 days of receiving a copy of an integrated development plan or an amendment to the plan, or within such reasonable longer period as may be approved by the Minister, request the relevant municipal council -

- (a) to adjust the plan or the amendments in accordance with the MEC's proposals if the plan or amendment -
 - (i) does not comply with a requirement of this Act; or
 - (ii) is in conflict with or is not aligned with or negates any of the development plans and strategies of other affected municipalities or organs of state.
 - (b) to comply with the process referred to in section 29, or with a specific provision of this Act relating to the process of drafting or amending integrated development plans if the municipality has failed to comply with
 - (c) that process or provision, and to adjust the plan or the amendment if that becomes necessary after such compliance.
- (3) A municipal council must consider the MEC's proposals, and within 30 days of receiving the MEC's request must -
- (a) If it agrees with those proposals, adjust its integrated development plan or amendment in accordance with the MEC's request; or
 - (b) if it disagrees with the proposals, object to the MEC request and furnish the MEC with reasons in writing why it disagrees.
- (4) On receipt of an objection in terms of subsection (3)(b) the MEC may refer the municipality's objection to an Ad Hoc committee referred to in section 33 for decision by the committee. If the MEC decides to refer an objection to an Ad Hoc committee, the objection must be referred within 21 days of receipt of the objection.

Ad Hoc committees

33.(1) Whenever necessary, the MEC for local government in a province must appoint an Ad Hoc committee consisting of members representing local government, the provincial government and the national government to decide on a objection by a municipality in terms of section 32 (3) (b).

- (2) The MEC appoints the members of an Ad Hoc committee representing-
- (a) local government, with the concurrence of the municipality which lodged the objection and any other municipality involved in the dispute;
 - (b) the provincial government, with the concurrence of the provincial organ or organs of state involved in the dispute or in whose functional area the dispute is located; and
 - (c) the national government, with the concurrence of the national organ or organs of state involved in the dispute or in whose functional area the dispute is located.
- (3) An objection referred to an Ad Hoc committee must be dealt with in accordance with the procedures prescribed by regulation.
- (4) A matter before an Ad Hoc committee is decided if at least two spheres of government agree on the matter.
- (5) If the Ad Hoc committee rejects the municipality's objection, the municipality must, within 30 days of the date on which the committee has taken the decision and informed the municipality, comply with the MEC's request.

Annual review and amendment of integrated development plan

34. A municipal council-

- (a) must review its integrated development plan -
 - (i) annually in accordance with an assessment of its performance measurements in terms of section 4, and
 - (ii) to the extent that changing circumstances so demand; and
- (b) may amend its integrated development plan in accordance with a prescribed process.”

“Part 4: Miscellaneous

Status of integrated development plan

- 35.(1) An integrated development plan adopted by the council of a municipality-
- (a) is the principal strategic planning instrument, which guides and informs all planning, and development, and all decisions with regard to planning, management and development, in the municipality.
 - (b) Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails; and
 - (c) Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law.
- (2) A spatial development framework contained in an integrated development plan prevails over a plan as defined in section 1 of the Physical Planning Act. 1991 (Act 125 of 1991)

Municipality to give effect to integrated development plan

36. A municipality must give effect to its integrated development plan and conduct its affairs in a manner, which is consistent with its integrated development plan.

Regulations and guidelines

- 37.(1)The Minister may for the purposes of this Chapter make regulations or issue guidelines in terms of section 20 to provide for or to regulate the following matters: -
- (a) incentives to ensure that municipalities adopt their integrated development plans within the applicable prescribed period and comply with the provisions of this Act concerning the planning, drafting, adoption and review of those plans.

- (b) the detail of integrated development plans taking into account the requirements of other applicable national legislation;
 - (c) criteria municipalities must take into account when planning, drafting, adopting or reviewing their integrated development plans;
 - (d) the detail of the process for the planning, drafting, adopting and review of the integrated development plans;
 - (e) a process for the amendment of the integrated development plans;
 - (f) the manner in which an Ad Hoc committee envisaged in section 33;
 - (g) the manner in which written evidence or documents must be submitted to an Ad Hoc committee;
 - (h) the proceedings of an Ad Hoc committee; and
 - (i) any other matter that may facilitate -
 - (i) integrated development planning and the drafting of an integrated development plan;
 - (ii) the application of this Chapter.
- (2) When making regulations or issuing guidelines in terms of section 120 to provide for or to regulate the matters mentioned in subsection (1) (b), (c), (d) and (e) of this section, the Minister must-
- (a) take into account the capacity of municipalities to comply with those matters; and
 - (b) differentiate between different kinds of municipalities according to their respective capacities.
- (3) The Minister, by notice in the Gazette, may phase in the application of the provisions of this Chapter, which place financial or administrative burden on municipalities.
- (4) A notice in terms of subsection (3) may -

- (a) determine different dates on which different provisions of this Chapter becomes applicable to municipalities;
- (b) apply to all municipalities in general;
- (c) differentiate between different kinds of municipalities which may, for the purpose of phasing in of the relevant provisions, be defined in the notice in relation to categories or types of municipalities or in any other way; or
- (d) apply to specific kind of municipalities only, as defined by the notice.”

4.4.2 Benefits of Integrated Development Plan Planning

According to the IDP - Practical Guide to Municipalities SALGA (2001:9-11) the following are benefits of Integrated Development Planning: -

Focused and Proactive Management

“Integrated development planning mobilises a municipality to focus itself, develop a future direct vision and proactively position itself in a changing environment. Furthermore, it enables a municipality to gain better understanding of the changes it encounters and to identify effective methods to deal with such changes.

By analysing the future, a municipality, its leaders, other stakeholders and civil society can anticipate future opportunities and threats. They can develop the ability to optimise opportunities, while controlling and minimising the threats. By identifying problems before they occur, a municipality can avoid being trapped in a cycle of crises management, which consumes valuable financial and human resources - resources that could have been used to take advantage of opportunities.”

Institutional Analysis

“One of the key components of the IDP process is an internal organisational audit or analysis. Such an analysis allows the municipality to know and

understand its own internal operations. On the basis of this understanding, the municipality is in a better position to manage the changes, which will be required in order to bring about the desired future.

The aim of the analysis is to identify the municipality's strengths and weaknesses, including its structures, staff composition and deployment, financial situation and culture. The purpose is not to defeat outdated and impractical structures, procedures and practices, but rather to establish an open-minded view of the organisation, to recognise problems, shortcomings, limitations and imbalances and to identify ways to overcome it.

The institutional audit also focuses on the vulnerability of the municipality in terms of identifying threats. It highlights the capacity of the municipality to optimise opportunities, and be proactive and future-direct.”

Matching Resources to Needs

“Integrated development planning provides an opportunity to establish and prioritise the needs to be addressed by a municipality. It grants a municipality the opportunity to inform the community and all stakeholders about available resources, and to involve them in prioritising services and service levels. It enables the municipality to allocate resources - human and financial in order of priority. It also allows for the design of alternative service delivery mechanisms, such as public/private partnerships.”

Project Management

“The IDP may be defined as holistic plan - the final product of the IDP process. It contains a range of projects, all designed to achieve specific developmental objectives. The IDP sets measurable development objectives and targets. For each of these objectives and targets a municipality assigns a task - with set target dates - to specific persons or task teams. The municipality is then able to

monitor the course of each action and make adjustments where necessary to ensure that the intended objective is achieved.”

Performance Management

“The IDP sets clear development objectives and targets, and provides direction to improve performance. It sets key performance areas (KPI's) and the criteria for measuring performance - both for the overall IDP, and for specific projects. As such it enables management to align actions with set objectives.

“Customer satisfaction” also serves as performance measure. External stakeholders are involved in identifying and prioritising needs, they are able to judge whether the objectives and targets have been successfully achieved as planned. They are therefore an integral part of the monitoring process.”

Realistic Planning

“The community may set an idealistic vision for the future. However, by involving all stakeholders in the planning process and empowering them with knowledge about the municipality's weaknesses and strengths, and its resources and responsibilities, the municipality is able to develop a realistic, achievable plan for future development. Stakeholders are also more likely to prioritise their needs and expectations realistically when they are involved in the planning process.”

Unification and Consensus Building

“Integrated development planning provides an opportunity for stakeholders with different needs, priorities and agendas to learn from each other and to negotiate and compromise around their established viewpoints. The process is not without disagreement and conflict but, if well managed, it can promote

consensus and allow compromises and agreements on common development objectives to be reached.

Through the process, councillors and officials also gain better understanding of the municipality and the respective roles they must fulfil. This can enhance teamwork and promote commitment towards achieving the development and operational objectives contained in the IDP.”

Empowerment of Stakeholders

“Integrated development planning can also be termed "participative planning", because it involves the participation of all stakeholders. In terms of the Constitution, all spheres of Government - National, Provincial and Local - are required to promote "co-operative governance" - that is, government that actively seeks to involve all those who have an interest in or contribution to make. This is the corner stone of our new democracy and for municipalities, this means that the client base - the citizens and all affected stakeholders and groups - has to be involved in all decision - making which affects them.

However, meaningful participation entails that the community and stakeholders have to be empowered with the necessary information and knowledge about all the issues that have to be addressed. This will ensure constructive, practical and achievable objectives.

The IDP process is the medium through which such knowledge is channelled to stakeholders, and through which they are empowered to participate in planning for the future. Informed participation enables the community to take shared responsibility for the density of the municipality and provides the benefit of greater commitment by stakeholders towards the IDP. “

Focused Budgeting

“The IDP process facilitates budgeting in accordance with planning - it enables the budget to be linked to the IDP as required by the Systems Act. In particular, it provides for strategic management based on a budget, driven by the key

development priorities. Stringent financial control and sound financial management are not possible unless there is a focused budget on specific objectives with no "fat reserves". Integrated development planning, if correctly carried out, ensures that realism dictates the budget."

Change Agent

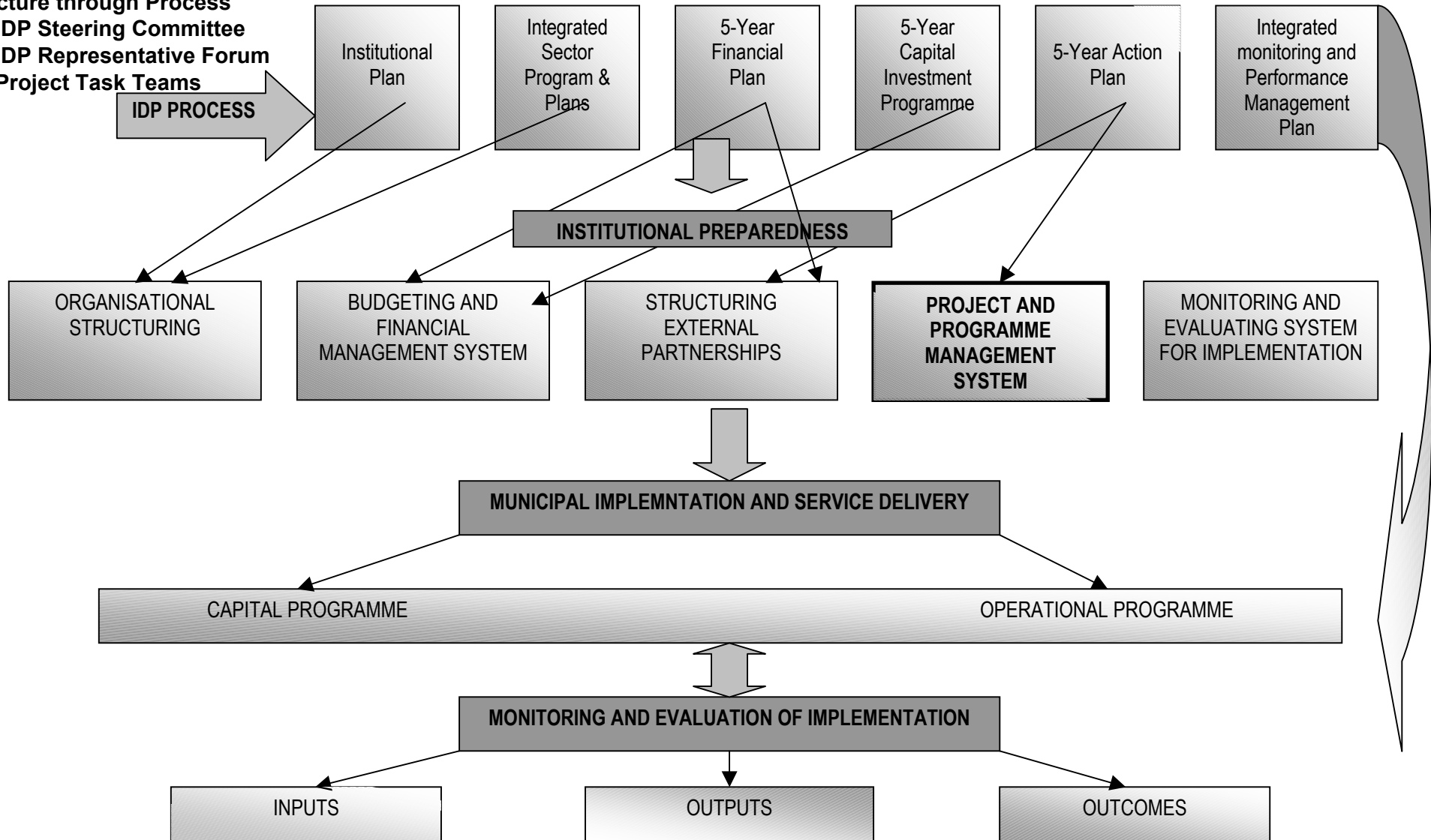
"Planning for future development also means planning for change. The IDP provides a tool for managing the change, which automatically comes with development. Through the IDP process, the mindsets of people are changed to address the realities of the present and to embrace the opportunities the future holds. The process requires a new approach to management and planning, and determines the rules with which a municipality's structure and people must comply to develop a culture of change management."

Figure 7 Summary of IDP Planning Process

(As per the IDP - Practical Guide to Municipalities SALGA)

Structure through Process

- IDP Steering Committee
- IDP Representative Forum
- Project Task Teams



4.5 Role of the Project Manager when implementing the Integrated Development Plan

Mark E. Mullaly PMP (2002:1-2) also posed the question: What's the role of a project manager?

"Chances are, the answer you will get is 'to deliver the scope of the project, on time, on budget and to specification.' Period.

And we ask ourselves: 'Is this bad?' 'Why should we take on more responsibility?' 'Don't we have enough on our plates already?'

Project management is a fascinating profession: new people, new challenges, and the opportunity to visit far off places. And the ability to severely constrain our responsibility by uttering the mantra, "That's not within the scope!" a line we learn early and repeat often.

And this is a good thing, because project management is about control. Controlling expectations, so that the projects can meet them. Controlling progress, so that we do not exceed our constraints. Controlling scope, so that we are able to manage what we are supposed to deliver.

Scope is the wholly grail of the project management profession. It is what we must control, what we must manage, what we must defend. To accommodate something that is out of scope is a truly egregious sin punishable by excommunication and ten lashes with a whet noodle. But is the objective, really, to manage and deliver according to the scope of the project? Is that how we are being evaluated? Is that what the customer really needs?

In an ideal world, yes. But we don't live in an ideal world. Nor are we likely to anytime soon. I would argue, and vehemently, that the purpose of project management is not to deliver the scope of the project. It is to deliver to our customers the business outcomes they desire.

Now, before you rise up in indignation and crash your critical paths together, think about this. Where did the scope come from? If you are working on a project that is in any way approximate to the majority of the projects I've seen in

nearly two decades of project management, the project started with a voiced need. The source of the need may have been the pain of ineffective performance of a process, the challenge of a competitive threat, the need to expand existing capacity or the opportunity to boldly venture into new market. Regardless of source, a need was stated and a project was born.

With the birth of our new project came the nurturing period in which we figured out what the customer really hoped to accomplish. We identified stakeholders, interviewed them to determine their needs, separated the "must have" from the "want haves" and coddled them into a single statement that everyone could live with. We evaluated our options, defined our strategy and established our scope a definitive list of what we would do, and what we would not do, in managing the project. We bundled it into a plan, got the customer to sign off, and off we went to the races

And herein lies my problem. A significant leap of faith happens every time we define a project: the customer is placing in us their trust that what they wanted in the first place can and will be realised by producing what we have defined in the statement of scope. They are accepting that what we have defined as activities and deliverables will deliver the benefits and outcomes that they actually want and need.

Imagine this scenario: you awaken in the middle of the night, bathed in sweat, with the horrible realization that despite the fact that you are halfway through the project moving along according to plan, there is still no way that the project is going to deliver the customer's needs. Do you raise a red flag and identify that, despite the investment to date, the project has to be fundamentally altered or cancelled outright? Or do you keep plugging away at it, because it's your job to deliver the scope of the project, on time and on budget?

That's what I thought."

The Department of Traditional and Local Government Affairs states the following in their IDP GUIDE PACK, Guide V, Implementation Management IDP (2002: 92-130), regarding the role of Project Management.

What is good Project Management?

“Project Management can be defined as the efficient management of resources that are needed to deliver development as defined in the Integrated Development Plan. Project Management can be effective when the following principles are met: -

- Efficient utilisation of resources available to the project.
- Efficient management of time.
- Effective control of quality of the deliverables.”

The IDP Providing the base for Effective Project Management

“The Integrated Development Plan of a Local Municipality transforms developmental goals into strategies and strategies into projects.

The Integrated Development contributes to good Project Management in the following ways: -

- Identifying essential projects.
- Define their developmental needs.
- Define key elements in each project.
- Integrate these into a draft project proposal.
- Define a draft project proposal.
- Then prioritising these for implementation. “

Programme and Project Management the "Doer" of Implementation

“Implementing the projects as reflected in the Integrated Development Plan rests with the Local Municipal Administration and not with the political structures of the Local Municipalities

Political structures plays an important role in the monitoring of the implementation of the Integrated Development Plan and in representing views of the community regarding the nature of the projects, their implementation and quality.

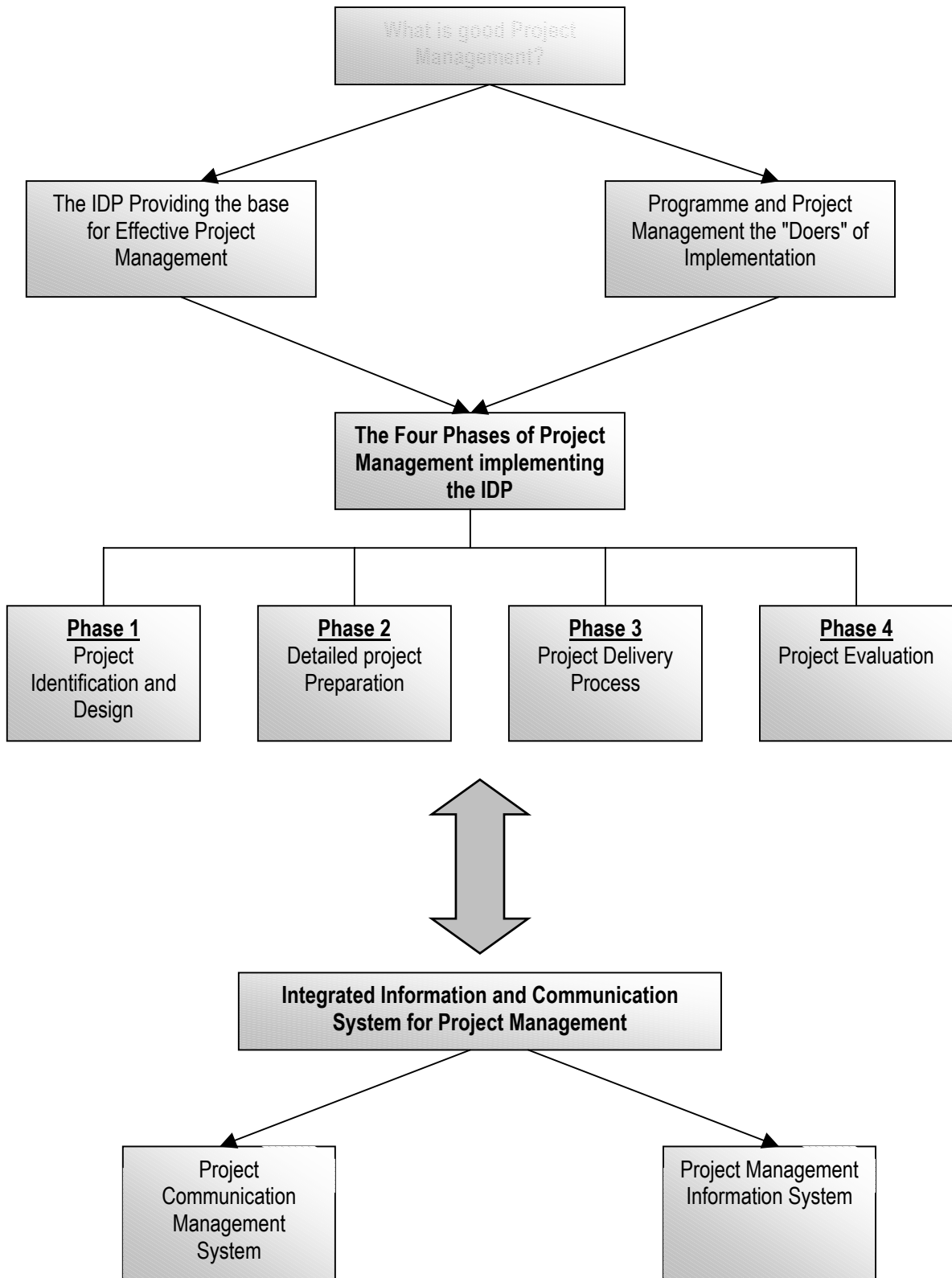
Project administration takes place on two levels: -

- Management of Programmes
 - Municipal
 - Sector
 - Cross Sectoral
- Management of Prioritised Projects
 - Capital
 - Operational/Maintenance

Management of programmes and projects are closely interlinked management processes that rely on their interaction to achieve effective implementation. “

Figure 8 Programme and Project Management System

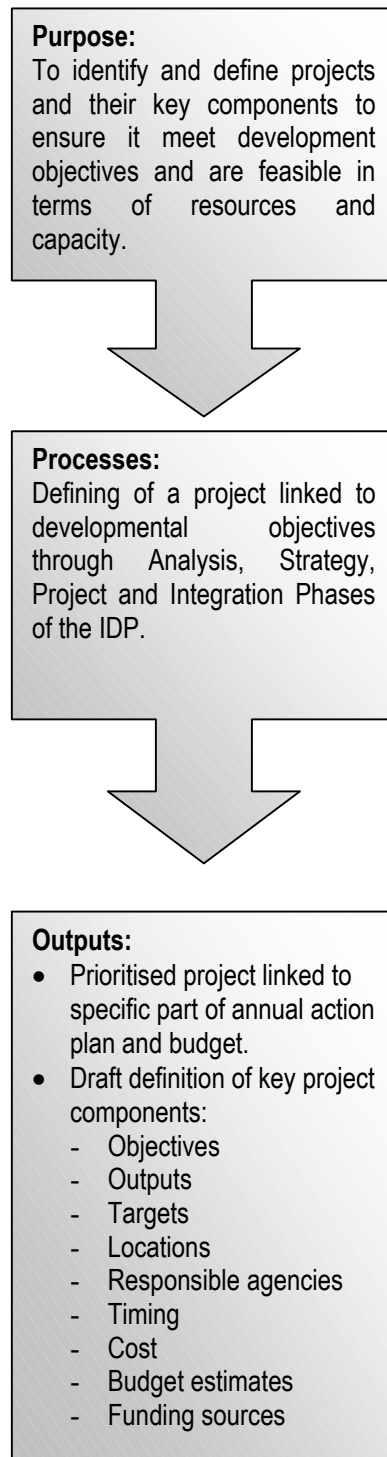
(As per the IDP - Practical Guide to Municipalities SALGA)



The Four Phases of Project Management implementing the Integrated Development Plan.

Figure 9 Phase 1- PROJECT IDENTIFICATION AND DESIGN

(As per the IDP - Practical Guide to Municipalities SALGA)



See Figure 7 Summary of IDP Planning Process, for applicable activities to implement Phase 1.

Figure 10 Flow Diagram Phase 2 - DETAILED PROJECT PREPARATION

(As per the IDP - Practical Guide to Municipalities SALGA)

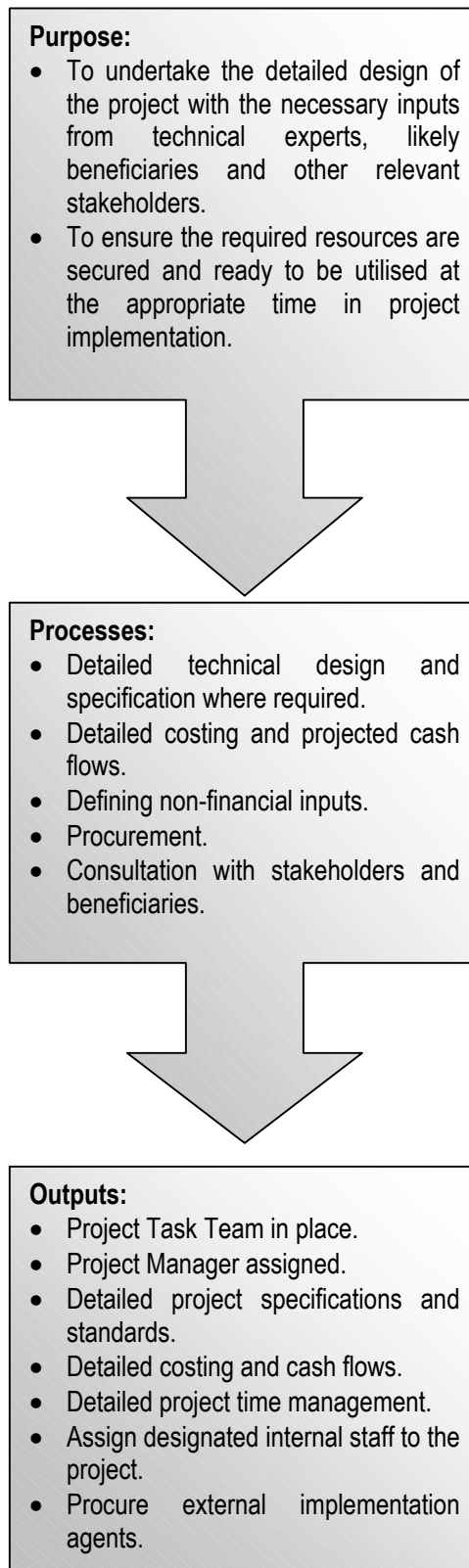


Figure 11 Activities Phase 2 - Detailed Project Preparation

(As per the IDP - Practical Guide to Municipalities SALGA)

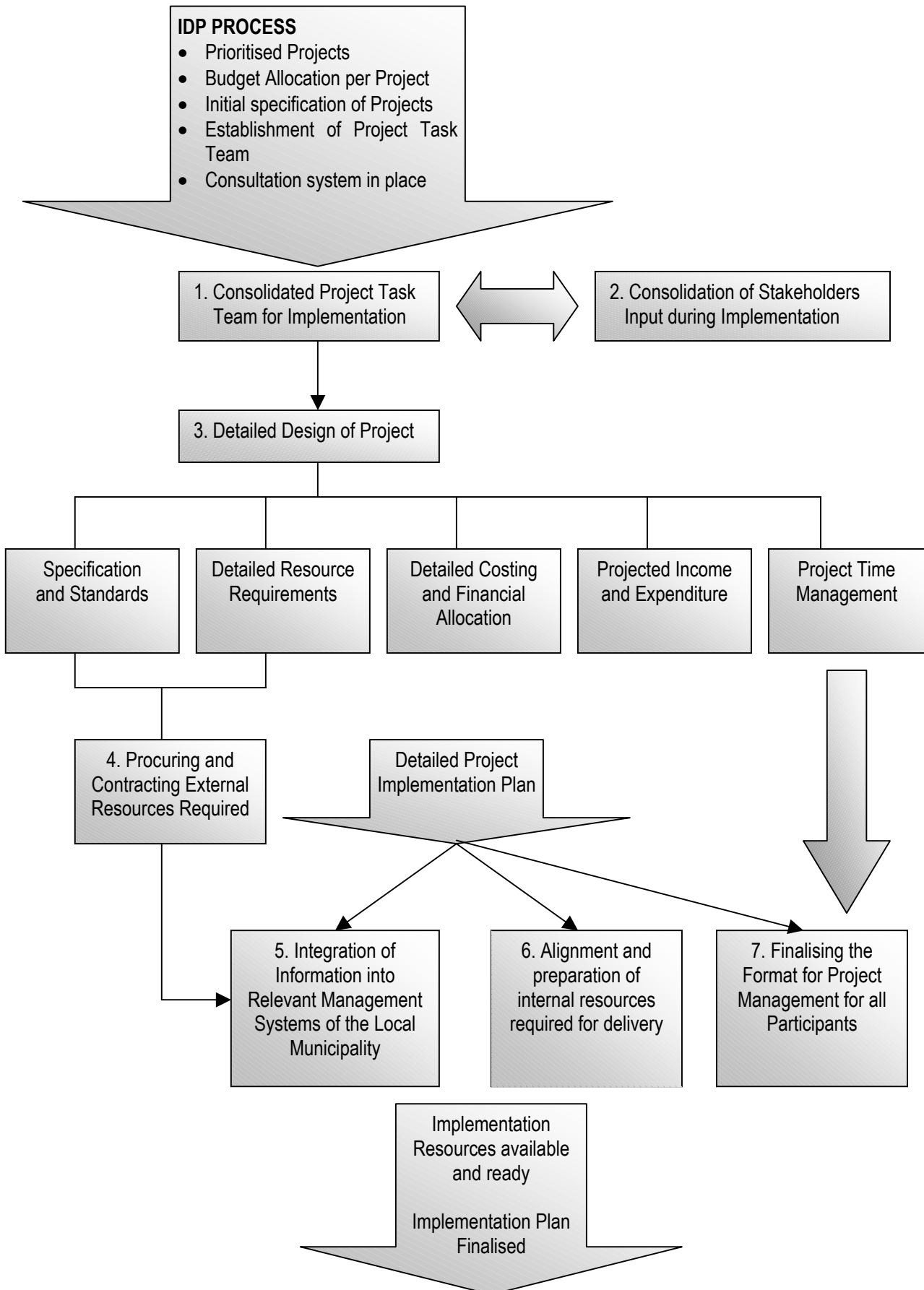


Table 1: Work Breakdown Structure and Linear Responsibility Matrix for Phase 2 - Detailed Project Preparation

No.	Milestone	Activity No.	Activity	Role-players																		
				Strategic Manager	Snr. Line Manager	Project Manager	Councillors	Technical Experts	Project Task Team	Snr. Managers	Politicians	Snr.	Internal Staff	Unit	Procurement	Info System Managers						
			X – Execute and Responsible																			
PHASE 2 - DETAILED PROJECT PREPARATION																						
1.	Consolidating Project Task Team for Implementation.	1.1	To put in place the best and most effective team to co-ordinate the project taking into consideration cross - sectoral inputs.	X	X	X																
		1.2	Ensure that there is a project manager with the ability to manage the project.	X	X																	
		1.3	Ensure that all key personnel understand their respective roles.	X	X	X																
2.	Consolidating Stakeholders Consultation process for Implementation.	2.1	To ensure that all relevant stakeholders have input into the project process without causing undue delays or costs.			X	X															
		2.2	Ensure that all the stakeholders understand the channels available.			X	X															
3.	Detailed Design of the Project.	3.1	Carry out the detailed design of the project so that the outputs are properly specified and the inputs are properly measured.	X	X	X																
		3.2	To have ready a detailed implementation schedule to guide the implementation of the project.			X				X												
3.1	Detailed Design: Specifications of Outputs.	3.1.1	Provide the detailed specification of the nature and quality of the project outputs to guide those who are responsible for doing the work on the project and to manage it.			X				X												
		3.1.2	Ensure that the specification meets the defined standards at National, Provincial and Local levels.			X				X												
3.2	Detailed Design: Specifications of Inputs	3.2.1	Provide the detailed plan of the type of input resources required.			X				X												
		3.2.2	To make decisions on the best way of sourcing the various inputs.			X				X	X	X										
3.3	Detailed Design: Costing and Financial Resource Allocation and Flow.	3.3.1	To provide accurate costing on the specified project.			X																
		3.3.2	To ensure that the financial resources required are available at the appropriate times and will not delay the project.			X																
		3.3.3	To provide an income and expenditure flow sheet for the project to assist the co-ordination between the finance department and the project team.			X																
3.4	Detailed Design: Project Flow Chart.	3.4.1	To provide detailed project cash flow projections to guide the implementation of the project.			X				X									X			
		3.4.2	To provide the necessary timetable for all the stakeholders directly involved in the project.			X				X									X			

Table 1: Work Breakdown Structure and Linear Responsibility Matrix for Phase 2 - Detailed Project Preparation (Continue.)

No.	Milestone	Activity No.	Activity	Role-players																	
				Strategic Manager	Snr. Line Manager	Project Manager	Councillors	Technical Experts	Team	Project Task	Snr. Managers	Snr. Politicians	Internal Staff	Unit	Procurement	Info System Managers					
			X – Execute and Responsible																		
PHASE 2 - DETAILED PROJECT PREPARATION: CONTINUE.																					
4.	Procuring and Contracting External Resources Required	4.1	Ensure that all external resources are available for input to the project at appropriate time.			X				X									X		
		4.2	Ensure that external resources are contracted to deliver within the conditions of the project.			X				X										X	
		4.3	Ensure that the contract management system for the project is place and understood by the relevant external resources.			X				X										X	
5.	Integration of Information into relevant Management Systems of the Municipality	5.1	To ensure that the detailed project design information is in the management information of Council for guiding the management and monitoring of the project.			X														X	
		5.2	All project information is integrated as baseline information for management reports and monitoring progress reports.			X															X
		5.3	In a format that is easy to use and incorporates the key information required.			X															
6.	Alignment and Preparation of Internal Resources Required for Delivery.	6.1	Ensure that all internal resources of Council are available to play their part in the project delivery.		X	X				X											
		6.2	That the part played by each individual is clearly understood and agreed upon.		X	X				X											
7.	Finalising the Format for Project Management for all Participants.	7.1	To ensure that final Project Flow and other Project Management flow charts are completed.			X				X											
		7.2	That all project participants are clear about the final programme.			X				X											

Figure 12 Flow Diagram Phase 3 - PROJECT IMPLEMENTATION

(As per the IDP - Practical Guide to Municipalities SALGA)

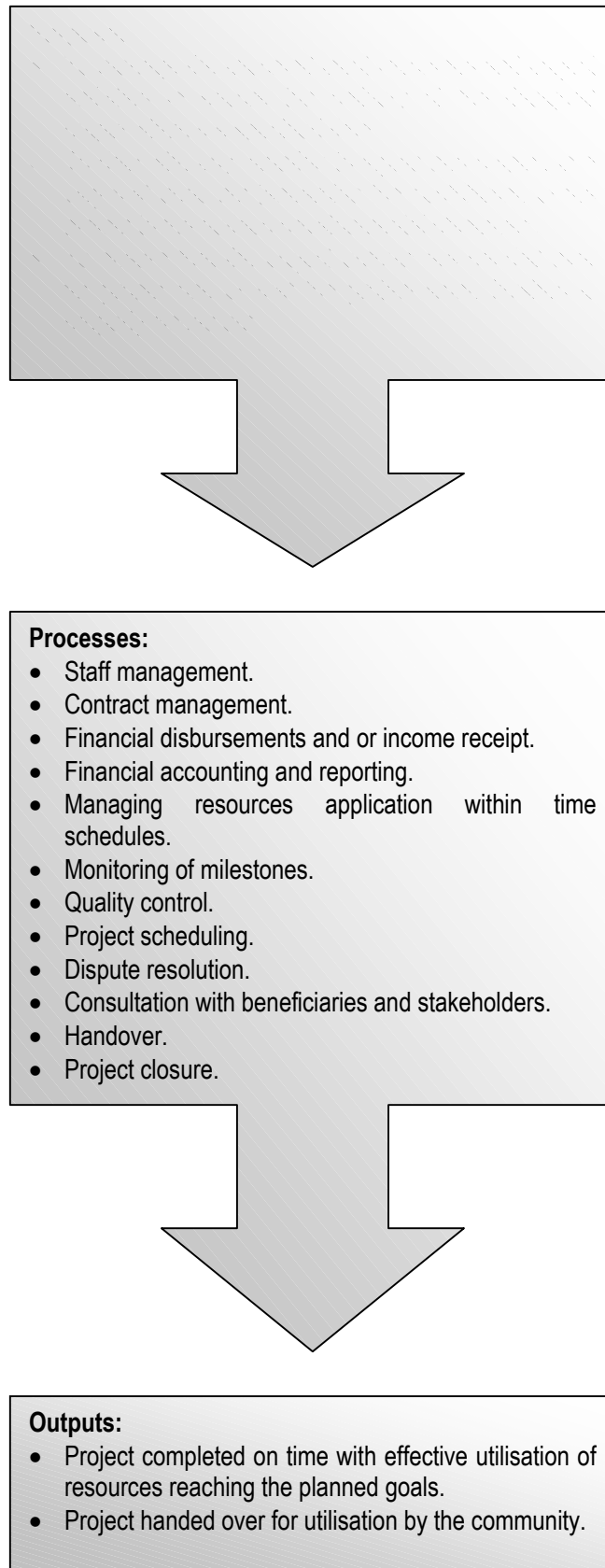


Figure 13 Activities Phase 3 - Project Delivery Process

(As per the IDP - Practical Guide to Municipalities SALGA)

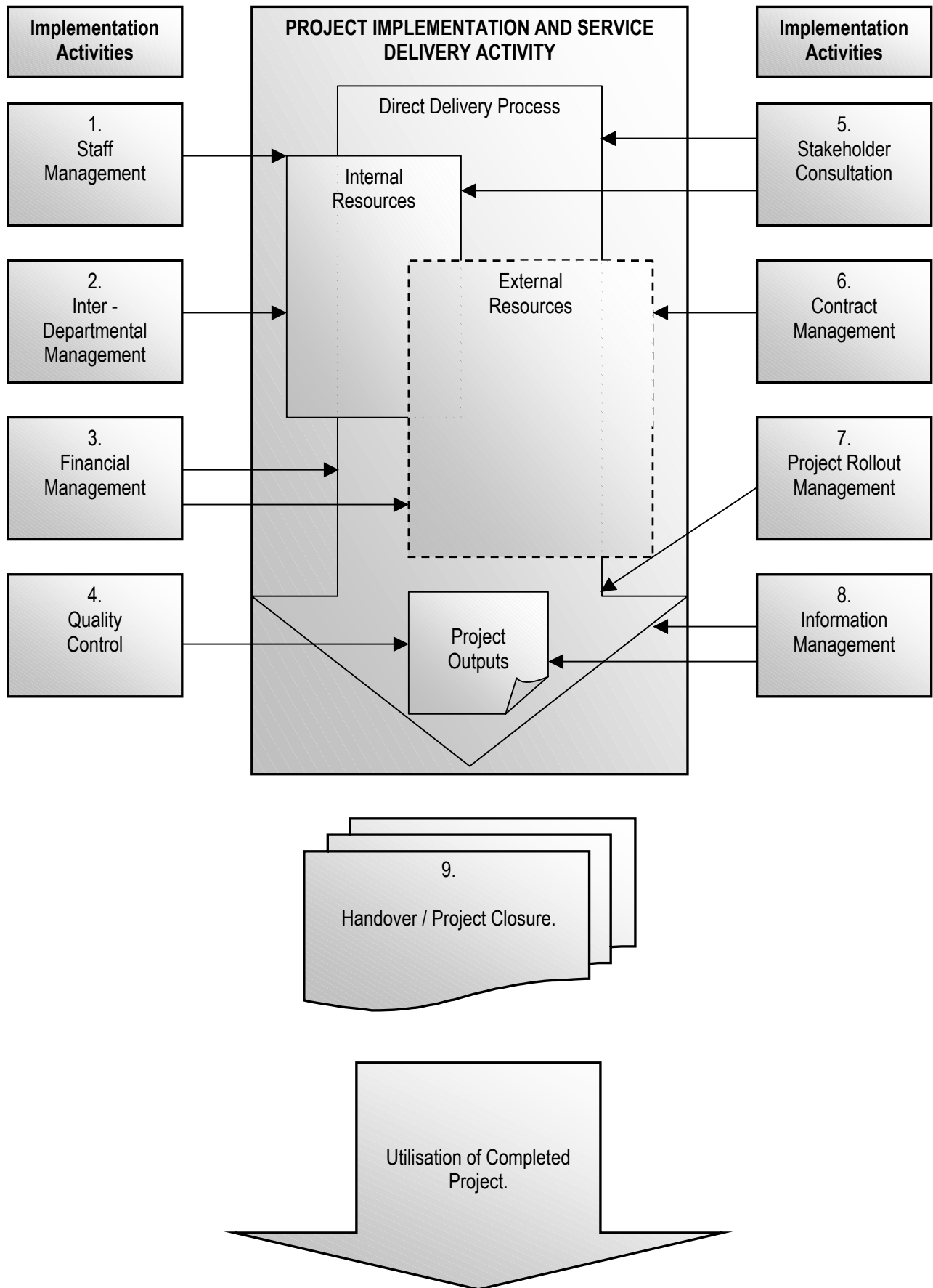


Table 2: Work Breakdown Structure and Linear Responsibility Matrix for Phase 3 - Project Delivery Process

No.	Milestone	Activity No.	Activity	Role-players																	
				Strategic Manager	Line Manager	Project Manager	Councillors	Stakeholders	Project Task Team	Service Provider	Contracted Managers	Contract Financial Officer	Support Service Managers	Receiving Departments.							
			X – Execute and Responsible																		
PHASE 3 - PROJECT DELIVERY PROCESS																					
1.	Staff Management.	1.1	To ensure the effective management of internal staff resources used on the various projects.		X	X				X											
2.	Management of Inter Departmental Inputs.	2.1	To ensure the effective management of internal inputs from different departments at the right time.	X	X	X				X											
3.	Financial Management of the Project.	3.1	To ensure that the project is managed within the defined budget.			X				X				X							
		3.2	To ensure that the financial resources required for the implementation are available.												X						
		3.3	Ensure that there is full accountability for the income and expenditure of the project.				X				X										
		3.4	Ensure that any project overspend or under spend is dealt with in the contexts of the Councils overall development programme.													X					
4.	Quality Control.	4.1	To ensure the control of the quality of the project deliverables are based on the determined specifications.			X				X											
		4.2	Ensure that any variations on quality specifications during the course of the project lifecycle are addressed			X				X	X	X									
		4.3	Ensuring the outputs meet the set quality requirements.			X				X	X	X									
5.	Stakeholder Consultation Management.	5.1	To ensure that the projects handled by external contracts managers are properly managed to ensure the desired deliverables.			X	X	X	X												
6.	External Contracts Management	6.1	To provide accurate costing on the specified project.			X				X			X								
7.	Project Rollout Management.	7.1	To ensure that the project milestones are achieved within the agreed time span of the project.			X				X			X								
		7.2	To ensure that where there are overruns that projects are rescheduled within the objectives of the project.			X				X			X								
8.	Information Management and Monitoring of the Project.	8.1	To ensure that there is proper information management throughout the project lifecycle to allow for effective monitoring and management.			X				X			X			X					
9.	Handover / Project Closure.	9.1	To ensure that the completed project is handed over.			X				X										X	
		9.2	To expand the project beyond the original scope.			X				X										X	
		9.3	To end the project having achieved the defined objectives without it being linked to any future activities of the Municipality.			X				X										X	

Figure 14 Flow Diagram Phase 4 - PROJECT EVALUATION

(As per the IDP - Practical Guide to Municipalities SALGA)

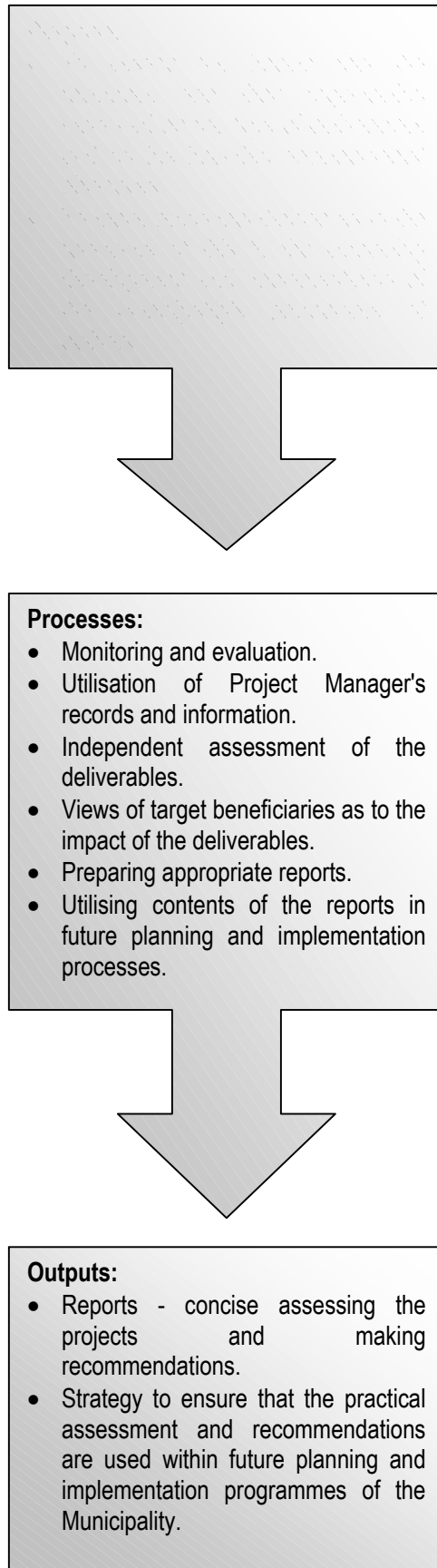


Figure 15 Activities Phase 4 - Project Evaluation

(As per the IDP - Practical Guide to Municipalities SALGA)

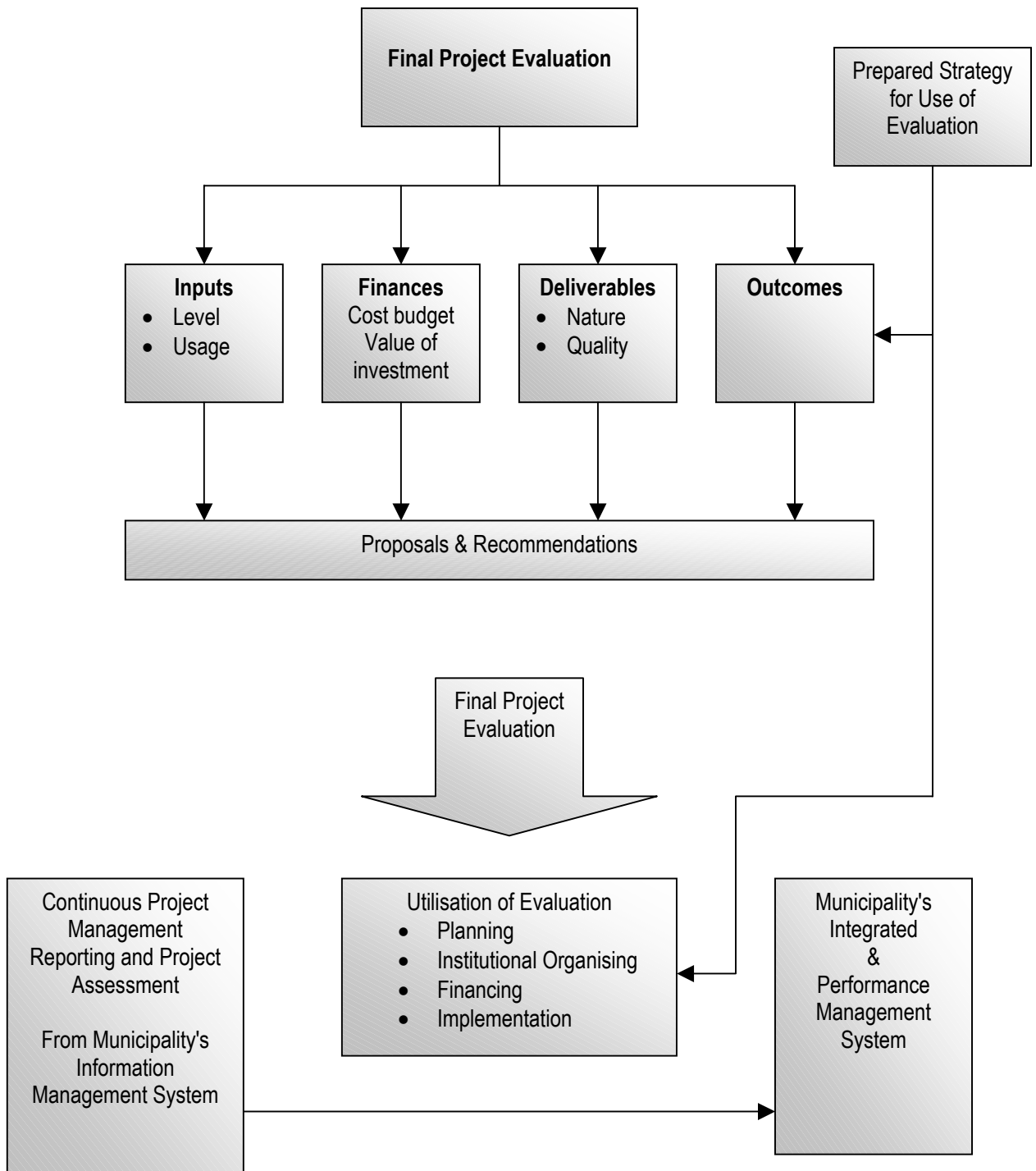


Table 3: Work Breakdown Structure and Linear Responsibility Matrix for Phase 4 - Project Evaluation

No.	Milestone	Activity No.	Activity	Role-players						
				Strategic Manager	Line Manager	Project Manager	M & e officer	Technical Experts	Project Task Team	Financial Officer
			X – Execute and Responsible							
PHASE 4 - PROJECT EVALUATION										
1.	Prepared Strategy for use of Evaluation.	1.1	To define a strategy that will maximise the usefulness to the different stakeholders ie. Funders, IDP planning team of the report and influence it forms.			X			X	
2.	Report and Analysis on the Non Financial Inputs.	2.1	To define the level of internal and external inputs and how efficient they were.			X			X	
		2.2	Identify any strengths and weaknesses about their use that can help in the organising of these resources in future projects.			X			X	
3.	Final Financial Report of the Project.	3.1	To report on the final income and expenditure on the project against the budgeted amount.			X			X	X
		3.2	To do a cost analysis on the project deliverables to assess cost effectiveness.			X			X	X
		3.3	To analyse any over or under utilisation of funds, and to understand the cause thereof.			X			X	X
4.	Detailed Design: Specifications of Outputs.	4.1	To detail the actual achieved deliverable types, amount and quality against the designed outputs.			X		X	X	
		4.2	To assess any variation to assist in better planning and implementation in the future.			X		X	X	
5.	Report on Outcomes.	5.1	To provide any indicators of outcomes that has emerged during the project implementation for use in longer - term outcome assessment.					X	X	
6.	Using the Evaluation	6.1	Combining the review/assessment with the strategy for its use to ensure that it has the greatest impact in informing: <ul style="list-style-type: none"> - Planning - Financing - Future organisation of implementation - Improvements to cost benefits of delivery. 	X	X	X	X		X	

Integrated Information and Communication System for good Project Management.

“There are two systems that are crucial to the effective implementation of Project Management:

- Project Management Information System.
- Project Communication System.”

Project Management Information System

“Effective Project Management is dependent upon the up-to-date availability of information regarding progress on resources utilised and deliverables achieved.

The simulation availability of this information is also required to be made available to Municipal Council structures. Therefore its crucial that information is supplied and sourced forms the Municipality's information management systems during the implementation phases.”

Project Communication System

“The implementation of projects requires complex interaction between different role players with different responsibilities and motivation for their participation.

Integrating diverse ranges of activities and purposes, and maintaining focus on designed deliverables, require not only effective information flow but also an effective streamlined communication and decision making system. This must function well both within the project and in relation to the project's broader environment.

Therefore, to ensure successful project management implementation, the Municipality must ensure that it has an effective integrated information management system in place and a well-defined communication and decision-making system.

Each project must have effective links with the municipal system to ensure that it has properly designed matching systems for gathering, processing and

distributing information as well as an agreed system for effective communication between the various project participants. “

4.5.1 Positioning of a Project Manager in a Category B Municipality Departmental Structure

Extracts from Mark E. Mullaly's, PMP (2002: 1-2) article on "The Project Manager as Organisational Leader" states:

“One of the biggest questions that we need to ask ourselves is this: ‘ Is the role of project management also one of organisational leadership?’

The role of project manager, then, is not managing, but more importantly managing the boundaries themselves. It is this shift in thinking that defines the project manager as an organisational leader. Even on the smallest projects, the potential impact of a project manager is significant. Managed well, and the positive impact on the organisation can be exceptional, while the impact of a failed project can be devastating. Managed indifferently, the results will be commensurate. We get out of life what we put into it; projects are no exception.

If we define the leadership role as managing the boundaries of the scope, and not the scope itself, the responsibility is two-fold. The project manager first provides leadership in contributing to what the boundaries should be. No less important, the project manager must act as counsel to the organisation in identifying changes to the boundaries that are appropriate and desirable, as well as those that are undesirable and to be avoided. While on the surface this seems relatively straightforward, the corresponding obligations are multifaceted. To be effective, the project manager must be able to draw upon a range of disciplines that support a strategic understanding of the business, while maintaining a solid appreciation of the technical challenges of delivering the project and the abilities of their teams to deliver on the results.

To be effective, the project manager must facilitate not only defining the objectives and requirements, but how attainment of these outcomes furthers the strategic goals of the organisation. In many cases, this requires encouraging

input from numerous stakeholder groups and facilitating its synthesis into a single, agreed-upon statement of outcomes.

Equally challenging is managing the identification of changes to the boundaries as the project moves forward.

To be effective in this role requires new skills for many project managers. As we develop as project managers, they need to become much more diverse. We must be able to not only interact with people at all levels of the organisational hierarchy, but also be able to facilitate, advise, coach and challenge them. We must have a solid understanding of the business outcomes our projects are designed to deliver, and be able to make decisions that respect scope but focus on enhancing these outcomes. In short, we must be leaders as much as we are managers. “

As seen on Figure 5: Matrix Organisational Structure for Existing Category B Municipalities, the position of Director Project Management has been added on the same level as the rest of the Directors of the various other Departments. The reasoning behind that is to reduce the load of the Municipal Manager and the other Directors, as the number of projects that will have to be implemented in terms of the Integrated Development Plan has increased dramatically from previous years as the new Municipal boundaries have increased dramatically.

Beck (1977:139-141) has elaborated as follows on the basic role of the position, Director of Project Management (DPM).

“One difference in the role of the Director of Project Management and the Project Manager is that the Director of Project Management must place a great deal more emphasis on the overview of a project than on the nuts and bolts, tools, networks and details of managing the project. The DPM must see how the project fits into the overall organisational plan and how projects interrelate. His perspective is a little different from the project manager who is looking at the project on its own merits rather than how it fits into the overall organisation.

The DPM is a project manager, a people manager, a change manager and a systems manager. In general, one cannot be considered more important than the other. The DPM has responsibilities for managing the projects, directing and

leading people and the project management effort, and planning for change in the organisation. The DPM is a liaison between the Project Management Department and upper management as well as functional departments and acts as a systems manager when serving as a liaison.”

If the DPM is in place, project managers can be appointed on an ad hoc basis to assist in implement projects as reflected in the Integrated Development Plan and as the Local Municipalities’ cash flow dictates. The Integrated Development Plan, for mostly all Local Municipalities’, will not be able to be fully implemented due to the fact that the majority of Local Municipalities’ are struggling with cash flow problems due to the increased service areas, after the Demarcation process where there now are boundary-to-boundary municipalities’.

4.5.2 Performance Management Systems - Project Manager

The Director of Project Management will have to be appointed on a Performance Management Contract in terms of the Local Government Municipal Systems Act (2000:58-60) as stated bellow: -

“Employment contracts for municipal managers and managers directly accountable to the municipal manager.

57(1)A person to be appointed as a municipal manager of a municipality, and a person to be appointed as a manager directly accountable to the municipal manager, may be appointed to that position only -

- (a) in terms of a written employment contract with the municipality complying with the provision of this section; and
- (b) subject to a separate performance agreement concluded annually as provided for in section (2)

(2) The performance agreement referred to in subsection (1) (b) must -

- (a) be concluded within a reasonable time after a person has been appointed as the municipal manager or as a manager and thereafter

within one month after beginning of the financial year of the municipality.

- (b) In the case of the municipal manager, be extended into with the municipality as represented by the mayor or executive mayor, as the case may be; and
 - (c) In the case of a manager directly accountable to the municipal manager, be entered into with the municipal manager.
- (3) The performance agreement referred to in subsection (1) (b) must include -
- (a) performance objectives and targets must be met, and the time frames within those performance objectives and targets must be met;
 - (b) standards and procedures for evaluating performance and intervals for evaluation; and
 - (c) the consequences of substandard performance.
- (4) The performance objectives and targets referred to in subsection (4) (a) must be practical, measurable and based on the key performance indicators set out from time to time in the municipality's Integrated Development Plan.
- (5) The employment contract for municipal manager must -
- (a) be for a fixed term of employment not exceeding a period ending two years after election of the next council of the municipality;
 - (b) include provision for cancellation of the contract, in the case of non-compliance with the employment contractor, where applicable, the performance agreement;
 - (c) stipulate the terms of renewal of the employment contract, but only by agreement between the parties; and

- (d) reflect the values and principles referred to in section 50, the Code of Conduct set out in Schedule 2, and the management standards and practices contained in section 51.
- (7) A municipality may extend the application of subsection 96 to any manager directly accountable to the municipal manager.

4.6 Conclusion

The above provides a clear understanding of the following: -

- The differences between existing and newly established Category B Municipalities.
- The various functions and services delivered to the community by the Category B Municipalities.
- That existing Category B Municipal organisational structures can indeed be restructured to integrate the Project Management function to ensure service delivery in terms of the Integrated Development Plan.
- The Integrated Development Plan and its benefits in terms of service delivery to the community.
- The important role Project Management plays in terms of projects as reflected in the Integrated Development Plan.
- The Project Manager must be on board during all the phases of the project life-cycle, to ensure that the projects are implemented according to the following constraints: -
 - On time;
 - Within budget;
 - Utilising limited resources;
 - And achieve the desired deliverables.

- The Project Manager must have Leadership qualities to be successful in a municipal environment.
- That the Project Manager must be appointed on a performance contract to save guard the interest of the community and the municipality.

The subproblem stated in Chapter 1 reads as follows: -

The first subproblem is to determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities. (How will the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities be determined?)

The hypotheses being tested stated the following: -

- The first hypothesis is that Project Management can be integrated into existing Category B Municipalities.
- The second hypothesis is that existing Category B Municipality organisational structures have to be modified as a matrix organisational structure to integrate the Project Management function successfully.
- The third hypothesis is that the Project Management function can be integrated into newly established Category B Municipalities.
- The fourth hypothesis is that the utilisation of Project Management when implementing the Integrated Development Plan can be advantageous to Category B Municipalities.
- The fifth hypothesis is that Project Management plays a vital role in the Integrated Development Plan Process.
- The sixth hypothesis is that a Project Manager can be an Organisational Leader.
- The seventh hypothesis is that the Project Managers must be employed on a performance management contract.

The above substantiate and confirm the hypotheses stated in the beginning of this research.

The next chapter, chapter 5, will deal with subproblem two, that reads as follows: “to determine how Project Management can be applied in community participation for development projects in Category B Municipalities. (How will Project Management be applied in community participation for development project in Category B Municipalities?)”

CHAPTER 5

THE APPLICATION OF PROJECT MANAGEMENT AND COMMUNITY PARTICIPATION DEVELOPMENT PROJECTS IN CATEGORY B MUNICIPALITIES

5.1 Introduction

Municipalities in South Africa have become an important instrument in reaching the objectives of the newly devised Integrated Development Plan.

Municipalities have always been viewed as governance by the community for the community.

Community participation, therefore, plays a vital role and must be clearly understood by municipal managers, project leaders and community members.

South Africa does not have a good history of community participation and community accountability during the various project phases.

There is, currently, an increasing awareness of the need to develop communities and service delivery. These developments have, however, often not progressed past the needs determination phase and, just as often, the completed project has also not been able to reach the desired deliverables.

The application of project management processes can alleviate these shortcomings by making the community aware of the various project management processes.

This chapter will outline the following topics so as to provide a better understanding of project management and community participation: -

- Project development management.
- Development management defined.
- Role of municipalities in development management.
- Municipal manager as project manager.
- Community participation defined.

- Empowerment of communities.
- Community participation during the project life cycle.
- Role of the project manager in community participation.

5.2 Project, Development Management and the Category B Municipality

After the previous elections and the completion of the demarcation process there has been an increasing awareness of the need for community development. The IDP, in terms of the Local Government Structures Act 2000, presently directs development.

The Integrated Development Plan currently forms the framework within which all development should take place.

Numerous problems have been experienced in the past when public and private sectors were endeavouring to assist communities to be sustainable. Projects implemented often never progressed past the planning stage, and more than often the completed project also failed.

If public management techniques such as development and project management can be applied, mistakes that were made in the past can be avoided. Category B Municipalities and their communities are faced with awesome challenges; Socio-economic needs place tremendous pressure on all institutions and stakeholders involved in community development. If project management is applied, thorough planning can take place when development is planned, that would lead to successful project implementation.

If the community and stakeholders are made aware of the advantages of project management and community participation possible problems experienced when projects are handled can be drastically reduced.

South Africa is now faced with an era where great emphasis is being placed on service delivery and development in and of communities, but there is still a great lack of planning for and the implementation of these developments. The

question is therefore posed, whether existing or new projects will be properly managed and, if not, how project management can be applied to correct this.

5.2.1 Origins of Development Management

The developed community i.e. institutions, stakeholders and people involved in development became more aware of development management in the mid 1990's. Development and project management also gained momentum since the introduction of Integrated Development Planning.

Prior to the implementation of the IDP, the majority of stakeholders involved in development were economists. Their involvement, and the fact that specialists were responsible for the implementation of development, has led to management and administration of the previous Local Authorities being undervalued. This was due to the fact that projects were only implemented according to economic considerations. This was only addressed after numerous projects have failed to reach the desired deliverables and the financiers of these projects insisted that the management of development activities form an essential part of service delivery.

Gerrit van der Waldt and Andre Knipe (2001:127) quoted the following regarding the origins of development management:

“The World Bank itself began implementing a management approach (Esman, 1991:22), but even there it did not gain acceptance on as large a scale as was expected. The continual reference to the problems and shortcomings that could result if proper development management did not form part of development projects began to show results, especially in the mid-1990's, when more and more academics and theoreticians began to refer to development management as a field of study in its own right.”

In consideration the concept of development management and what it entails, (Esman, 1991:24) states that: “development management roles should be designed to compensate people.” The local municipality, municipal manager or project manager must therefore manage a project so that the community and

the local municipality would ultimately gain something from it. The Municipal and/or project manager will develop personally and will be in a better position to manage similar projects more effectively. Development management has grown as a discipline from one that received relatively little acceptance to one that is recognised today as being essential to and almost inclusive of all the other disciplines. With its origins mainly in economics and public administration, it is therefore not only multi-dimensional, but also multi-disciplinary.

Therefore, every project implemented in terms of the IDP must be managed in such a way that the desired results are achieved, whether at social, political, physical or economical level.

5.2.2 Development Management Defined

There are various approaches and views to development management. If these are borne in mind, and define development, one can conclude a definition of development management, namely that:

Development Management is equal to Integrated Development Planning.

Where the various stakeholders are united to manage development activities in order to reach the desired deliverables, and ensure that these deliverables are sustainable. These deliverables to the community can only be reached if they are implemented by Local Municipalities.

5.2.3 The role of Local Municipalities in Managing Development Projects and Programmes

According to Gerrit van der Waldt and Andre Knipe (2001:134), the role of government, and specifically top management of Local Government (Local Municipalities), can be described as follows: -

- “Overseeing the preparation of the project brief or description;

- authorising the preparation of the project brief, and in particular ensuring the relationship with the community is satisfactory;
- approving or rejecting the project in the light of the project brief.
- Setting up the project;
 - recruiting the project manager, and possibly other key staff;
 - securing the necessary finances;
 - ensuring that the management processes described in the project brief are in place.
- Overseeing the active project;
 - regular monitoring of project progress;
 - approving or rejecting changes to the project brief.
- Reconciling conflicts;
 - reconciling conflicts between stakeholders when defining the project's objectives;
 - reconciling conflicts as the project proceeds.
- External relations;
 - acting as an ambassador or representative for the project;
 - ensuring that the public interest of the project is adequately represented in the project brief.”

The Local Government Systems Act (2000:18-22) defines the following regarding the Legal Nature and Rights of Municipalities:

“Co-operative Government

- 3(1) Municipalities must exercise their executive and legislative authority within the constitutional system of co-operative government envisaged in section 41 of the Constitution.
- (2) The national and provincial spheres of government must, within the constitutional system of co-operative government envisage in section 41 of the Constitution, exercise their executive and legislative authority in a

manner that does not compromise or impede a municipality's ability or right to exercise its executive and legislative authority.

- (3) For the purpose of effective co-operative government, organised local government must seek to -
 - (a) develop common approaches for local government as a district sphere of government;
 - (b) enhance co-operation, mutual assistance and sharing of resources among municipalities;
 - (c) find solutions for problems relating to local government generally; and
 - (d) facilitate compliance with the principles of co-operative government and intergovernmental relations.

Rights and duties of municipal councils

- 4(1) The council of a municipality has the right to-
 - (a) govern on its own initiative the local government affairs of the local community;
 - (b) exercise the municipality's executive and legislative authority, and to do so without improper interference; and
 - (c) finance the affairs of the municipality by -
 - (i) charging fees for services; and
 - (ii) imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties.
- (2) The council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty to -

- (a) exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community;
 - (b) provide, without favour or prejudice, democratic and accountable government;
 - (c) encourage the involvement of the local community;
 - (d) strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner;
 - (e) consult the local community about -
 - (i) the level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider; and
 - (ii) the available options for service delivery.
 - (f) give members of the community equitable access to municipal services to which they are entitled;
 - (g) promote and undertake development in the municipality;
 - (h) promote gender equity in the exercise of the municipality's executive and legislative authority;
 - (i) promote a safe and healthy environment in the municipality; and
 - (j) contribute, together with other organs of state, to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.
- (3) A municipality must exercise of its executive and legislative authority respect the rights of citizens and those of other persons protected by the Bill of Rights.

Duties of municipal administrations

- 6(1) A municipality's administration is governed by the democratic values and principles embodied in section 195(1) of the Constitution.
- (2) The administration of a municipality must -
- (a) be responsive to the needs of the local community;
 - (b) facilitate a culture of public service and accountability amongst staff;
 - (c) take measures to prevent corruption;
 - (d) establish clear relationships, and facilitate co-operation and communication between it and the local community;
 - (e) give members of the local community full and accurate information about the level and standard of municipal services they are entitled to receive; and
 - (f) inform the local community how the municipality is managed, of the costs involved and the persons in charge.”

5.2.4 The Municipal Manager as Project Manager in Category B Municipalities

The role of the Municipal Manager as Project Manager when managing developmental projects, can be defined in terms of the following four issues, according to Gerrit van der Waldt and Andre Knipe (2001:135-138) : -

- “Firstly, the extent of the authority delegated to the municipal manager by council will need to be considered. For a modest project, this will probably be an intuitive process. For larger projects some formal rules are probably required. The limits of authority should, in other words, be clearly defined.”

- “A second important area to get right is the extent of the Municipal Managers authority over staff contributing to the projects. Where the Municipal Manager recruits staff for the project directly or the project team are working full time, the relationship will be clear-cut and will follow usual lines of management patterns. But it is in the nature of projects to cut across line management boundaries, and contributions may come from all over the municipality and beyond. Some contributions may be considerably higher in the management hierarchy than the ostensible Municipal Manager. In co-operative, non-hierarchical cultures this should not be a problem, but local government is often not like that, and this is often a particular problem for the Municipal Manager. This often leads to tension and ambiguities, especially if the project is under pressure to deliver but various contributions have other priorities, which gets in the way. This is not an easy matter to resolve, but as far as possible, Municipal Managers should have direct line managers responsible for all contributions in respect of their contributions to the project. Each project, however, will have to find its own solution; especially while project working is still a fairly new concept to those involved. One of the best ways of pre-empting conflict is visible top management commitment to the project in general and to the Municipal Manager in particular.”
- “The third issue is the relationship between the roles of the project manager and the project sponsor. There is a close relationship, but its boundaries need to be understood by both parties or the potential for overlap and duplication is great. Again, each project must find the right balance and the two post-holders will have to talk it through with care.”
- “The fourth issue is the degree to which the Municipal Manager can delegate managerial responsibility within the project, as opposed to parcelling out specific pieces of work to particular contributors. The possible range of developmental local government projects is simply too large to prescribe internal management arrangements for projects, but the issue is one that requires care if the Municipal Manager is not simply to sink.”

From the above, the following conclusions can be made: -

- The Municipal Managers of smaller Local Municipalities will be able to act as project managers, due to the work load not being overwhelming, as with bigger Local Municipalities.
- The backlog of service delivery in terms of development (IDP) is of such an extent that if the Municipal Manager were to act as Project Manager he would have to approach the function with due care and diligence, as his position is based on a performance based employment contract, and it would be advisable to rather have someone else handling the function fulltime as project manager.
- It's recommended that the position of Director Project Management be created to ensure development in terms of the IDP. The Director of Project Management will be accountable to the Municipal Manager.
- The Municipal Manager is ultimately the "accountable officer" according to legislation. If projects were to be handled by the Director Project Management, Council will have to delegate authority to enable the management of projects, in terms of accountability.
- The Director Project Management will have to work very closely with the other functional managers (other heads of department) to ensure that there is no duplication of functions.
- The Municipal Manager is accountable for development; therefore he must have complete faith in the staff directly responsible to him i.e. Director Project Management.
- The Municipal Manager has a primary managerial role.

5.3 Community Participation

The Local Government Municipal Structures Act (2000:30-34) defines Community Participation as follows:

“Development of culture of community participation

- 16.(1)A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose -
- (a) encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in -
 - (i) the preparation, implementation and review of its integrated development plan in terms of Chapter 5 of the MSA;
 - (ii) the establishment, implementation and review of its performance management system in terms of Chapter 6 of the MSA;
 - (iii) the monitoring and the review of its performance, including the outcomes and impact of such performance;
 - (iv) the preparation of its budget; and
 - (v) strategic decisions relating to the provision of municipal services in terms of Chapter 8.
 - (b) contribute to building capacity of -
 - (i) the local community to enable it to participate in the affairs of the municipality; and
 - (ii) councillors and staff to foster community participation; and
 - (c) use its resources, and annually locate funds in its budget, as may be appropriate for the purpose of implementing paragraphs (a) and (b).
- (2) Subsection (1) must not be interpreted as permitting interference with a municipal council's rights to govern and to exercise the executive and legislative authority of the municipality.

Mechanisms, processes and procedures for community participation

17.(1) Participation by local community in the affairs of the municipality must take place through -

- (a) political structures for participation in terms of the Municipal Structures Act;
- (b) the mechanisms, processes and procedures for participation in municipal governance established in terms of this Act;
- (c) other appropriate mechanisms, processes and procedures established by the municipality;
- (d) councillors; and
- (e) generally applying the provisions for participation as provided in this Act.

(2) A municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality, and must for this purpose provide for -

- (a) the receipt, processing and consideration of petitions and complaints lodged by members of the local community;
- (b) notification and public comment procedures, when appropriate;
- (c) public meetings and hearings by municipal council and other political structures and political office bearers of the municipality, when appropriate;
- (d) consultative sessions with locally recognised community organisations and where appropriate, traditional authorities; and
- (e) report back to local community.

(3) When establishing mechanisms, processes and procedures in terms of subsection (2) the municipality must take into account the special needs of -

- (a) people who cannot read and write;
- (b) people with disabilities;
- (c) women; and
- (d) other disadvantaged groups.

(4) A municipal council may establish one or more advisory committees consisting of persons who are not councillors to advise the council on any matter within the council's competence. When appointing the members of such a committee, gender representation must be taken into account.

Communication of information concerning community participation

18(1) A municipality must communicate to its community information concerning-

- (a) the available mechanisms, processes and procedures to encourage and facilitate community participation;
- (b) the matters with regard to which community participation is encouraged;
- (c) the rights and duties of members of the local community; and
- (d) municipal governance, management and development,

(2) When communicating the information mentioned in subsection (1), a municipality must take into account -

- (a) language preferences and usage in the municipality; and
- (b) the special needs of people who cannot read or write.

Public notice of meetings of municipal councils

19. The municipal manager of a municipality must give notice to the public, in a manner determined by the municipal council, of the time, date and venue of every-
- (a) ordinary meeting of the council; and
 - (b) special or urgent meeting of the council, except when time constraints make this impossible.

Admission to public meetings

- 20.(1) Meetings of a municipal council and those of its committees are open to the public, including the media, and the council or such committee may not exclude the public, including the media, from a meeting, except when -
- (a) it is reasonable to do so having regard to the nature of the business being transacted; and
 - (b) a by-law or a resolution of the council specifying the circumstances in which the council or such a committee may close a meeting and which complies with paragraph (a), authorise the council or such committee to close the meeting to the public.
- (2) A municipal council, or committee of the council, may not exclude the public, including the media, when considering or voting on any of the following matters;
- (a) a draft by-law tabled in the council;
 - (b) a budget tabled in the council;
 - (c) the municipality's draft IDP, or any amendment of the plan, tabled in council;
 - (d) the municipality's draft performance management system, or any amendment of the system, tabled in the council;

- (e) the decision to enter into a service delivery agreement referred to in this section or;
 - (f) any other matter prescribed by regulation.
- (3). An executive committee mentioned in Section 42 of the Municipal Structures Act and a mayoral committee mentioned in Section 60 of that Act may be subject to subsection (1) (a), close any or all of its meetings to the public, including the media.
- (4). A municipal council -
- (a) with the financial and administrative capacity of the municipality, must provide space for the public in the chambers and places where the council and its committee meet; and
 - (b) may take reasonable steps to regulate public access to, and public conduct at, meetings of the council and its committees.

Communications to local community

- 21(1) When anything must be notified by a municipality through the media to the local community in terms of this Act or any other applicable legislation, it must be done -
- (a) in the local newspaper or newspapers in the area;
 - (b) in a newspaper or newspapers circulating in its area and determined by the council as a newspaper of record; or
 - (c) by means of radio broadcasts covering the area of the municipality.
- (2). Any such notification must be in the official languages determined by the council having due regard to language preferences and usage in its area.
- (3). A copy of every notice that must be published in the Provincial Gazette or the media in terms of this Act or any other applicable legislation, must be displayed at the municipal offices.

- (4). When the municipality invites the local community to submit written comments or representation on any matter before council, it must be stated in the invitation that any person who cannot write may come during office hours to a place where a staff member of the municipality named in the invitation will assist that person to transcribe that persons comments or representation.
- (5) (a) When a municipality requires a form to be completed by a member of the local community a staff member of the municipality must give reasonable assistance to the persons who cannot read or write, to enable such persons to understand and complete the forms.
 - (b) If the forms relate to the payment of money to the municipality or to the provision of any service, the assistance must include an explanation of its terms and conditions.

Regulations and guidelines

- 22.(1)The Minister may in terms of Section 120 make regulations or issue guidelines concerning -
- (a) minimum standards for municipalities, including minimum standards relating to funding, when implementing the provisions of this Chapter; and
 - (b) any matter that may facilitate -
 - (i) the participation of the local community in the affairs of the municipality; or
 - (ii) the application of this Chapter,
- (2) When making regulations or issuing guidelines in terms of section 120 to provide for or to regulate the matters mentioned in subsection (1) of this section, the Minister must-

- (a) take into account the capacity of municipalities to comply with those matters; and
 - (b) differentiate between different kinds of municipalities according to their respective capacities.
- (3) The Minister, by notice in the Gazette, may phase in the applications of the provisions of this Chapter, which place a financial or administrative burden on municipalities.
- (4) A notice in terms of subsection (3) may -
- (a) determine different dates on which different provisions of this Chapter become applicable to municipalities;
 - (b) apply to all municipalities in general;
 - (c) differentiate between different kinds of municipalities which may, for the purpose of the relevant provisions, be defined in the notice in relation to categories or types of municipalities or in any other way; or
 - (d) apply to each kind of municipality only, as defined in those notices.”

One of the objectives of local government in terms of the Constitution is to encourage the involvement of communities and community organisations, in local government. The Systems Act, as quoted above, deals in detail with community participation.

Municipalities must develop a culture of municipal governance that compliments formal representative government with a system of participatory governance. The Systems Act clearly describes the following three elements: -

- “The municipality must foster participation in-
 - The IDP process;
 - The evaluation of its performance through performance management;
 - The budget process; and
 - Strategic decisions regarding service delivery.

- The municipality must enable participation through capacity building in the community and among staff and councillors.
- Funds must be allocated and utilised for the above purposes.”

5.3.1 Community Participation Defined

Paul (1987:2) defines community participation as, “an active process in which the clients, or those who will benefit, influence the direction and implementation of a development project aimed at improving the welfare of people in terms of income, personal growth, independence and other values regarded as valuable.”

According to Bekker (1996:69-77), Community participation has the following advantages and disadvantages: -

“Advantages of community participation:

- Reduction of psychological suffering and apathy.
- Positive application of community powers.
- Willingness to sustain deprivation, in terms of service delivery.
- Converting opponents, to see the bigger picture in terms of development.
- Information dissemination among community members and leaders (Councillors).”

“Disadvantages of community participation:

- Supporting the goals of Local Municipal Management.
- Low citizen participation levels.
- There could be a threat to the image of Local Municipality.

- There is huge potential for conflict among administration and community members.
- Lack of Government response.
- Lack of information.
- Attitude of Local Municipal Managers can be non conducive to community participation.
- Competence of the community to participate in terms of lack of basic reading and writing skills, and language barriers.”

5.3.2 Empowering Communities of Category B Municipalities

According to Strange (1989:24-25), “power can be structural or relational. Structural power means the power to decide what should be done and which structures to set up to do it. Relational power refers to the ability of one person to get another person to do something, which he or she would not normally do.

Structural power consists of four interrelated elements, namely: -

- security;
- knowledge;
- production; and
- financing.

These elements also form part of the basic needs identified and therefore, are very important aspect of basic human needs and would lead to the upliftment of the community if applied correctly.”

Gerrit van der Waldt and Andre Knipe (2001:143-144) identify two views of community empowerment.

- “The first view is that empowerment is the development of skills and abilities, which enables people to interact with a developmental system and process.”
- “That empowerment is a process, which is aimed at equipping people to make decisions and implement these decisions regarding development.”

Empowering can, therefore, be defined as a process of providing the community with power to obtain access to resources and to utilise those resources to reach development deliverables.

Empowerment must also equip the community to have a clear understanding of what community development is. Empowerment therefore equals capacity building, or alternatively, sustainable development.

If community members are involved in the entire project cycle i.e. from inception to commissioning, then only they can make these projects their own and ensure that they are part of the process of developing and upliftment.

During the above process the Project Manager can be of enormous value. If he/she could get the community involved in the project life cycle the battle is half way won.

5.3.3 Community Participation during the Project Life- Cycle

The first step is to identify the processes of a Project Life Cycle, which are: -

- Initiating Process
- Planning Process
- Executing Process
- Controlling Process
- Closing Process

Initiating Process

If the community of a rural area identifies the need for water supply, they would approach their Ward Councillor. He, in turn, would refer the need for water supply to the Local Municipality, or more specific, the Director Technical Services. These requirements will then be incorporated into the Integrated Development Plan of the Municipality, if the need is found to be a real need and not just a "nice to have".

The Director Technical Services (DTS) would normally send a representative with the Ward Councillor to carry out an inspection to see the need physically on the ground. The representative then reports back to the Director of Technical Services and the Ward Councillor reports back to his constituents.

Planning Process

Planning, normally, only starts once Council has approved the project and the required funding is available for the implementation of the project. The community is normally consulted with the Ward Councillor acting as spokes person as to their requirements in terms of water supply. Out of experience most communities then want urban standard services but the Local Municipality can only afford basic services. These problems are then clearly explained to the community by the Ward Councillor and normally the community buys into the project. The other scenario is if Council cannot fund the project, business plans are drawn up and forwarded to various funding agents. During this whole process the Ward Councillor, representing the community, is on board and can report back to his constituents.

Executing Process

During this process the Project Manager will take charge of the project. The need has been identified, the requirements are spelled out and the relevant procurement is done to get the project implemented. The community is made part of the process by putting a pre-requisite in the procurement document, that local community members must be made use of when the project is implemented.

Controlling Process

The Project Manager then must ensure that the project is completed on time and within the budgeted amount, using the available procured resources.

If problems are experienced on site the Ward Councillor is never far away to resolve the issues at hand.

Close-out Process

During close-out, or otherwise known as commissioning, here the entire community is gathered during a formal handover of the project, to ensure that they regard the deliverables as their own. This process would benefit the Local Municipality at the end, because elements such as vandalism of infrastructure would be kept to a minimum, and the cost of maintenance saved, can then be utilised in providing more services elsewhere.

5.4 Project Managers and Community Participation in Category B Municipalities

Project Management, an accepted sub-discipline in the field of commerce and administration and has not enjoyed enough attention in the Local Municipal arena. Local Municipalities needs to re-orientate themselves to accept Project Management as a new methodology for community participation and service delivery.

5.4.1 The Role of Project Managers in the Promotion of Community Participation

It is often said that project management is the management of problems, due to the fact that "no one knows if anyone is responsible to anyone".

The project manager is then tasked with the challenge of developing a project team from amongst the diverse groups and stakeholders normally involved in a project.

Diverse cultures and different authority relationships, managerial styles and deliverables make project management fairly complex at times. Skills like the management of principles, handling conflict and managing under pressure is but some of the attributes required from a project manager.

Harrison (1992:19-20) and Reis (1992:3) quoted the following skills as being required for being a successful project manager:

“Strong leadership to achieve the project's objectives.”

- “Gaining power and maintaining it in a fluid situation.”
- “Motivating individuals and groups.”
- “Developing teams and teamwork.”
- “Managing conflict.”
- “Avoiding problems instead of managing them.”

A Local Municipality project manager must have a clear policy framework to support community participation in project management. The majority of projects initiated by Local Municipalities will involve the provision of basic levels of service, such as, free water, free electricity, access to transport, sanitation and recreation.

In terms of the Local Government Systems Act 2000, community participation is clearly spelled out, and community participation will be a natural process. Project managers can be guided by the following principles:

- Clear channels of communication must be set up, to ensure that the community is on board and is involved during all the project phases, as mentioned above, especially during the planning phase.
- Stakeholders should be identified from the start of the project. These stakeholders must be invited to air their views during need assessment

and project prioritisation phases. The community must participate to ensure that their needs are addressed, and they have the opportunity to voice their needs for certain developments required in their particular area.

- Project managers must ensure that they communicate in a language that is not too technical to be understood by the community. Community leaders i.e. Ward Councillors must be clear on the advantages of project management for the provision of deliverables. Ward Councillors and community members can also be provided with training in basic project management to ensure that they understand the process.
- Project Managers should not exclude any individuals or groups from participating, if they wish to do so. These groups can, at a later stage when the project is at its crucial phase, sabotage the project. The project manager will then be held accountable.
- Project managers should ensure that community participation is emphasised in an appropriate manner and that the correct channels are put in place to make full use of the community's input. There are various forms that could be utilised i.e. planning, complaints and evaluation of comments.
- Constant feedback must be provided to the community by the project manager regarding information such as progress, performance, resource requirements, problems experienced and future developments.
- The utilisation of local labour has its advantages and disadvantages, the project should not be jeopardised by the forced use of local labour. If the labour does not have the required skills the project can be seriously hampered to the detriment of the entire community. Local labour can, in the same breath, be trained to be effective and after the project, become self-sustaining.

5.4.2 Public Project Management in Transformation

Great emphasis is placed on multidimensionality of public project managers (PPM). Public project managers are required to implement the policies of the governing political party of the day, and executing programmes such as identified in the Integrated Development Plan. The PPM is also accountable for advising the political authority as to the importance of projects and deliverables indicated in the Integrated Development Plan to promote the general welfare of the community.

Mbere (1996:13) suggests that the following changes be made to Public Management Practices that could also be applicable to PPM.

- “The institution should be re-organised as a workplace.”
- “The organisational culture should be changed.”
- “The use of human resources should improve.”
- “There should be shift in focus from the individual to the community.”
- “New structures should be managed in the old ways.”
- “Managers should be facilitated as effective transformation leaders.”
- “Existing regulations, staff codes and policies should be changed.”

5.4.3 The need for new Management Principles and Management Skills

Osborn and Gaebler (1993:72) state that to transform existing management practices in the public sector, the emphasis should be on results and creative solutions should be obtained to complex problems.

Prinsloo (1996:3) points out that there is an insistence today on participative management owing to ubuntu principles.

Prinsloo (1996:7) argues that participation is vital and states the following:

"Don't look for differences, but look for similarities and accommodate differences."

Van der Waldt & Knipe (2001:178): “The idea is to form opinions jointly, rather than enforcing them.”

Brooderyk (1996:2) suggests that a paradigm shift should take place from a dictatorial management style to an Afro-centric relationship between management and employees. In relationships, management relies increasingly on personnel for their expertise and co-operation.

Brooderyk (1996:12) suggests the following principles to establish this:

- “There should be co-operation instead of competition.”
- “Africa esteem teams and not individuals.”
- “Democracy means consensus, not majority rule.”
- “Third-world does not necessarily mean third-land.”
- “Flexibility is preferable to suitability.”
- “Management should be available to personnel.”
- “Management should not expect employees to be like them.”

According to Brooderyk (1996:12): “A strategy with Afro centric principles should meet the following criteria : -

- openness and transparency;
- consensus;
- teamwork;
- flexibility;
- participation;
- sufficient, continental information;
- a clear vision;
- a clear mission;
- ongoing strengths, opportunities, weaknesses and threats (SWOT) analysis;
- settling of strategic issues.”

There is remarkable resemblance between the above-mentioned and the functions performed by project managers.

5.4.4 Professionalism and the challenges to Management of Local Municipalities

Duram University Centre for Applied Social Studies (1999: 3-4) stated the following regarding Professionalism and the Management of Local Authorities: -

“On the basis of evidence of a recognition of the need for more integrative and collaborative working and awareness of the varying contexts, configuration and cultures of local municipalities, the contribution of professions to local municipalities may be defined as in

- (1) the transition of technical know-how into decisions;
- (2) the implementation and practice of policy;
- (3) the resolution of ambiguities and dilemmas inherent in service development; and
- (4) the management of a dynamic local municipality responding to and forging its own demands for change. In this contribution multiple roles were identified for professionals as
 - (a) practising professionals,
 - (b) entrepreneurs,
 - (c) marketers and
 - (d) managers.

There are at least three principal challenges for professionalism and management of local municipalities at the turn of the century:

1. Professions are regarded less as a problem for local municipalities and more as a resource for meeting challenges.
2. Local Municipalities have to determine how to use and integrate different modes of governance in Local Municipalities; these include command (the traditional bureaucratic line authority), communion (the sharing of local

municipal service values) and contract (the use of explicit agreements of contribution and inducement). Their use requires recognising the characteristics and qualities of each and the identification of the circumstances in which each is effective and ineffective in the delivery of services; and

3. Local Municipalities need to distinguish between responding appropriately to strategic imperatives and making strategic choices in the different contexts, cultures and configurations of Local Municipalities.”

Finally, the conclusion advises that in proceeding there are no magic tricks - meeting the challenges is largely cultural - but that organisational and managerial attention must be paid to:

- professional training;
- organisational and personal development as professional managers and managing professionals;
- career planning;
- building up habits of collaboration.

5.4.5 Possible Dilemmas of Project Managers in Category B Municipalities

Project managers that are employed or contracted to Category B Municipalities will be confronted with various problems when attempting to deliver projects: Examples of these types of problems are, according to Van der Waldt and Knipe (2001:200-201) are as follows:

- “Powers and Authority

Members of the committee or project team do not always accept the authority of project managers and they may feel that the project manager is abusing their positions of authority.

Project managers must point out to members of the community, committee or project team that they should criticise the project and not the project managers themselves. The powers and mandate of the project leaders must be explained to all before the planning phase so that there is no confusion later. “

- “Conflict Management

When people work together as a team there is usually huge potential for conflict.

Project managers must ensure that the negative energy in conflict is channelled positively to the desired deliverables. They should always strive for consensus among team members, if there is no unanimity about certain working methods.”

- “Motivation

The relevant stakeholders are initially very eager to initiate a project, but when sacrifices have to be made, their eagerness dies a natural death. Motivation and leadership are inseparable.

Project managers must establish what will motivate project team members and expand on this to build enthusiasm. The institution or community should constantly be reminded of the advantages of the deliverables.”

- “Nature of the project

Project managers are not always experts in all fields and do not have control over all available resources. They only control the decisions regarding the uses of resources. Their task entails negotiation skill to obtain resources and reconcile different viewpoints about their use. The nature of the environment contributes to the complexities of project management, because it is neither static nor stable (De Wit & Hamersma, 1992:302-303)

Possible obstacles that can be overcome include the over-ambitious and unrealistic expectations of officials and the community and the limited resources of the institution.

Rationalisation of the workplace and management does not necessarily improve the institution. In a survey done by the Monitor consultancy nine out of ten institutions that did not undergo change and that had stable environments were better off than their competitors. There are also the dangers associated with the rationalisation of middle management, which often represents a large source of knowledge about an institution's activities. It also is the Municipal Managers first line of contact with employees.”

5.5 CONCLUSION

South African Local Municipal Governance does not have a good history of project management or community participation in providing deliverables in terms of service delivery. Both these concepts have, only in recent years, started enjoying the attention they deserve.

Therefore, Project Managers must be trained within the municipal structures in order to be effective in facilitating service-delivery mechanisms and to promote community participation that will be aimed in addressing the backlog of services in terms of the Integrated Development Plan.

The inclusion of the community must always be a motivational force behind development, and therefore one of the most important role-players during the project management process.

The above-mentioned has proved that Project Management plays a vital role in service delivery and community participation, especially when implementing the Integrated Development Plan.

The second subproblem dealt with the following: -

The second subproblem is to determine how Project Management can be applied in community participation for development projects in Category B Municipalities. (How will Project Management be applied in community participation for development projects in Category B Municipalities?)

The hypotheses being tested stated the following: -

- The eighth hypothesis is that service delivery in Category B Municipalities must include community participation when implementing projects in terms of the Integrated Development Plan.
- The ninth hypothesis is that the Project Manager must involve the community through all the life-cycle phases of projects as reflected in the Integrated Development Plan.

The above hypotheses are, indeed, supported and confirmed by the research.

CHAPTER 6

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.1 Summary

The principal problem dealt with in this research is as follows:

This research proposes to determine the potential role of Project Management in Category B Municipalities.

The first subproblem dealt with the following: -

The first subproblem is to determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities. (How will the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities be determined?)

The second subproblem dealt with the following: -

The second subproblem is to determine how Project Management can be applied in community participation for development projects in Category B Municipalities. (How will Project Management be applied in community participation for development projects in Category B Municipalities?)

The following is the hypotheses concluded at the outset of the research: -

- The first hypothesis is that Project Management can be integrated into existing Category B Municipalities.
- The second hypothesis is that existing Category B Municipality organisational structures have to be restructured as a matrix organisational structure to integrate the Project Management function successfully.
- The third hypothesis is that the Project Management function can be integrated into newly established Category B Municipalities.

- The fourth hypothesis is that the utilisation of Project Management when implementing the Integrated Development Plan can be advantageous to Category B Municipalities.
- The fifth hypothesis is that Project Management plays a vital role in the Integrated Development Plan Process.
- The sixth hypothesis is that a Project Manager can be an Organisational Leader.
- The seventh hypothesis is that the Project Managers must be employed on a performance management contract.
- The eighth hypothesis is that service delivery in Category B Municipalities must include community participation when implementing projects in terms of the Integrated Development Plan.
- The ninth hypothesis is that the Project Manager must involve the community through all the life-cycle phases of projects as reflected in the Integrated Development Plan.

The findings as stated in Chapters 4 and Chapter 5 do indeed support and confirm the above-mentioned hypotheses.

6.2 Conclusions

This research proposes to determine the potential role of Project Management in Category B Municipalities.

The first subproblem is to determine the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities. (How will the need for Project Management when implementing projects as reflected in the IDP (Integrated Development Plan) of Category B Municipalities be determined?)

The second subproblem is to determine how Project Management can be applied in community participation for development projects in Category B

Municipalities. (How will Project Management be applied in community participation for development projects in Category B Municipalities?)

The following conclusions can then be reached from the research:-

The Project Management function can be integrated into existing Category B Municipalities by restructuring its existing organisational structure to a matrix organisational structure. The Project Management function can be successfully integrated into newly established category B Municipalities to ensure the delivery of projects as reflected in the Integrated Development Plan of the particular municipality. The utilisation of Project Management, when implementing the Integrated Development Plan, will be advantageous to Category B Municipalities, as the Project Manager will play a vital role in ensuring the compilation and the annual review of the Integrated Development planning processes.

The Municipal Manager can successfully fulfil the role of a Project Manager in smaller municipalities, but it is recommended that a professional Project Manager rather fulfil the Project Managers function.

Service delivery in Category B Municipalities must include community participation when implementing projects in terms of the Integrated Development Plan. The Project Manager plays a vital role in this process, as he/she must ensure that all the role-players are onboard during the entire project life cycle to ensure the success of implementing projects as reflected in the IDP.

6.3 Recommendations

The Project Manager plays a vital role in a Category B Municipality when implementing projects as reflected in the Integrated Development Plan and ensuring that the community is made part of the projects during its entire life cycle.

There are various stumbling blocks that can hinder the successful integration of Project Management in a Category B Municipality. It is therefore recommended that this research be studied by Community Leaders (Councillors), Municipal Managers, Heads of Departments and Project Managers that are already fulfilling duties in Category B Municipalities, to guide and ensure the successful integration of the Project Management functions into Category B Municipalities.

A further study to compile of organisation structures and determine the powers and functions of a Project Manager in Category A and C Municipalities is strongly recommended, as they differ substantially in size from Category B Municipalities and their dynamics, thus, differ enormously.

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