**Gordon Institute
of Business Science**
University of Pretoria

Successful implementation of the national payment's strategy of South Africa by the Payments Association of South Africa

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Philosophy (CS2020).

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ABSTRACT

The national payments system is critical to South Africa and is an important component of ensuring financial stability in South Africa's financial systems. The Payments Association of South Africa (PASA) is a body that facilitates engagement of the payments industry with the South African Reserve Bank in ensuring that the national payment system in maintained and enhanced periodically. This study explores the possible improvements that PASA could make to the implementation of the payments strategy in South Africa. Strategy formation, with its components of strategic formulation and strategic implementation is the area that is investigated. Concepts that are closely connected to strategy formation such as dynamic capabilities and strategic consensus are also investigated. The study was conducted using the principles of qualitative research design. Interviews were conducted in this study with individuals that represent the senior management of various key organisations in the national payment industry. The findings and recommendations of the study present an adapted layered conceptual framework with components that can assist PASA to improve the implementation of the payments strategy in South Africa.

KEYWORDS

DECLARATION

1.1. Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Kavandrin Maistry

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Name & Surname   Signature

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LIST OF KEY ACRONYMS AND ABBREVIATIONS

PASA Payments Association of South Africa

SARB South African Reserve Bank

NPS National Payment System

NPSD National Payments system Department

PSMB Payment System Management Body

CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

1.2. Background to the research problem

This study will investigate strategic implementation in relation to the payments strategy set by the National Payments System Department (NPSD), which is a division of the South African Reserve Bank (SARB). Strategic implementation and strategy implementation are referred to synonymously in the literature, an approach adopted in this study. A strategy is set by the NPSD and the strategy is meant to be implemented by a number of stakeholders, including the broader community of banks, payment system operators, third party payment providers and consumers of the payments systems, who are the general populace of South Africa (South African Reserve Bank, 2018).

The NPS Act prescribes a Payment Systems Management Body (PSMB) be established which will assist the NPSD in fulfilling its obligations (National Payment System Act 78 of 1998, 1998) and PASA is that PSMB as authorised by the SARB (PASA, 2020a).

PASA currently manages payments in South Africa and regulates participants. These participants are the banks in South Africa utilizing payment capabilities. There are also technical service providers as well as other payment schemes e.g., Visa and Mastercard that falls within the PASA ambit. PASA manages and regulates payments in respect to High Value Electronic Payments in South Africa which allow financial flows between bonds, derivatives, trades etc., and all other payments across banks and within banks, including debit orders, salary payments, other payments, debit card transactions and cheque payments. Some of these interfaces allow for real time transactions and other batch or delayed processing.

There have been recommendations to widen the ambit of PASA to other payments participants, users, third party payment providers and so on. In providing this service to the Industry, PASA sits as a facilitator, innovator, mediator, regulator and implementor. This is the case because PASA has a dual function of implementing regulations and strategy as proposed by the National Payment System Department of the South Africa within the Reserve Bank. PASA also facilitates these functionalities across banks and users of the payment landscape. In other words, PASA occupies a position that needs to balance the regulation of payments as per the NPSD and the business needs of its members. A role that requires business, regulatory, technological, and legal acumen. This focus is further enhanced by the Finance Minister's vision to implement the twin peaks model as earlier mentioned where a balance of perspective must be given to

ensure safe and sound financial institutions along with the view of the customer in respect to fairness (National Treasury, 2018).

The researcher is currently a practitioner of payments and holds a position of project manager, employed by the Payment Association of South Africa (PASA). As a result, the researcher is directly involved in the strategic implementation of parts of the NPSD strategy.

1.3. The research problem

In the execution of its function, PASA finds itself in a difficult situation of not always being able to implement strategy in the industry to the satisfaction of all stakeholders. Some projects run over deadlines and are either not implemented or implemented over very long periods, costing the industry large amounts in loss of revenue. This overarching research problem underpins the study, which relates to the identification of strategic implementation considerations that can be employed to improve the implementation of the national payment's strategy of South Africa by the Payments Association of South Africa. Since strategy implementation is a part of the broader process of strategy formation, the main research question is situated within the area of strategy formation.

1.4. Main research question

What are the strategy formation considerations, that can be employed by the Payments Association of South Africa to improve implementation of the national payment's strategy of South Africa?

1.5. Sub-research questions

1.6. How does strategy formulation occur in the national payment system strategy of South Africa?

1.7. What are the factors that influence strategy implementation in the national payment system strategy of South Africa?

1.8. How is strategic consensus utilised in strategy implementation, in the national payment system strategy of South Africa?

1.9. How does dynamic capabilities feature in strategy implementation, in the national payment system strategy of South Africa?

1.10. Research contribution

This study makes a research contribution to both business (practice) and to theory as well. These contributions are elaborated upon below. Furthermore, a adapted conceptual framework is presented in Chapter 7 and recommendations are made for the SARB and PASA.

1.11. Significance to business

Strategic implementation or strategy implementation is sometimes referred to as strategic execution and is an aspect of strategy that deals with how a strategy is implemented into the organisation (Noble, 1999). South Africa has general benefits from an effective and well organised payments system. This research paper aims to add value by suggesting an optimal manner to formulate and implement the national payments strategy. In this way, the study explores improvements that can be made to the entire payments industry, which comprises of the South African Reserve bank (SARB), Payments Association of South Africa (PASA), various banks and other associated financial organisations such as Fintechs.

1.12. Significance to theory

There is general agreement of scholars in the area of strategic implementation of the lack of research on this topic (Srivastava & Sushil, 2017; Cândido & Santos, 2015; Noble, 1999). Cândido & Santos (2015) affirm that strategic implementation is ambiguous and

may mean different things. This can diminish understanding and cause confusion. The researcher has a special interest in dynamic capabilities and its role in strategy. These gaps have supported my interest in investigating the topic of strategic formation. The researcher has chosen to undertake an investigation within this specific context to add to the general body of knowledge that there are significance differences between strategic direction, strategy formulation and strategy implementation.

1.13. Outline of the research report

In this section, the researcher outlines the research report structure as illustrated in Figure 1: Research report structureFigure 1. Chapter 1 presents the need for the research. Chapter 2 presents literature identified as key for this research report. Chapter 3 presents the overall research question and sub questions that emanate the literature review. Chapter 4 sets out the methodology employed by the researcher for data collection. Chapter 5 presents the findings as responses received from practitioners, the responses are categorised according to the research questions and subsequent themes. Chapter 6 synergises the findings of chapter 5 and the literature review of chapter 2. Chapter 7 presents recommendations and conclusions.

Figure 1: Research report structure

Research Question:
What are the strategic formation considerations, that can be employed in the successful implementation of the national payments strategy of South Africa by the Payments Association of South Africa?

- Introduction To The Research Problem

Chapter 1

- Literature Review

Chapter 2

- Research Questions

Chapter 3

- Research Methodology

Chapter 4

- Findings

Chapter 5

- Discussion Of The Results

Chapter 6

- Recommendations And Conclusion

Chapter 7

Source: Authors compilation

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

In this section, a review of the literature based on the main topics is explored to achieve an understanding that supports the main research objective; namely, to identify the considerations that can be employed by the Payments Association of South Africa to improve the implementation of the national payment's strategy in South Africa. In investigating the research question, key topics were identified that will serve as a pivot to this study.

The topics that are examined include, a summary of the development of strategy and the key components of strategy formulation and strategy implementation. Within the sphere of strategy implementation, the topics of strategic consensus and dynamic capabilities will also be probed.

An overview of the structure of the literature review is shown in Figure 2 below and states the predominant author whose views underpin each topic.

2.2. Overarching direction and process for literature review

Figure 2: Linking the research question to the literature review
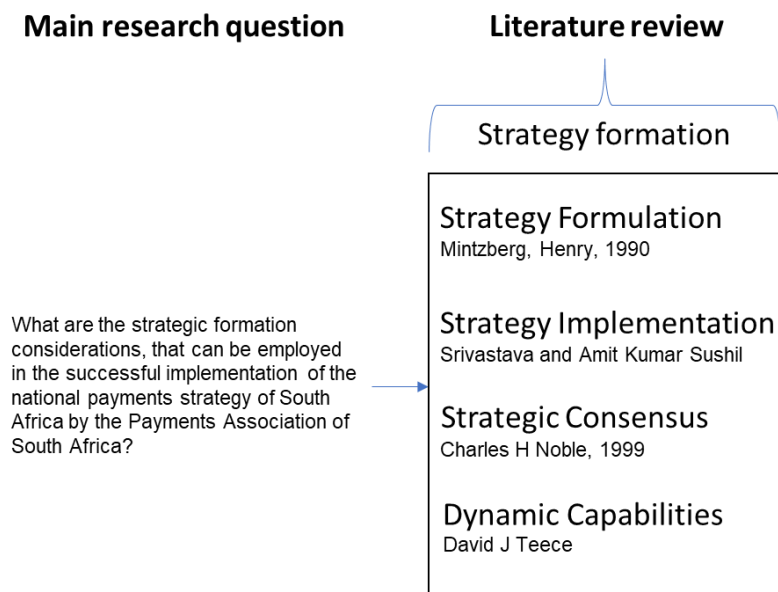
Source: Authors compilation

There are three key research papers that steered the flow of the literature review. These key papers are listed in the Table 1 **Error! Reference source not found.** below, along with the key field and relevance to this study.

Table 1: Summary of key research papers informing this study

Year	Author	Title of paper	Key understanding	Research questions
1999	Charles H Noble	The eclectic roots of strategy implementation research	Strategic Consensus	What is the importance that is placed on strategic consensus in strategic implementation, in the national payment system strategy of South Africa?
2017	Srivastava and Amit Kumar Sushil	Alignment: the foundation of effective strategy execution	Strategic Implementation Strategic formulation	What are the factors that influence strategic implementation in the national payment system strategy of South Africa?
2018	David J Teece	Business models and dynamic capabilities	Dynamic Capabilities in the context of Business models	How are dynamic capabilities considered in strategic implementation in the national payment system strategy of South Africa?

Source: Authors compilation

First, Charles Noble's research is generally focused on strategic implementation and his paper entitled, "The eclectic roots of strategy implementation research", published in 1999, provided primary guidance in this study with specific attention on strategic consensus. Next, the paper by Srivastava and Amit Kumar Sushil, also within the realm of strategic implementation is another foundational research paper that was used. The latter was published more recently, in 2017 and is entitled, "Alignment: the foundation of effective strategy execution". Lastly, the study draws from the work of is a renowned author, Teece, on the topic of dynamic capabilities, through the paper entitled, "Dynamic

Capabilities in the context of Business models", published in 2018. These three papers provided the overarching direction for the literature review.

In terms of identifying and extracting key literature and primary sources of information, the process involved using Google Scholar as the initial search mechanism. Sourcing of papers was then done using the University of Pretoria platforms as means to access online libraries, journals, and academic publication repositories. Focus was on identifying scholarly peer-reviewed articles. An added filter on articles that are not older than five years was used so that the most current research is identified. All literature was considered in respect of relevance to the main research question and the sub-questions. There are, however, several older, seminal articles used to reinforce the more contemporary literature. This reinforcement and balancing of the old and new contributes an epistemological view of the deeper meaning attributed to the various concepts.

2.3. Strategy Formation and the different approaches

Strategy formation is a term used to refer to how strategy materialises. There are two prominent aspects to strategy - one is strategy formulation and the other is strategy implementation (Mintzberg, 1990, Kopmann et al., 2017). Strategy formulation refers to setting goals and the planning of strategies while strategy implementation focuses on the realisation of the strategy formulation (Mintzberg, 1994).

Two methods of strategy formation are described. One is top down, and the other is bottom-up. Each method has a different purpose. Traditionally, strategy is seen as something that is managed from top management into the lower levels of the organisation. This perspective on strategy asserts that the senior leadership or executive leadership exercises their stewardship in the organisation as a means to draw resources and capabilities together, for the primary purpose of enabling achievement of superior and sustainable performance (Shadrack Mayende & Odhiambo Joseph, 2020). In this top down method, leaders establish autonomy and drive the understanding and direction of the strategy to ensure progress (Scholz T.R., Huchzermeier A., 2021). The bottom-up method is generally applied in the opposite manner where the strategy emerges from operational type situations driven by the lower levels of the organisation (Kopmann et al., 2017).

There are two parts to the formation of strategy. These are strategy formulation and strategy implementation.

2.3.1. Complexity in strategy formation

When dealing with complexity, one needs to consider many perspectives and the collective view of people means engaging with these multiple views in the process, generally at an earlier stage of the strategy formation (Mintzberg, 1990). Organisations need to consider the resources and capabilities available to deal with complex situations (Nwachuku et al., 2017). In complex environments, where needs are dynamic in nature, a systematic approach must be adopted in strategy formation (Nwachuku et al., 2017). The person involved in strategy formation needs to adjust by making various transformations to deal with the complexity (Maistry, 2020). When it comes to dealing with complexity, learning is an important tool for strategy formation, and the incumbents must have fair knowledge of the project and of previous projects in the organisation (Tawse et al., 2019b).

An element that illustrates the complexity in the context related to this study is that the Fintech organisations are quickly entering into the delivery chain of payments. Previously, the payments space was dominated by banks and offering their services but it is now believed that payments will change dramatically in the next decade (Coetzee, 2018). The complexity that is introduced into the payments landscape by fintechs is that these organisations are offering a number of payments services, including digital payments solutions (Coetzee, 2018).

Each part of strategy formation – the formulation and implementation is affected by complexity. Both strategy formulation and implementation will be discussed in the sections that follow together with fundamental areas that are relevant to the research questions of this study.

2.4. Strategy formulation

Porter's (1980) seminal work on strategy examined strategy from a competitive perspective (Porter, 1980). The premise of competition comes from an understanding that an organisation's success means being better than the organisation's competitors (Mintzberg, 1977). Another definition is offered by (Mintzberg, 1977), who states that strategy can be considered as a plan. There are others that consider strategy in a different manner. Nevertheless, there is general agreement that strategy is a mainstream concept that has emerged as a result of organisations being in an uncertain environment, in a landscape marked by intense competition, and where survival requires work (Kleiner,

2011). The uncertainly is prevalent in interdependent economies experiencing rapid technological change (Teece et al., 2016). It is thus important to create a plan to ensure that the risk of uncertainty is managed.

Mintzberg (1977) further suggests that strategy is not necessarily a fixed plan that succumbs to change as and when management is required. Mintzberg and Waters (1985) probed this apparent dichotomy by positing that there is more than a single method of strategy formulation (Mintzberg & Waters, 1985). Although one part of strategy can be realised and carefully planned for, referred to as deliberate strategy, another has to be considered for unanticipated events occurring, referred to as emergent strategy (Nickols, 2016). These emergent strategies may arise from practitioners themselves raising these changes, new technological developments, and changes in market conditions (Neugebauer et al., 2016).

An emergent strategy, accommodates unplanned occurrences and obscured intentions (Kopmann et al., 2017). On the other hand, deliberate strategy is a purposeful method that connects to a distinct project management process, and can be executed within the confines of a distinct project plan (Kopmann et al., 2017). In contrast, emergent strategy itself does not conform to a well-defined project plan as this type of strategy is characterised by deviations and rising needs that emerge in fluid environments (Mintzberg, 1990).

In portfolio management both, deliberate and emergent strategies can be considered (Kopmann et al., 2017). Focussing only on deliberate strategies may impact on innovation and could have serious ramifications to the sustainability of businesses (Kopmann et al., 2017).That is to say, there is general consensus that strategy making forms part of a continuum from deliberate to emergent strategy formulation (Neugebauer et al., 2016). As a result of the emergent component in strategy, strategy formation could present dilemmas because the intended strategies do not necessarily become the realised strategies (Chanias & Hess, 2016).

Dialogue with centralised intentions work well in environments where deliberate strategies are conceived, because they are planned. This dialogue allows teams to discuss, deliberate a problem and solve issues (Neugebauer et al., 2016). To achieve a purpose of strategy formulations, the use of discussion techniques is important (Acuña-Carvajal et al., 2019). Communication is key, open and supportive dialogue in facilitates learning and knowledge sharing (Shadrack Mayende & Odhiambo Joseph, 2020).

Apart from the importance of dialogue, leadership is cited is essential in strategy formulation and will be discussed next.

2.4.1. Leadership and strategy formulation

It is important for CEO's and executives to remain committed to the process and create stimulus in the system by motivating and encouraging their subordinates (Tawse et al., 2019b). Strategy formulation gives executives guidance in defining the environment their business is in, where the business should be heading to, and how the business will achieve success (Nwachuku et al., 2017).

Preceding commitment to the strategy, it is incumbent on leadership to understand the strategic vision (Ateş & Porck, 2020). Not only skills, but other factors are also important when determining who will be responsible for making decisions in regards to strategy formulation, which include demographics, personality traits and team characteristics (Neugebauer et al., 2016). Strategy formulation is hard work, key attributes of actualizing and achieving goals is communicating, training, motivating, and teamwork (Tawse et al., 2019b).

Managers or top level executives may not be privy to lower level processes, systems, and some of the needs of the customers and therefore the expectation of having managers in an organisation precisely states what is required for an effective strategy can be misleading and in the words of Mintzberg, "insignificant guidelines" (Mintzberg, 1977). Having said that, it is important to acknowledge for the purposes of context that the formulation of strategy for payments in South Africa is initiated in the South African Reserve Bank (SARB) (du Rand, Gideon; Erasmus, Ruan; Hollander, Hylton; Reid, Monique; van Lill, Dawie, 2021). The NPSD is thus a critical role player in payments strategy formulation in South Africa from a national perspective as they drive the strategy through national policies and regulating mechanisms (South African Reserve Bank, 2018b).

There are other factors that are linked to leadership and strategy formulation. For instance, guiding principles must be validated in strategy formulation and these principles can be translated by leadership into strategic maps (Acuña-Carvajal et al., 2019). These strategic maps are described to contain consequences as a means of validating objectives related to strategy formulation.

Next, creating shared value is a concept that is growing in popularity. Shared value is an essential way of creating opportunities for the leadership for the organisation to provide

solutions to the general society (Tawse et al., 2019b). Tawse et al. further notes that this transition to shared value is dualistic in action because it moves organisations to creating a higher purpose while simultaneously providing management teams a sense of empowerment knowing that they are making a meaningful contribution (Tawse et al., 2019b).

In summary, strategy formation is marked by uncertainty in the environment and encompasses an emergent nature. These characteristics have resulted in strategy being considered within the frame of complexity, which will be addressed next.

2.4.2. Needs of stakeholders

In order to consider the many perspectives needed in strategy formulation, ensuring that people engage is needed to exceed stakeholder requirements (Eskerod et al., 2016). Balancing the needs amongst stakeholders is a key concern and is examined in stakeholder theory. Both growth of profit and achieving a balance amongst stakeholder expectations is important for the middle to long term sustenance of businesses (Pedrini & Ferri, 2019). As analysed by Koschmann and Kopczynski (2017), there is a gap in the literature on how to manage the competing priorities between stakeholders. Businesses are underpinned by a business model that describes how companies work and earn their revenue and the strategy creates a trajectory based on the business model (Slavik & Zagorsek, 2016). Ensuring that a sound business model considers the needs of the various stakeholders is thus essential in an organisation.

2.4.3. Success factors associated with strategic implementation

Apart from balancing the needs of the stakeholders, prioritisation and allocation of resources and listening to the voice of the customer have a significant impact on strategy formulation and these will be discussed next.

Prioritisation and allocating resources

Resource allocation is an essential component in any strategy formation process and needs to be considered proactively at the strategy formulation stage (Noble, 1999). When moving from strategy formulation to strategy implementation, project management can be utilised for setting priorities (Kopmann et al., 2017). The allocation of resources that follows will be more effective. In deliberate strategy, it is in one sense easier to prioritise and allocate resources, however in emergent strategy, one may not be able to accurately and proactively determine resource utilisation (Kopmann et al., 2017). An

organisation requires agility and responsiveness to be able to handle the emergent nature of strategy (Teece et al., 2016).

Voice of the customer

With the perspective of the strategy being a plan, this plan must be underpinned by a purpose. One such purpose is to engage with the customer for the benefit of the business. Customer orientated strategies tend to focus on satisfying the customer more than focusing on the competitors (Lin et al., 2016). This presents an alternative that places emphasis on being customer centric. There may be several ways of considering the customer in a business, and one approach is customer loyalty. Customer loyalty needs to be considered in the strategy formulation stage so that effective approaches to customer retention can be developed (Tweneboah-Koduah & Yuty Duweh Farley, 2015). Customer engagement is another approach to being able to understand the customer at a deeper level and understanding the customer inadvertently means by building customer relationships (Venkatesan, 2017).

2.5. Moving from strategy formulation to strategy implementation

Although greater focus has been located in the area of strategic formulation, the work on strategy implementation or execution has grown over the past fifteen years (Srivastava & Sushil, 2017). The dominance of strategy formulation sways practitioners to improve and develop strategy rather than focus on what it means to execute the strategy (Srivastava & Sushil, 2017). Strategy formulation is associated with positive feelings whilst strategic implementation is associated with hard work and therefore requires a more pragmatic, realistic mindset (Tawse et al., 2019b). According to Tawse et al., implementation is more taxing on one's cognitive abilities because it requires problem solving abilities (Tawse et al., 2019b). Moving from formulation to implementation is difficult and in many instances, this is where grand plans cannot come to fruition (Tawse et al., 2019b).

One explanation offered by Maistry (2020) as to why there is often a disjuncture between strategy formulation and implementation is that there is an in-between transitionary stage in moving from strategy formulation to implementation that is commonly neglected (Maistry, 2020). All these stages, namely, strategy formulation, implementation and the transitionary stage comprises of the different layers that are involved, for instance, the people, the establishment, and any national bodies (Maistry, 2020). According to Maistry (2020), these different layers also introduce other layers of complexity such as bounded

rationality and cognitive dissonance at the individual level, polemic trade-offs and organisational structure and culture at the organisational level and lastly, political instability and chronicity at the national level (Maistry, 2020).

In some instances, it can be found that strategy formulation is done by top level management and then handed over to lower levels in the organisation for implementation (Leonardi, 2015). In the next section, the topic of strategic implementation is discussed using the same themes as for strategy formulation, namely, leadership, needs of the stakeholders and success factors.

2.6. Strategic implementation

Strategic implementation and strategic execution are used synonymously in the literature. Although these terms are used synonymously, the term execution can limit what implementation means. For example, Noble (1999) explains that using the term execution instead of implementation neglects some of the processes involved in implementation in which an organisation responds to the changing organisational and the environmental conditions (also referred to as emergent aspects) (Noble, 1999). Nevertheless, this study follows the tradition of using these terms synonymously while noting the concerns raised by (Noble, 1999).

There are several definitions across the array of researchers on this topic. The influential definitions for this study that lay the foundation in terms of the definition of strategy implementation are collated in **Error! Reference source not found.**, below.

Table 2: Definitions of strategic implementation

Year	Author	Definition
1984	Hrebiniak, L.G.	Implementation is a series of interventions concerning organisational structures, key personnel actions, and control systems designed to control performance with respect to desired ends.
1984	Kotler, P.	Implementation is the process that turns plans into action assignments and ensures that such assignments are executed in a manner that accomplishes the plan's stated objectives.

1992	Floyd, S. W. & Wooldridge, B.	Implementation is the managerial interventions that align organisational action with strategic intention.
1997	Miller	There are three features of a successful implementation: (1) completion of everything intended to be implemented within the expected time-period; (2) achievement of the performance intended; and (3) acceptability of the method of implementation and outcomes within the organisation.
1999	Noble, C. H.	Strategic implementation is a multifaceted and complex organisational process…An understanding of strategic implementation is that it is straight forward implementation of a strategic plan.

Irrespective of the nuances in the definition of strategy implementation, the one commonly held ideology is that again, as in strategy formulation, leadership has a critical role to play. The section below discussed leadership but this time from a strategy implementation viewpoint.

2.6.1. Leadership and strategic implementation

The point has been made when discussing strategy formulation that prior to committing to the strategy, a leadership team needs to grasp the strategic vision (Ateş & Porck, 2020). This vision, however, is not restricted to formulation but extends to and is associated with strategy implementation too. Strategy formation cannot be seen as not a perfect science and even the top-down or bottom-up approach may not present all the answers. As mentioned, strategy formation is further complicated when the concept of bounded rationality (in terms of limitations to their own information processing capacity) impacts as individuals and these boundaries can affect strategy implementation (Lee & Puranam, 2016). Another problem highlighted by Maistry (2020) that affects strategy implementation is that cognitive dissonance is a problem as people have conflicting thoughts.

An apt question posed by Ateş & Porck is how research on strategy implementation can inform organisations in terms of building commitment (2020). Although Lee and Puranan (2016: pg no.24) argue that "lower levels of employees are critical for the execution of the strategy", they do not offer a proposal on whether the leader is responsible for such implementation or whether the onus is on the lower level employee. Distinct leadership

throughout the organisation - upper, middle and lower levels is therefore critical for successful strategy implementation needs (Ateş & Porck, 2020).

As much as the responsibility of leaders is significant, there are staff at other levels who contribute to the success of strategic implementation. Indeed, there is growth in the literature that argues that the role of middle managers cannot be overlooked in relation to strategy implementation (Rouleau & Balogun, 2011). Middle management participation and commitment to the process seems to be vital in regards to the successful implementation of strategy, and therefore it is important that middle managers buy into the strategy, have the confidence that there is success in the project and that the project aligns to the values and goals (Guth & Macmillan, 1986).

Strategic implementation is relayed through the organisation structure, and middle managers have the responsibility to communicate it through to their line workers (Noble, 1999). However, the indication that visionary leadership promotes strategic commitment is a critical factor too (Ateş & Porck, 2020). Another important aspect of implementation is how leadership addresses key issues, such as the delegation of authority and key decision making (Noble, 1999). Beer & Eisenstat (2000: pg no.27) state that there are failures to implementation referred to as "silent killers". They explore these six reasons as to why implementation fails and how to provide effective management (Beer & Eisenstat, 2000). All six of their concerns are linked to leadership, namely:

1. Top-down leader style,

2. Unclear strategy and conflicting priorities

3. An ineffective leadership team

4. Poor vertical communication

5. Poor co-ordination across functions, businesses, or borders and

6. Inadequate leadership skills and development.

A more detailed understanding of the analysis by Beer and Eisenstat (2000) is provided in the Table 3: Adapted from Beer and Eisenstat (2000), below, in which each silent killer is described, and the negative impacts are collated.

Table 3: Adapted from Beer and Eisenstat (2000)

Silent killer	Description	Negative impacts

1. Top-down leader style	Top team avoided embarrassing and threatening issues	1. CEO's and general management bypass senior management and communicate with juniors directly, thus causing chasms in the leadership team. This results in ineffective teams. 2. Is a barrier to honest upward communication?
2. Unclear strategy and conflicting priorities	Competing strategies utilising the same resources	1. The lack of clear and compelling strategic direction leads a lack of commitment. Employees are unsure where the business is going.
3. An ineffective leadership team	Leaders operate in silos, refuse to cooperate with each other for a fear of losing power	1. Those who implement the strategy fear telling leadership where the problems are. 2. Middle management are forced to deal with conflicting responsibilities of implementation and operational functions.
4. Poor vertical communication	Employees recognise problems, but are fearful to communicate the problems upstream (which relates to the reaction described in the first silent killer)	1. Lack of clarity and consensus leads to ineffective communication upstream. 2. Employees are afraid to discuss barriers with senior managers, thus leading to senior manages not learning.
5. Poor co-ordination across functions, businesses, or borders	Is a consequence of silent killer 2, and ineffective coordination	1. Negatively affects resource allocation to multiple projects 2. The resources are allocated to conflicting priorities

6. Inadequate leadership skills and development	Lower-level managers not developing skills and not being supported by leadership for coaching and training	1. Failure to provide an opportunity for leadership development.

2.6.2. Needs of the stakeholders

In instances where there are fragments of understanding between top leaders and lower levels of management, it may be such that the interests of lower level managers are focussed on the larger organisation, simply put, the bigger picture (Ateş & Porck, 2020). In contrast, there could be managers who identify closely with the organisation, and in that case, they internalise the organisations interests as their own, that is to say, they have a myopic picture (Ateş & Porck, 2020). There is evidence in the literature suggesting that a CEO should carefully consider how the strategy is implemented. For instance, in some cases a centralised approach may not be the most effective means of implementation as "free market" thinking may lead to longer term benefits (Bourgeois & Brodwin, 1984).

2.6.3. Success factors associated with strategic implementation

Some authors claim that there is a failure rate of between 50% and 90% in the implementation of strategies (Cândido & Santos, 2015). However, it is important to understand the context of this statement. Cândido and Santos (2015) argue that failures are considered either in the category of new strategies not being implemented or being poorly implemented. Also, some strategic initiatives are easier to implement than others (Cândido & Santos, 2015). Moreover, one of the overarching challenges encountered is how to define what successful strategic implementation means, which in one sense can be argued to be dependent on the organisation itself (Cândido & Santos, 2015).

As with strategy formulation, a closer examination of the priority and allocation of resources is required in strategy implementation, as discussed below.

Prioritisation and allocating resources

Strategy formation needs planning to occur in strategic implementation, and this planning is shown through successful organisational performance (Elbanna et al., 2016). As such, project management is an important component of strategy implementation, and in this

paradigm, project management has a set of tools and techniques that are positioned to assist one in managing the resources of time, budget, and effort (Ben Mahmoud-Jouini et al., 2016). Noble also captures the point that implementation involves careful planning and further explains that this planning involves the allocation of resources (Noble, 1999).

There are three phases of project portfolio management are described as important in strategy implementation (Kopmann et al., 2017):

1. The prioritisation and selection of projects – determining which projects are priority and actioning on it.

2. Resource allocation to and across projects - ensuring that projects are adequately resourced.

3. Portfolio steering - reprioritising and reallocation of resources.

There is an alternative view that suggests that less formal planning can also lead to effective decisions in strategic implementation, (Elbanna et al., 2016). However, in a resource constrained environment, the researcher of this paper argues that the former view is more appropriate as optimisation of resources is a priority in such contexts. There is an added consideration that in resource allocation, securing, as far as possible, the resource in an autonomous manner to reduce resource dependence in other areas or projects is needed (Elbanna et al., 2016).

Structural alignment

Other factors that are needed for successful strategy implementation is proper structural alignment, regarded as critical in strategy implementation (Noble, 1999). Control mechanisms need to be in place when planning a target, setting a standard of performance, monitoring and measurement of targets and applying corrective actions if targets are not met (Noble, 1999).

While there has been significant efforts made to understand strategic formulation and organisational structure, there is less research on organisational structure and strategic implementation (Noble, 1999). The alignment of different business units across the organisation is a significant factor that affects strategic performance (Srivastava & Sushil, 2017). Integration of strategy and administrative mechanisms such as budget evaluation, decentralising and control systems (Srivastava & Sushil, 2017). Aligning the resources with the strategy is important along with defining roles and responsibilities when implementing strategy (Srivastava & Sushil, 2017).

Planning early is a factor that is vital for resource allocation, organisational structure and reward schemes (Noble, 1999). It is therefore important to sell the strategy both laterally and vertically to all stakeholders in the organisation (Noble, 1999). One more critical element to successful implementation is having the correct structures in place for the dissemination of the information (Robertson and Gatignon,1986).

Although this study deals with strategic implementation, it is usually the only phase that allows the levels below top management to engage with the strategy. However Noble (1999) argues that such engagement and indeed input into the organisation needs to occur.

Impact on executioners

An area of debate in strategic implementation literature is that many managers argue that strategy formulation is easier than strategy implementation. Although this statement may be stimulus to create emphasis on the importance of strategic implementation, the impact on the executioners is important.

Guth and Macmillan (1986) have described the commitment of individuals regarding strategic implementation and have noted two common themes. One is that high levels of effort are exerted by individuals and the other is that the individual thoroughly identifies with the organisation's objectives (Guth & Macmillan, 1986). Of the many attributes that seem to encourage commitment, i.e., trust in senior management, decision making mandates, organisation decentralisation, and positive attitudes towards the organisation, the one that stands out the most is "political access", which means to raise issues and get the appropriate attention on them (Guth & Macmillan, 1986).

People focused strategy implementation

Like all other disciplines, there are challenges in strategic implementation. As mentioned earlier, one of the considerations regarding why strategy may prove to be a challenge is the added complexity of bounded rationality. Bounded rationality is a natural occurrence related to the limitations that decision makers possess (Lejarraga & Pindard-Lejarraga, 2020) and it accentuates the fact that there is no perfect strategy and therefore no perfect execution of strategy (Lee & Puranam, 2016).

Employee discretion is deemed to lead to perfect execution (Lee & Puranam, 2016). Beliefs of the person that creates the strategy and the person that executes the strategy can be different (Lee & Puranam, 2016). The reputation of the sponsor, adopters and other key stakeholders are other factors that can influence the uptake of strategic

implementation (Noble, 1999). Cultural or contextual issues that are related to people could potentially lead to poor implementation (Cândido & Santos, 2015). Thus, maintaining a people focus in strategy implementation is crucial for any organisation (Maistry, 2020).

2.7. Strategic consensus in implementation

Strategic consensus is a shared understanding and commitment to a strategic objective of the organisation (Noble, 1999). There is an important role in the team managers creating strategic consensus and commitment in their teams, including the managers in the calculation of strategic consensus. In the following sub-sections, the areas where consensus has significant impacts is further explored.

2.7.1. Negative impacts of a lack of consensus

An example of the negative impact of a lack of consensus is the development of a negative culture where there is a lack of appreciation of capabilities along with a lack of dialogue (Haapanen et al., 2020). A lack of alignment between operations and strategy leads to a threat of conflicting priorities and activities that negatively affect the implementation process (Srivastava & Sushil, 2017).

Ultimately, strategic consensus is a shared understanding by a group of individuals to achieve the strategic direction within an organisational unit (Noble, 1999) and this shared understanding brings about confidence in the strategy, and commitment to it, while also reducing uncertainty (Ateş & Porck, 2020). There are thus multiple benefits of achieving strategic consensus because the aforementioned factors can influence whether strategy implementation is successful or not. Obtaining a broad base of opinions can promote implementation and the level of discussion and debate can lead to identifying diverse opinions and create a more conducive environment (Noble, 1999). Noble (1999) reiterates that consensus benefits include commitment of managers and reduction of uncertainty in the system but furthermore, it creates the possibility of assessing challenges to implementation proactively while fine tuning and adjusting as trends arise (Noble, 1999). By reducing uncertainty, increasing perceived feasibility and improving desirability of strategic objectives, strategic consensus strengthens strategic commitment (Ateş & Porck, 2020).

Top management ambivalence towards strategy provides a broad lens of interpretation for lower management levels (Ateş & Porck, 2020). Consensus between managers may influence the success of the implementation (Noble, 1999). Lower and middle level

managers are important in making sense of what the strategy entails and can have an adverse effect on strategy if there is a misalignment or deviation from what senior managers think(Ateş & Porck, 2020). Marketing initiatives can strengthen the appreciation for change by shaping people's behaviour and commitment (Srivastava & Sushil, 2017).

Consensus must be achieved inside and outside the organisation, including bodies such as regulators (Noble, 1999). Aligning best practices allows for companies to seek out new opportunities through newer technologies and modern methods of working (Srivastava & Sushil, 2017). An important aspect of strategy implementation is understanding how to remain profitable (Teece, 2018).

One of the key factors attributed to a lack of implementation success is misalignment (Srivastava & Sushil, 2017). There is a dichotomy that can occur if no consensus is obtained versus achieving total consensus. Put differently, the effect of not reaching consensus is that there is a level of uncertainty created in the system while total consensus leads to group think and the suppression of valuable individual opinions (Noble, 1999). Some of the concerns when there is a lack of consensus are related to alignment and are in relation to resource commitment, policies, operations, structures, best practice, community orientation, budget and rewards (Srivastava & Sushil, 2017). As a result, this lack of cohesiveness can result in polarisation of sub units (Noble, 1999).

Strategic consensus has a direct impact on strategic implementation. It is suggested that strategic consensus struggles to exist in organisations where there is decline in realising the strategy (Noble, 1999). In other words, perceived failures in implementation drives a lack of consensus which in turn has negative impacts on the implementation of the strategy. These inter-related consequences intensify without intervention. There could be more severe, intentional deviation as a result of a control, powerbases and protecting one's domain (Noble, 1999). Managers may also intentionally deviate from the goals to achieve their own desired results (Noble, 1999). The irony here though, is that personal desires and goals, although well intentioned can become confused with the aim of advancing the objectives of the firm (Noble, 1999). Managers who believe that that their self-interest is being derailed can delay, reduce the quality or totally sabotage the effort (Noble, 1999). In the next section, I describe the concept of dynamic capabilities.

2.7.2. Importance of dialogue

Stakeholder communication is any engagement or exchange of information between the organisation and impacted persons, groups, other organisation, or areas of influence

(Koschmann & Kopczynski, 2017). Dialogue can happen only when there is a relationship of some kind in existence (Kent, 2018). Dialogue is a social process that adds value through negotiation and consensus and should not be a means to keep control or create leverage (Koschmann & Kopczynski, 2017). This type of dialogue means that there is a fair amount of trust and risk in the relationship (Kent, 2018) and is needed more so today, as a result of the complexity and interdependencies that exists in organisations (Koschmann & Kopczynski, 2017).

In Figure 3, below, some interactions are illustrated. Strategy formation is a complex process which initiates because of an objective or strategic direction. The direction itself does not sit in isolation as there are many factors that influence it, amongst others, leadership, project management, customers, and other stakeholders. Thus, consensus is needed.

Figure 3: Strategy formation and some interacting attributes
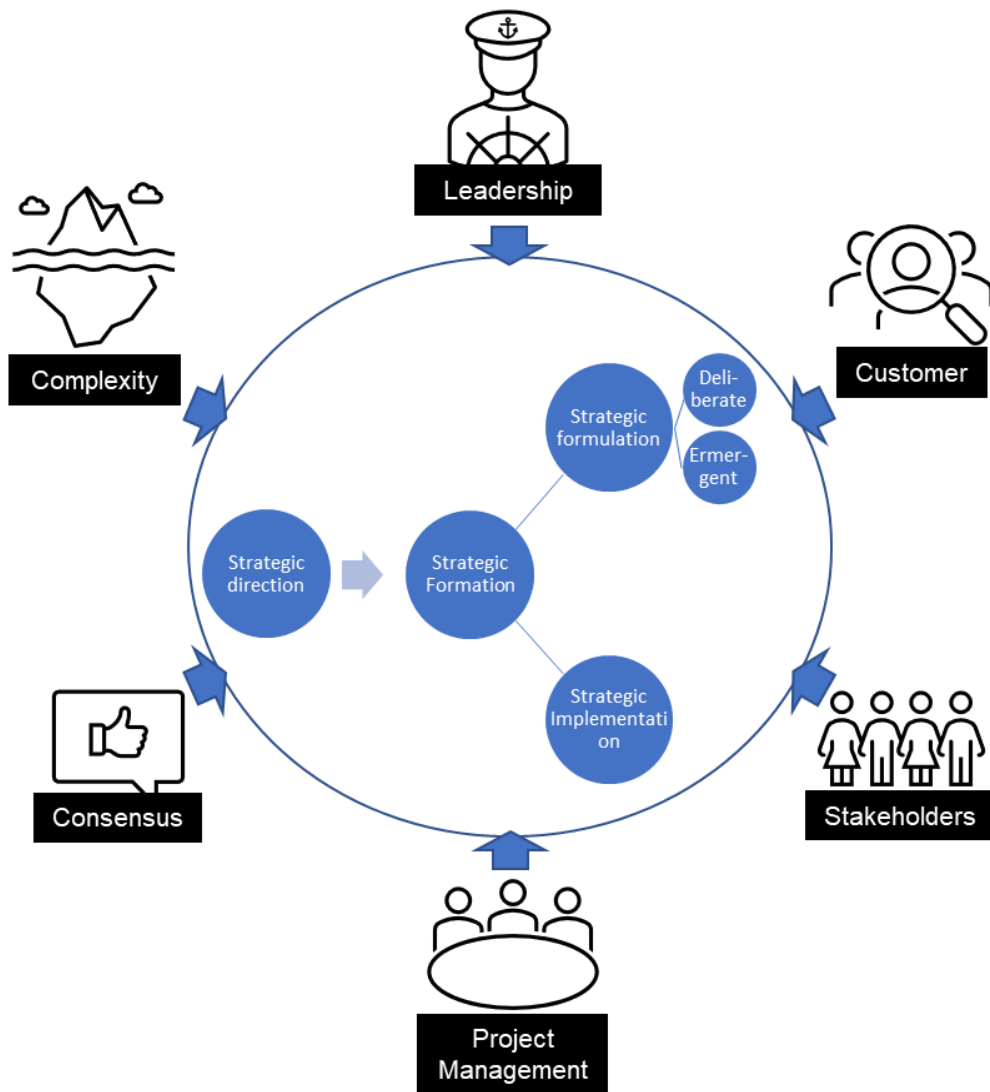
2.8. Dynamic Capabilities

There are several ways that various researchers have defined dynamic capabilities, and in doing so there seems to be some consensus that the concept relates to the firm or organisation and how the organisation progresses considering its current resources. Table 4: Dynamic Capabilities Definitions, below lists out various definitions that was found in the literature.

Table 4: Dynamic Capabilities Definitions

Definition	Reference

"A dynamic capability is the firm's potential to systematically solve problems, formed by its propensity to sense opportunities and threats, to make timely and market-oriented decisions, and to change its resource base."	(Barreto, 2010) Page 16
"Dynamic capabilities, as mentioned in the introduction, include the sensing, seizing, and transforming needed to design and implement a business model." "Enable an enterprise to upgrade its ordinary capabilities" "Dynamic capabilities are underpinned in part by organisational routines and processes"	(Teece, 2018) Page 4
"Dynamic capabilities as "the firm's ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments."	(Teece et al., 1997) Page 8
"The firm's processes that use resources—specifically the processes to integrate, reconfigure, gain and release resources—to match and even create market change,"	(Eisenhardt & Martin, 2000) Page 3

Dynamic capabilities allows for expansion and growth whilst upgrading and utilising ordinary capabilities (Teece, 2018). The general consensus is that dynamic capabilities involves sensing and seizing opportunities, and allows for a gradual evolution whilst holding on to traditional organisational routines and processes (Teece, 2018).

As explained by Teece (2018), an effective dynamic capabilities framework presents itself at the centre of the organisation, enabling the organisation. The framework allows for the key concepts of sensing, seizing, and transforming the organisation. Critical to this is understanding what is meant by dynamic capabilities. Another view considers that dynamic capabilities includes both tangible and intangible factors, arguing that there requires a more structured understanding of what this is (Eisenhardt & Martin, 2000). There may be many dynamic capabilities, however, it is noted that not all of them will be strong. Teece (2018) argues that an organisation with strong dynamic capabilities will be able to profitably build and renew resources, assets, and ordinary capabilities. These organisations will be able to renew, and change to the market with the potential of also shaping a future marketplace(Teece, 2018).

Eisenhardt and Martin (2000), however conclude that dynamic capabilities are inclusive of familiar organisational and strategic processes, which is for product and alliances in understanding how to leverage resources. An exposition of Teece's (2018) framework

is presented to understand the concepts in the framework. In understanding sensing, it is critical to understand process, position, and the various paths of the organisation.

Sensing

It is important to understand the way things are carried out in the organisation as well as understand the routines, what routines are occurring and the patterns that have developed along with any learnings that have become apparent (Teece et al., 2009). A contributing insight is how effective the organisation has become in interacting internally and externally to achieve its business imperatives. Lastly, it is critical to question how easy it is to achieve the same models and efficiencies if the organisation is replicated (Teece et al., 1997).

In determining how the organisation is positioned, it is important to understand the asset base regarding technology as well those assets that support, what intellectual property has developed and where it sits in the organisation, what is the customer base and who and what is the relationships with the suppliers.

An insightful exploration of dynamic capabilities is necessary for enabling organisational agility which is necessary to address deep uncertainty, such as that generated by innovation and competition (Teece et al., 2016).

Seizing

The concept of paths is a means to understand the journey that the organisation has made, and the trajectory that it was on (Teece et al., 1997). These paths are unique and can take on various trajectories (Eisenhardt & Martin, 2000) considering the various starting points.

Dynamic capabilities allows for competitive advantage as competitors are able to hold on to their intellectual property because the solution remain unique to the organisation (Teece, 2018). Successful strategic implementation includes architectural design, asset orchestration, and learning functions, all of which are to integral to dynamic capabilities (Teece, 2018). Innovation requires an organisation that is creative and responsive in the implementation phase.(Teece, 2018).

Transforming

Replication is the ability to operate the organisation in another economic setting, there are key components to understanding the ease of replications, like employees, funding available, understanding the competition that exists in the envisaged setting (Teece et

al., 1997). Imitation is similar and poses the similar challenges of replications, however imitations are activities performed by a competitor (Teece et al., 1997). The legal construct of intellectual property can assist in ensuring that competitors are not infringing an organisation's ability by imitating the business model.

The rapid implementation and adjustment of new business models require strong dynamic capabilities, including an organisation that has been designed and primed to be innovative and flexible (Teece, 2018). More generally, an organisation's overall design and structure affects both its business model innovation and its dynamic capabilities.

2.8.1.   Business model and dynamic capabilities

Business modelling is the ability for an organisation to map out how it intends to achieve its objectives (Teece, 2018). Along with the strategy, dynamic capabilities is a means for an organisation to realise the business model (Teece, 2018). Dynamic capabilities have significant impact to business models, as it allows the business model to become more effective in its execution (Teece, 2018). Strong dynamic capabilities enable the creation and implementation of effective business models (Teece, 2018). A key theme is that strong dynamic capabilities enable the creation and implementation of effective business models (Teece, 2018).

Figure 4 illustrates a conceptual model of Teece's dynamic capabilities model and how it contributes to effective business model development.

Figure 4: Conceptual model- dynamic capabilities and business model

Sensing   Siezing   Transforming
Capabilties: Internal and external to the firm

Enhance and improve

Business Model

Desired outcome

Management, r&d, product, process, organisational learning, HR,
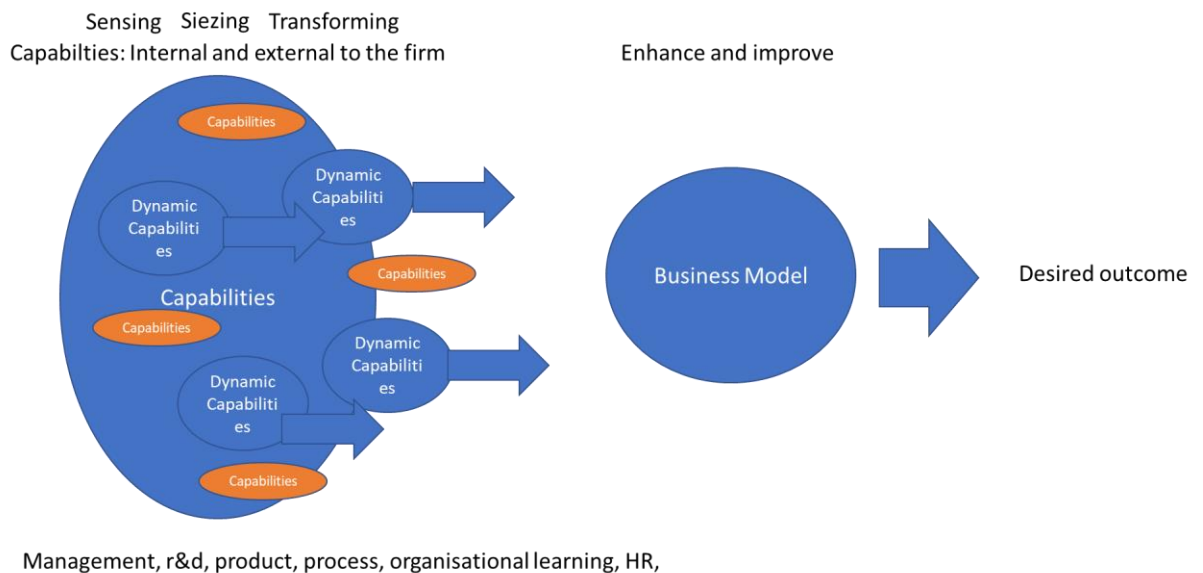
2.9. Conclusion

In this literature review, an analysis was done with particular focus on four topics, strategy formulation, strategy implementation, strategic consensus, and dynamic capabilities. This has been done with the aim of providing insight to answering the research question. Three foundational research papers were used as the basis of the literature review, but other papers have supported and extended the main views. The literature remains rich in providing insights into the research problem and affiliated research questions. On the topic on strategic formulations, an in-depth understanding was provided regarding what it means and various components of strategy formulation. In moving from formulation to implementation, an understanding was provided to show how happens. Several definitions have been provided on the topic of strategic implementation. Factors that influence strategic implementation have been identified and discussed. A detailed discussion on strategic consensus was provided to give further insight and understanding on the importance of consensus. To conclude, the application of dynamic capabilities was explained. The application of the key concepts outlined in this literature review serves as the grounds for further exploration. In the section below, the research methodology for this research paper is described.

CHAPTER 3: RESEARCH QUESTION

3.1. Introduction

The overarching research problem underpinning this study relates to the identification of strategic formation considerations, that can be employed in the successful implementation of the national payment's strategy of South Africa by the Payments Association of South Africa.

The focus of this study will be to develop an understanding of the concerns and issues experienced in the implementation of the national payments strategy in South Africa in the Payments Association of South Africa with the intention of improving and enhancing the capability of strategic implementation in the industry. Cândido and Santos, (2015) assert that by understanding the details of implementation difficulties, and the possible subsequent failures of these strategies, one can improve the success rate of implementation (Cândido & Santos, 2015). While many scholars divide the formulation and implementation of strategy, there are those who propose integrated models (Cândido & Santos, 2015). Such integration is useful, especially in regards to structural alignment because although formulation and implementation are different areas of strategy formation, they are intertwined with co-dependencies (de Oliveira et al., 2019). In this study, the integrated perspective is considered with the understanding that there are also two distinct phases of strategy formation.

Strategy is a well-known and practiced discipline in the payments arena, however there is a lack of research done to support the complex strategic implementation that occurs across the payments industry and as directed by national imperatives. Moreover, there are several competing entities in the payments industry in South Africa. The industry thus presents unique set of circumstances, and operates in a dual economy, where parts of the population operate as first world, with first world problems and solutions, whilst a larger proportion are found within the confines of a third world economy, also requiring solutions and experiencing problems (BankservAfrica & Payments Association of South Africa, 2017). The national payment system serves both markets, allowing both markets to interact in fair and equitable ways.

The approach adopted in this study examines the thinking of the market leaders in the payments industry - those who are leaders within their organisation and who set the agenda for payments nationally. These leaders represent both sides of the market - in the banking area (by providing a service of account facilities where financial entries can be processed in and out of an account that stores funds) and to business customers

(requiring processing of entries to and from these accounts in the form of debits payments/collections or credit payments).

Considering that the environment of this study spans across the entire country, across all the banks and other payment service providers in South Africa, a complex and dynamic set of variables present themselves in the implementation of the national payment's strategy.

3.2. Main research question

The main research question underpinning the entire study is:

What are the strategic formation considerations, that can be employed by the Payments Association of South Africa to improve implementation of the national payment's strategy of South Africa?

3.3. Research objectives

1. <u>How does strategic formulation occur</u> in the national payment system strategy of South Africa?

2. What are the <u>factors that influence strategic implementation</u> in the national payment system strategy of South Africa?

3. How is <u>strategic consensus</u> utilised in strategic implementation, in the national payment system strategy of South Africa?

4. How does <u>dynamic capabilities</u> feature in strategic implementation, in the national payment system strategy of South Africa?

Table 5: Sub-Research questions

Research Question	Sub- questions that align to the main question	Literature mapping
RQ 1	How does strategic formulation occur in the national payment system strategy of South Africa?	Strategy formulation
RQ 2	What are the factors that influence strategic implementation in the national payment system strategy of South Africa?	Strategic implementation

| RQ 3 | How is strategic consensus utilised in strategic implementation, in the national payment system strategy of South Africa? | Strategic consensus |
| RQ 4 | How does dynamic capabilities feature in strategic implementation, in the national payment system strategy of South Africa? | Dynamic Capabilities |

CHAPTER 4: RESEARCH METHODOLOGY

4.1. Introduction

This section will look at the methodology that has been utilised in this study in answering the research question. The study will undertake a cross sectional research design, utilising the typical form and methods (Bell et al., 2019). The aim is to consistently keep the context within the parameters set by the research question, which is: what are the strategic formation considerations, that can be employed by the Payments Association of South Africa to improve implementation of the national payment's strategy of South Africa?

The methodology has set the stage for the consideration of how the study has been conducted. A description of the research philosophy, in other words, the ontology and epistemology will be first provided with the aim of establishing the foundations of the methodology. A brief description of the research approach used in this study is outlined thereafter.

4.2. Research Philosophy

To understand the philosophical makeup of research is to understand three aspects of philosophy; the ontology, the epistemology and the methodology (Bell et al., 2019).

Ontology theorises the nature of reality, and deliberates how something exists at a fundamental level (Smith, 1964). Within the context of ontology there is objectivism, which assumes that social phenomena are independent of the actors and is based on the object not the knower (Jonassen, 1991). Alternatively there is constructivism, which assumes that the social phenomena is dependent on the actors (Bell et al., 2019) and is well determined by the knower (Jonassen, 1991).

Epistemology is the theory of knowledge building on ontological considerations (Bell et al., 2019) and is important in understanding how a researcher is uncovering information (Alharahsheh & Pius, 2020). Two approaches to uncovering information are positivism and interpretivism. Positivism is a perspective generally used in natural sciences , that typically uses measurements and direct observations (Bell et al., 2019). In this proposed study, the data that was collected is not in line with a positivist perspective.

In this study, there is a reliance on data collected from the accounts of human participants. Another paradigm that is aligned to working with human participants is

interpretivism. Interpretivism is commonly used in social and management sciences and a means to understand human behaviour, mostly done by interacting with the subjects (Bell et al., 2019). Chowdry (2014:2) advises through the usage of a German word "verstehen", the importance of understanding, as a means to analyse knowledge in interpretivism (Chowdhury, 2014). The study being undertaken follows the interpretivist paradigm. This will prove to be important in terms of interpreting the narratives of the participants interviewed in this study. In the next section, the research approach is described.

4.3. Research Approach

There are two main types of research approaches. One is a quantitative study, and the other is qualitative study. Consideration was given by the researcher to choose the appropriate approach to fulfil the obligations of this study. Interpretivism is often associated with qualitative research (Goldkuhl, 2012). **Error! Reference source not found.**shows additional reasons why a qualitative approach was used in this study that focuses on strategic implementation. The researcher considered the choice of a qualitative approach, by considering the objectives of the study.

Graebner et al. (2012) presents reasons why qualitative approaches is utilised in studies related to strategic implementation as follows:

1. To build new theory when prior theory is absent, underdeveloped, or flawed
2. To capture individuals' lived experiences and interpretations.
3. To understand complex issues
4. To examine narratives, discourse, or other linguistic phenomena

This study aims to use the lived experiences of strategic implementation practitioners. Moreover, the study uses a broad spectrum of theory with social phenomena that directs the actors. Lastly, this study requires observing and interviewing, which corresponds to a qualitative approach.

4.4. Population and sampling

In this study, the researcher requires a well-defined participant that is a subject matter expert in payment implementation in South Africa. Additionally, the participants must be involved in the implementation of the strategy of the National Payment system. The premise was based on the principle of experience in the industry, which is used to ensure that the participants are well positioned in relation to their knowledge base within an

organisation to elicit rich responses. Thus, although random sampling is considered to add rigour to a qualitative study (Shenton, 2004), purposive sampling had to be used so that the appropriate individuals could be identified purposefully.

Sampling is key to ensuring that the data contributes effectively to the study. There are three categories of sampling, namely convenience sampling, theoretical sampling and purposeful sampling (Koerber & McMichael, 2008).This study uses purposeful sampling. Purposive sampling is considered useful in qualitative research (Brink, 1993) and when interviews are undertaken (Seidman, 2006). In purposeful sampling, the researcher is deliberate and seeks out participants that have specialised knowledge on the topic, as set out by predefined set of criteria (Shenton, 2004).

Purposeful sampling is very directed and there are both advantages and disadvantages to this sampling technique. The risks must be carefully considered, and the researcher took time to carefully consider the risks of using purposive sampling. One risk that emerges is that selecting participants could be biased towards achieving a set of predefined outcomes (Koerber & McMichael, 2008). Another risk is selecting a participant that does not have a broad enough understanding of the subject matter. Since the researcher is a member of the payments industry and in a position that facilitates understanding of the participant's knowledge and experience, the researcher's own know-how facilitated purposeful sampling.

Purposeful sampling can save time (Seidman, 2006b). The benefits of purposeful sampling for this study were considered to outweigh the disadvantages. Furthermore, being a single researcher with specific time constraints, purposeful sampling ensured a pragmatic approach to selecting participants. The researcher has assistance in identifying the participants. The choice of the sample was support by key PASA executives who assisted in identifying the study participants. This was a measure to negate any bias from the researcher. The PASA executives are positioned as key decision-making individuals in the payments industry and are thus well-situated to understand the payments industry landscape and the people who operate in this setting.

The fact that the researcher is a member of the payments industry does create a dynamic that had to be proactively considered. There is a risk of introducing a degree of familiarity into the research interview, which could lead to preconceived assumptions about the participants by the interviewer. On the other hand, the familiarity was seen as supporting rapport with the participant and making the participant feel more at ease. Making the participants more comfortable and relaxed, allows the participants to access deeper reflection and conversation on the subject matter (Koerber & McMichael, 2008). In this

way purposeful sampling by an interviewer within the payments industry was considered to be a suitable approach in this study. Next, the sample size is elaborated upon.

4.5. Sample size

Determining what is the saturation point of the data is always a difficult task prior to beginning data collection (Bell et al., 2019). In this study, two considerations were used as the drivers for determining the sample size. One is the quality of the information obtained from the participant in the dialogue and the other as how many participants would satisfy this dialogue. Initially, it was determined that twelve participants would suffice. According to (Cleary et al., 2014:473), there are principles for selecting participants to ensure quality data. These principles are listed below:

- Small numbers are studied intensively.

- Participants are chosen purposefully.

- Selection is conceptually driven by a framework.

- It is commonly sequential rather than pre-determined.

- A rationale for selection is necessary.

As the study proceeded, it was determined that the depth of the saturation was reached after the twelve interviews. Thus, twelve participants were sufficient to achieve the objectives of this study, considering the background, depth of knowledge, experience in the industry, and position of the participants in their respective organisations. Where participants were not available, alternative participants that have similar or the same criteria had been identified, however three participants cancelled, and no replacement engagement were set up.

4.6. Biodata: Participant Profile

Thorough consideration needs to be given to the value that the participants in the various organisations can contribute. The researcher has categorised the various organisations and participants as layers.

Layer 1: The South African Reserve Bank (SARB)

Reasoning: The Strategy of the National Payments system in South Africa is set by the NPSD.

Table 6: NPSD interviewees

Organisation	Role of individual	Type of engagement	Name of organisations/ position	Accessibility
NPSD	Executive Senior Manager	Interview	Executive Senior Manager	Accessible

Layer 2: The Payment Association of South Africa (PASA)

Reasoning: PASA drives a large part of the implementation of the payment strategy in South Africa.

Table 7: Pasa Interviewees

Organisation	Role of individual	Type of engagement	Name of organisations/ position	Accessibility
PASA	Executive	Interview	Executive	Accessible
	Executive		Executive	
	Senior Management		Senior Management	

Layer 3: Payment System operators

Reasoning: Payment systems operators at banks in South Africa are key to delivering technical solutions that meet the requirements of the payment strategy.

Table 8:Payment System Operator Interviewees

Organisation	Role of individual	Type of engagement	Name of organisations/ position	Accessibility
Bankserv Africa	Executive Senior Management	Interview	Executive Senior Management	Accessible

Layer 4: Banks in South Africa

Reasoning: Banks are critical in the implementation of the Payment strategy as banks facilitate the larger components of financial flows in the country.

Table 9: Bank Interviewees

Organisation	Role of individual	Type of engagement	Name of organisations/ position	Accessibility
4 large bank representatives	Executive	Interview	Anon	Accessible with two declines
3 small bank representatives	Senior Manager		Anon	

Layer 5: Associations of the Payments Industry

There are various associations in the payment industry and these associations have created a representation body called the Payment System Stakeholder Forum (PSSF). The PSSF elects a chair and deputy chair to represent themselves in payment industry meetings due to the large volumes of industry participants that they represent.

Table 10: PSSF Interviewees

Organisation	Role of individual	Type of engagement	Name of organisations/ position	Accessibility
PSSF	Senior Manager	Interview	Anon	Accessible
PSSF representatives	Senior Manager	Interview	Anon	Decline

All scheduling for interviews has been done via the participants personal assistants and scheduled via Microsoft outlook to email addresses.

4.7. Unit of analysis

The critical aspect of this study is the unit of analysis, which was the individuals. The research will be used to understand the perceptions of the individuals that have been

interviewed. There are factors that are critical in the current study to understand the best source of information. The research question primarily requires responses from persons that represent an organisation and are key decision makers so are mainly at executive or senior management levels. These individuals are appointed by the organisations as representatives in key meetings at PASA, making decisions on behalf of the organisation. The representatives create an array of organisations representing banks, payment system operators, the national payment system department and third-party payment system providers. The best means to elicit information from such individuals was in a one-on-one engagement such as an interview. Interviews will be discussed in further in Section 4.9, below.

4.8. Data collection process

Since this study will be of an exploratory nature, open ended questions were been posed to the participants with the intention of obtaining as much relevant information as possible (Bell et al., 2019).

The data collection process ties back to the objectives of the study and enabled the measurement of the objectives of the study. Microsoft Teams was used as the platform and the transcription services was found to be a useful tool in developing the final interview transcripts. A discussion guide was developed with questions, and this was used as the basis of the interview.

The discussion guide assists the researcher in being able to conduct the interview (Bell et al., 2019). An added benefit was that the discussion guide ensured that there was consistency across the twelve interviews. The discussion guide did not include direct reference to the key research questions. Rather, the approach adopted was to ask questions that were connected to the research questions and would stimulate the collection of data so that when analysed, the key research questions could be answered. Below are the research questions and corresponding questions posed to the participants, in other words, the discussion guide questions (DGQ).

RQ1: How does strategic implementation occur in the national payment system strategy of South Africa?

- DGQ1.1: How is the strategy introduced and discussed with your organisation and the industry?

- DGQ1.2: What are some of the considerations in the early stages of the planning?

RQ2: What are the factors that influence strategic implementation in the national payment system strategy of South Africa?

- DGQ2.1What considerations are taken by your organisation in the implementation of the strategy?

- DGQ2.2: What other factors are considered by the industry when planning the implementation of the strategy?

RQ3: What is the importance that is placed on strategic consensus in strategic implementation, in the national payment system strategy of South Africa?

- DGQ3.1: How important is dialogue in the process of implementing the strategy?

- DGQ3.2: How does the industry move to consensus on implementation concerns?

RQ3: How is dynamic capabilities considered in strategic implementation in the national payment system strategy of South Africa?

- DGQ4.1: Are there considerations to understanding what are the capabilities that the industry has in common?

As shown above, the list of questions was developed to facilitate the gathering of data at a level that participants could understand. As an example, "dynamic capabilities", may be known to the interviewer but not the interviewee so the researcher simplified the question by asking it in a way that was simpler to understand

The process followed by the researcher in preparation for the interviews followed various steps. First, an email was sent to the participant with an attached letter stating the purpose of the research, confidentiality and anonymity clauses, the duration of the interview and contact details of both the researcher and the supervisor of this study. Then, participants were asked to respond with suitable time slots for the interview. The researcher thereafter coordinated the process of scheduling the interview via Microsoft Teams. A sample letter is provided in Appendix 5.

A research setting could be either laboratory, simulation or field of study (Kothari, 2004). For the purposes of this study and owing to the ongoing impact of the Covid-19 pandemic, online interviewers via a common electronic platform (MS Teams) has been selected to interview the participants. The process was real time interactions with the participants known as synchronous online interviews (Bell et al., 2019). Microsoft Teams

(MS Teams) is currently a platform that is used in the payments industry to conduct meetings. The view of the participant is of great interest for this study (Bell et al., 2019). It is therefore critical that the right persons are selected as participants in the study. A valuable selection tool involves the researcher's insight, knowledge, and experience of the payments industry.

4.9. Interviewing

The qualitative data collection method used in this study is interviews. Interviews are a well-known method used for qualitative data collection and is a good source of information (Baker et al., 2012). Having established the research instrument as interviews, that would be used in this study, it was important to determine the following, as stated by Bell et al., (2019):

- scope the level of analysis to give credence in the study
- determine the profile of person that is interviewed
- Establish what the incumbent represents

Semi-structured interviews in qualitative analysis allows for open dialogue and richer gathering of information compared to structured interviews (Bell et al., 2019). The type of interview used was semi structured interviews, and the conversation was guided by the key research questions (Bell et al., 2019).

There are a number of questioning techniques that were used such as initiating the discussion using an introductory question (Bell et al., 2019). To stimulate the dialogue, the interviewer utilised a set of predefined questions to elicit answers from the participants. According to Seidman 2006), interviewing involves narrative creation (which is progressive and iterative in nature), reflection, ordering and ultimately sense-making. The aim of an interview is to encourage the participant to recall their experiences related to the purpose of the study and research (Baker et al., 2012). The answers provided by the participants further prompts the interviewer to clarify questions and further probing as well. Probing is a technique that is widely used in interviews and is a vehicle that for clarification and obtaining deeper insights.

The scope, along with the aims and objectives for this study has been clearly outlined and well defined prior to the formal interview. The duration for the interview was 30 minutes, however, the times fluctuated depending on whether participants were willing and able to continue with the process.

The participant was guided on what was expected by means of the discussion guide sent prior to the session so was prepared for the interviews. Also, during the session, as part of the introduction, the interviewer reminded the participant of the relevant points such as the fact that the participant could opt out at any point in time. Participants were again reassured of anonymity and confidentiality of their responses. Each session was recorded but the recording was not shared with any other person to ensure that the researcher complied with the confidentiality and anonymity clauses. The recording was transcribed after the interview. There were 323 pages of data collected from the twelve interviews. A thematic analysis was then done using the Atlas.ti software. After using Atlas.ti for the initial sorting and identification of the first-level categories, the data was transferred to MS Excel, which was a more familiar tool for the researcher. The data was sorted and further grouped into second-order themes. An example of the way in which the researcher analysed the data using Excel is provided in Appendix 7.

To ensure that the data analysis had reached saturation, it is important in purposeful sampling that:

1. there is adequate diverse thinking amongst the participants (Koerber & McMichael, 2008),

2. the researcher must find an appropriate setting for the interview to occur (Bell et al., 2019)

The above two points were considered upfront when designing the interviews and selecting participants. The diversity in thinking was addressed through the researcher's knowledge of them. The appropriateness of the setting was driven by the participant themselves.

4.10. Pilot study

Undertaking a pilot study has various benefits for the researcher. One of the key benefits is that it improves the reliability of a qualitative study (Seidman, 2006b)

Prior to sending out the discussion guide to the participant, the interviewer piloted the questions with two colleagues at PASA. The primary reason for a pilot study was to obtain feedback on the questions so that adjustments could be made for improved understanding, to gain experience of the flow of the interview and to estimate the time that it would take to perform the interview. No amendments were requested by the pilot study participants. There were only positive responses provided in the pilot study. The

participants involved understood the questions clearly and were able to respond with clear answers. In general, the feedback received from pilot study participants was that they were impressed that such a study was being undertaken and requested to be kept informed of the outcomes of the study. The pilot occurred in late August 2021 after ethical clearance had been obtained.

4.11. Validity and reliability

The suggestions put forward by Shenton, (2004) were reviewed in relation to validity and reliability of this study. Shenton's research was based largely on constructs from Lincoln (1995) and Guba (1981 in (Shenton, 2004)). Some techniques summarised by Shenton (2004: (Shenton, 2004)) that are adopted in this study are as follows:

- The adoption of research methods well established – interviews were used in the study.
- Development of early familiarity with culture of participating organisation – the researcher has been in the payments industry for the last 15 years.
- Iterative questioning in data collection dialogues – the researcher probed and asked to follow up questions.
- Peer scrutiny of project – two doctoral graduates who are peers were consulted to give guidance at different points in the study.
- Tactics to help ensure honesty in informants – participants were reminded that they could opt out of the interview at any time, and they were encouraged to be as frank as possible. In that regard, the confidentiality of the participants was emphasised.
- Examination of previous research to frame findings – an extensive literature review was undertaken that lasted the entire duration of the study so that literature references could be as up to date as possible.

In terms of data management, the data was securely stored in a separate Microsoft One drive folder that could only be accessed by the researcher. The recordings were placed in a separate folder on the same Microsoft One drive. Any other interview-related material such as data analysis records and other artifacts were similarly saved.

One of the steps involved in improving the reliability of the study was to undertake a pilot study. Through refining the discussion guide, the researcher's own interpretation of what participants were being asked was aligned to what participants understood or did not understand from their own perspective. The discussion guide thus became a more reliable instrument.

The richness of the data is important, and the concept of saturation is relevant. Data saturation is reached when new themes do not emerge in the data analysis; in other words, reaching a point when further coding is no longer practical (Kothari, 2004). In this study, data saturation was achieved after the twelve interviews. In other words, no new themes were emerging, and no new information was emerging.

One important point in relation to validity and reliability is that when conducting research, it must be practical so that the research study is feasible in relation to time constraints, accessing participants, obtaining ethical clearances, and transcribing interviews. Since I was a single researcher, I had to be cognisant and make decision that allowed the completion of this study.

The reliability also involves making sure that the recording and transcription of interviews were suitable (Mero-Jaffe, 2011). The Microsoft Teams platform was excellent in this regard and all interviews were clear and there was no uncertainty in terms of what the participants were saying.

The issue of researching an industry that I was a part of could be viewed as a risk to the validity and reliability of a study because the researcher has a professional interest in the topic being studied, which inadvertently could introduce biases in the study (Mercer, 2007). However, as mentioned in Section ???, the researcher's experience, knowledge and position facilitated selection of participants, made participants comfortable and allowed for better access to the participants. Nevertheless, the researcher had to remain conscious of biases and maintain a stance of objectivity throughput the interviews. Guba and Lincoln (1991((Shenton, 2004))

4.12. Ethics

The main consideration in this study was to ensure that the participants were treated well. This is in line with the rights of the participants being prioritised when deciding anything in the research project (Maxwell, 2007). Basic moral and ethical considerations were considered when dealing with the participants.

This study aims to understand some of the challenges experienced in the implementation of the National Payments strategy in South Africa and naturally explored the role of the various participants in the industry and their contribution to this implementation. It is therefore imperative that the there is a code of ethics employed in this study. This code will ensure that there is no harmful intent to any of the participants, that all consent has been granted before engaging with any participants, ensure that there is no invasion of

anyone's privacy and ensure that there is no malicious intent to deceive anyone. To this end the researcher will ensure anonymity to individuals by not referring to name, position, or organisation. All reference to these attributes will be removed from any published documentation.

To obtain ethical clearance for the study, the processes set out by the GIBBS Ethics Application Clearance Form V2.1 2020 were followed. Ethical approval was received in August 2021 and interviews were scheduled thereafter. A copy of the ethical approval result can be found in the Appendix 6.

After ethical clearance was received, and interviews were scheduled, participants were able to confirm the interview time according to their availability. No pressure was placed in participants to agree to the interview. They were left to make the decision of their own free will.

In South Africa, it is important to comply with the Protection of Personal Information Act (POPI). No details of any participants were shared with anyone thus the privacy of the individuals was not compromised in any way. The study thus complied with the POPI Act.

4.13. Conclusion

The research methodology was described as a qualitative based study. Interviews were used as the main research tool. The sample was chosen based on a discussion with the PASA gatekeeper so that the researcher's own bias would not affect the sample selection. Purposive sampling was used to select participants so that suitably skilled participants in the correct positions and with the required knowledge base were a part of the sample. The study followed all necessary ethical protocols and a summary of the points that place emphasis on the validity and reliability features were described. The next chapter focuses on the results of the study.

CHAPTER 5 – RESULTS

5.1. Introduction

In this chapter the outcomes of the interviews that were conducted in this research study is presented. The interviews have been conducted with the view to answer the overall research question which is: What are the strategic formation considerations, that can be employed by the Payments Association of South Africa to improve the successful implementation of the national payment's strategy of South Africa. Interviews were held with participants considering the four critical areas of concern for this study, namely, strategy formulation, strategy implementation, strategic consensus, and dynamic capabilities. These four areas evolved from the exploration of literature with the objective of answering the research question. Four key sub-questions were formulated based on the areas of concern and these were used to guide the conversation with the interviewees.

To provide context for the interviews the next section will present some background in relation to the setting as well as a high-level description of the participants and where they are situated in their respective organisations.

Demographics of participants

Interviews were conducted with twelve individuals across the payments industry in South Africa. The payments industry of South Africa is vast and comprises of various layers of participants. A diagrammatical representation of the layout of the industry is depicted below Figure 5: Key role players in the South African National Payments context (PASA, 2020b). The core layer (1) refers to the settlement participants of the system, who have oversight of the settlement accounts with the South African Reserve Bank. These accounts enable movements of large bulk settlement amounts between participants to settle movements of funds at frequent intervals. Part of this function is to ensure that there is enough liquidity in the market and that participants can settle their obligations. The next layer of participants in the payment system (2) represents the Payments Association of South Africa (PASA), Payment System Operators (PSO) and other participants who could be from banks or non-banks.

PASA is a delegated party by the NPSD that manages participants and the various forums that the participants attend. The PSO's are major system service operators that allow for the flow of transaction messages between participants; examples are Strate, Bank Serve Africa, Mastercard and Visa. In the next two layers (3 and 4) there are

System Operators (SO) and Third-Party Payment Providers (TPPP). SO's and TPPP's offer payments services to businesses and that allows the businesses to participate in payments in South Africa. The last layer (5) is made up of businesses and retail customers. A retail customer would typically be someone who has an account with a bank and transacts within the system.

The persons interviewed for this research study are positioned in layers 1,2,3,4 and 5, however only the business or corporate customers from layer 5 onwards are interviewed as opposed to the retail customer. All interviewees are interviewed in their capacity as a representative of the various layers of this system and not in their capacity as a retail customer of the system.

Figure 5: Key role players in the South African National Payments context
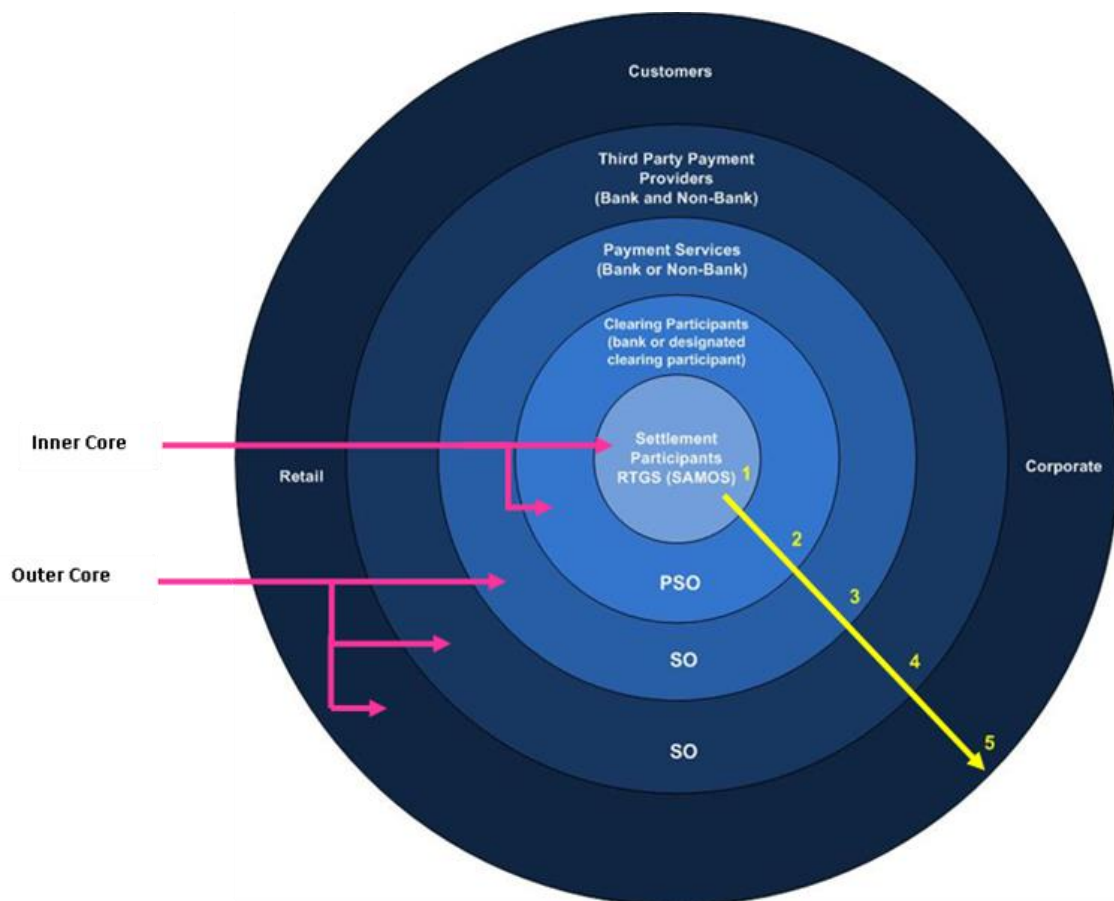
The individuals were identified by the positions they held in the industry in terms of seniority. All interviewees hold senior management or executive management positions. The rationale is that those in senior positions will be directly involved in strategy

formulation and strategy implementation in the payments industry and are key in regard to current decision making in the industry.

In terms of the sex profile of participants, there were eleven males and two females. Regarding the population group profile, five participants were from the African black group, one coloured, two Indian and seven white.

The biographical and institutional data of the participants are presented in Table 11 below.

Table 11: Demographics of Interviewees

Organisation	Code	Position - General	Number of years in Payments	Race	Gender
NPSD	SA2	Executive	Greater than 15	Black	Male
NPSD	SA1	Senior Manager	Less than 10	Coloured	Male
PASA	PA1	Executive	Greater than 15	White	Female
PASA	PA3	Executive	Less than 10	White	Male
PASA	PA2	Senior Manager	Greater than 15	White	Female
Banks	P1	Executive	Less than 10	Black	Male
Banks	P2	Executive	Greater than 15	White	Male
Banks	P3	Executive	Greater than 15	White	Male
Banks	P4	Executive	Less than 10	White	Male
Banks	P5	Executive	Greater than 15	Indian	Male
Other organisations	B1	Executive	Less than 10	White	Male
Other organisations	B2	Senior Manager	Greater than 15	White	Male

Other organisations	PS1	Executive	Greater than 15	White	Male

As shown in Figure 6 6: Number of times participant words were included in codes, below, participant words were used across various codes. Some participants, such as participants P1, P5 and PA3 provided richer data compared to others.

Figure 6 6: Number of times participant words were included in codes
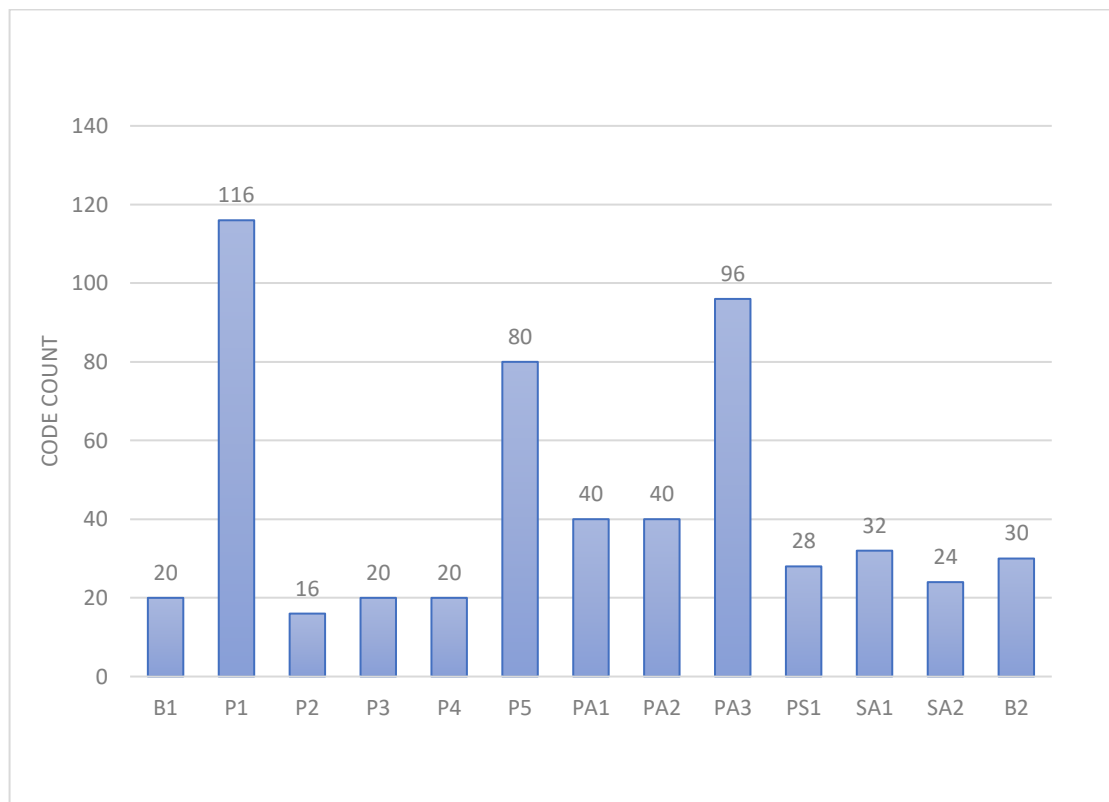
5.2. Interviewees

The narrative data collected in the various interviews was the primary source of data used in the data analysis. The interviewees were categorised into four groups and within each group, the number of participants varied. The interviews were selected based on their seniority in the organisation and their current participation in strategy formation in the payments industry of South Africa.

The themes were derived from the following sequence of events:

- conducting of interviews based on research questions

- transcribing those interviews

- using Atlas.ti for analysis

- coding to create broad categories

- categorisation of themes to create first order themes

- developing second order themes using Microsoft Excel

The sections that follow are structured according to the four research questions. Each research question is presented along with a figure that depicts the first order and second order themes. Each second order theme is discussed by presenting examples of key quotes. The quotes are followed by an analysis which weaves the voices of the participants into the text. In such a way that a story develops. The voices of the participants are mentioned in the text to ensure that there is an understanding of the origin of the narrative. A conclusion is presented for each research question. These sub-conclusions are extracted and synthesised in the conclusion chapter. The process for analysing the data is shown in **Error! Reference source not found.**, below.

Figure 7 7: Process of analysis for this research study
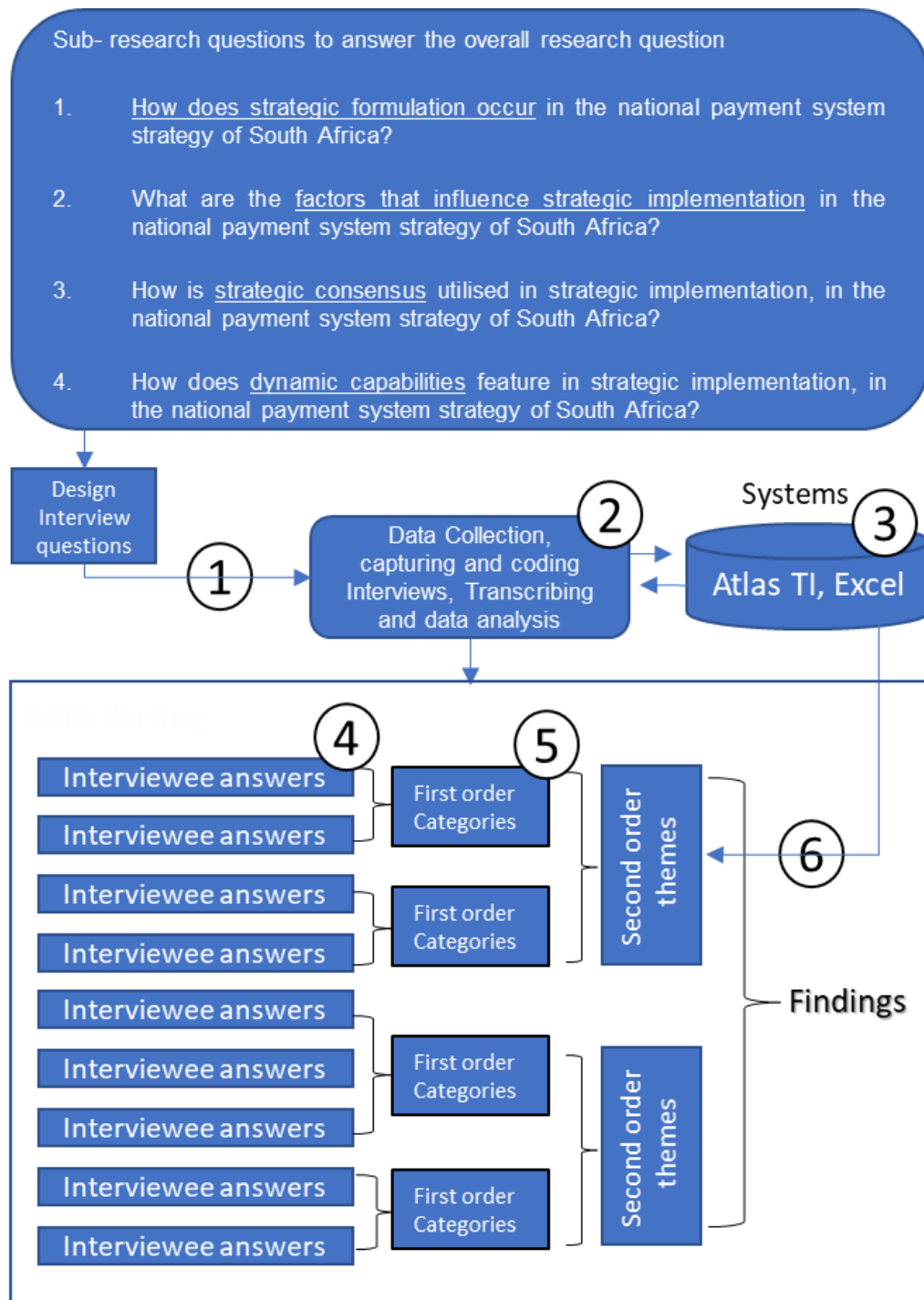
The first order categories that were created were developed through an iterative process of coding and sorting. The second order themes were then established through first finding connections between the first order themes, followed by a process of simplifying, collapsing, and synthesising the main ideas into higher order themes. The final list of second order themes that was created serves to extend the categorisation of initial thoughts presented by participants in the interviews.

An example of how a second order theme is derived is as follows:

1. A key point from the interview by interviewee PA1 was identified:

"Skills are a concern in the industry, and we need to understand how we build up the skills"

2. the first order category was derived as *'skills management'*

3. After further analysis, this first-order theme was collapsed into the second order theme '*the role of Pasa.*

By following this process iteratively, in total there were sixteen second order themes identified across the four sub-research questions. Although the themes may be repetitive in each of the sections dedicated to the sub-research questions, the context of the theme is explained differently in context of the associated research question.

5.3. Research question 1 (RQ1)

<div style="border:1px solid">

RQ1: How does strategic formulation occur in the national payment system strategy of South Africa?

</div>

This question aims to understand what processes are followed in strategic implementation in terms of what precedes it (formulation) and leads to implementation of the payment's strategy in the context of national payments in South Africa.

5.3.1. Thematic analysis

Six second order themes were established in response to the first research question. The evolution of first order categories to second order themes is depicted below in In the sections below, the second order themes for the first research question are presented.

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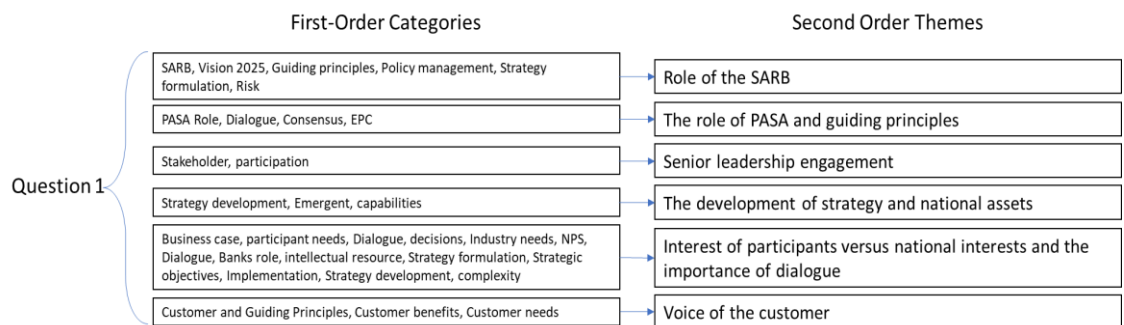| First-Order Categories		Second Order Themes
SARB, Vision 2025, Guiding principles, Policy management, Strategy formulation, Risk	→	Role of the SARB
PASA Role, Dialogue, Consensus, EPC	→	The role of PASA and guiding principles
Stakeholder, participation	→	Senior leadership engagement
Strategy development, Emergent, capabilities	→	The development of strategy and national assets
Business case, participant needs, Dialogue, decisions, Industry needs, NPS, Dialogue, Banks role, intellectual resource, Strategy formulation, Strategic objectives, Implementation, Strategy development, complexity	→	Interest of participants versus national interests and the importance of dialogue
Customer and Guiding Principles, Customer benefits, Customer needs	→	Voice of the customer

Question 1

Figure 8 8:Sub-research question one breakdown to second order themes

In the sections below, the second order themes for the first research question are presented.

5.3.2. Role of the NPSD

According to the participants, the role of the South African Reserve Bank is a critical one in both strategy formulation and implementation of the payment's strategy in South Africa. There were several references in relation to the fact that policy direction must be driven at the national level. This common view emphasised the fact that stakeholders tend to prefer a top-down approach in the policy environment as compared to stimulating policies from the group up.

> *"Policy direction must be set by National Treasury" (SA2)*
> *"Policy direction should be set by National Treasury" (PA1).*

NPSD looks at what needs to be in place and ensures that National Payments System (NPS) is in good standing". Participants thus respect the role of the NPSD and place emphasis on the NPSD as determining the trajectory of the entire NPS. However, there are other considerations that are stated regarding how the NPSD needs to fulfil their critical role.

Strategy formulation in the NPSD has evolved over time. Initially this role was focused on solving for risk on settlement, liquidity risk and reputational risk (SA2). However, things have changed since then and along with the change, other considerations were taken forward. These other considerations incorporate perspective and thinking from other parts of the Reserve Bank, like Monetary Policy, Financial Markets, Financial Stability, Financial Surveillance, and the Prudential Authority (SA2). Although a wide array of input from different parts of the banks are considered, the NPSD ultimately understands what needs to be in place and how the national payments system was confirmed to be effective (SA2).

The NPSD engages with various stakeholders, which include key people from several organisations, including banks. The inclusion of stakeholders is intended to firm up the vision for the South African payments industry (SA2).

> *"The Vision 2025, which I mean it's set by the NPSD, but I think it's set up with input and collaboration with the overall industry and once you've set that that vision. Then the goals that are defined within that vision" (P1).*

The outcome of the inclusivity manifests in a vision document, which has been available to the payments industry from 1995 to date. The current document is called Vision 2025 (SA2). It is believed that this document incorporates the needs of the South Africa market (SA2).

Many of the interviewees confirmed that the Vision 2025 was a comprehensive document that their organisations could align to. There was consensus that the Vision 2025 was the key document for strategy development in the industry (P1, SA2, SA1, PA2). P1 referred to this document as the "*north star*" of the industry. In other words, the Vision 2025 was considered the guiding document for the entire industry. There was some indication, however that although Vision 2025 provides the overarching direction, there is a need for the industry to consider the document from their own perspective in relation to the stated objectives (PA3). There are key initiatives that are referred to in the Vision 2025 document but there are other priorities that emerge from the NPSD, which requires strategy intervention. It was suggested that these interventions could be aligned more to the Vision 2025 (P1). Although NPSD hands over the strategic interventions to the Payments Association of South Africa (PASA), the NPSD still tracks and monitors the progress in relation to Vision 2025 initiatives. (SA1). There was some indication that the vision set by the NPSD is somewhat ambiguous and not completely clear (P2). Some participants believed that that the role of the NPSD was to formulate the strategy, and as such find themselves restricted to act any further on what is presented by the NPSD (P2, P3, B1).

5.3.3. The role of PASA and guiding principles

As pointed out in the previous theme, the strategic objectives are handed to PASA for execution.

> "As much as we tend to throw a lot of shade on the PASA way, and you know how they organize themselves and how they put themselves together. What PASA has now is something that can't be replicated anywhere else" (SA1)."

An initial entry point at PASA is what is known as the EPC forum (P3) (Electronic Payments and Cash forum). According to interviewee P1, *"The EPC Strategic forum and EPC Stakeholder forums are critical places to discuss strategy"*. The EPC has the right skill level and is ideally the forum to start strategic discussions (B1). In this forum the collection body, now known as Pasa and its members unpacks the concepts (B1).

A set of principles need to be in place to validate the objectives set by the NPSD, along with that setting parameters for which the strategy is to be set (P3).

One way to establish these guiding principles is to establish cathedral statements, to position the initiatives and strategies (PA1). It is important to understand what the basic principles in place for strategy development are (P3). According to PA3, "*there has to be a high-level vision and we need to know how we see the payments systems from some guidelines.*" These guidelines will determine where the strategy evolves to (P5). As established here, one important part of what PASA does in the earlier stages is to create a document with guiding principles, that validates the strategic objectives of Vision 2025. However, there is a lack of understanding in terms of how these guiding principles are constructed and substantiated back to the NPSD.

Another role that Pasa fulfils is building consensus and resource management. Consensus is not easy at this earlier stage, albeit that the industry and its participants are a significant influencer with a high level of co-ordination required (PA1), CEO and executive support for buy-in in organisations will assist with the support from organisations on initiatives (PA3).

Resource management also poses another question, of whether there is sufficient capacity in the industry to assist with initiatives, and whether initiatives with bigger importance attracts the availability of resources (PA3). It is thus important to ensure that there is prioritisation setting (PA1), which will ensure that capable resources are allocated to projects that meet the Vision 2025 objectives (PA2). PASA manages the project book of work and this should map back to the Vision 2025 as a critical piece of work (PA2).

5.3.4. Senior leadership engagement

An important part that emerges in relation to decision making is that it is necessary to have the right level of authority involved in setting the strategic direction. In the earlier stages of planning, it is imperative to get senior people involved (P4).

> *"We still have an operating model that we got to adhere to. A shareholder a guideline. So, we've got to fit into that no matter what. But a CEO still has flexibility under that to be able to manoeuvre the company to achieve what he deems to be the right strategy for the company. That point in time. And I would say that the CEO typically, in our kind of IT environment which we do not have, big company CEO really has a strong influence on strategy. B1"*

As further noted by P4 and P5, "CEO's need to be involved in positioning at an industry level (P5)" and P4, who says, "CEO's must be involved at an earlier stage". CEOs of banks are important in regard to positioning these initiatives in their organisations and in the industry as well. This buy-in is critical in terms of budget, priority and resource allocation(P4).

5.3.5. The development of strategy and national assets

As pointed out, the strategy starts with objectives set by the NPSD, and is further deliberated by the EPC at PASA. Although there is some direction that is given by the South African Reserve Bank, there is more work that needs to be done by PASA and its members to develop the strategy. Some strategies start off as weak signals but gradually evolves itself into a clearer understanding and picture of what needs to be accomplished (PA3). As such, the strategy is evolving and according to PA3, "There must be consideration of an emergent strategy, where the strategy develops." Part of this emergent strategy is the change of narrative that forms as the conversations evolve (PA3).

> *"But I think this has been a bit of a wakeup call for the industry to realize that there is a case of if we want to get the right outcomes based, we bring our heads together and formulate strategy. Once we've got a strategy that we can all sign off and then I guess the implementation plan comes to fruition" (P3).*

Sometimes those that are involved in the process are not able to make connections earlier in the process (P5) and there the strategy thus seems disjointed at times (P5). What was observed at this point in the interviews was an expectation for payments practitioners to all have a common level of understanding of payments as they engage in this piece of work. The next theme talks to how these discussions evolve.

5.3.6. Interest of participants versus national interests and the importance of dialogue

Owing to the complex environment that involves several participants, one of the challenges is balancing out the various interests of the participants and that of the national payments system. In other words, there is difficulty in finding alignment between different perspectives. The payments environment is a complex one, made up of various stakeholders, with a complex matrix of rules and conditions. The environment is a complex one with a host of different requirements, needs and wants (PA3). It is also evident in this environment that various stakeholders have their own interests at the forefront of the discussions with little regard for what is in the best interest of the national payments system (SA2).

> *"The payment rules that we as a body in an industry write, have an impact on consumers and collectors, and a very broad audience of people. We do not consult on those rules, that is problematic in my view. I know those rules, often is, the culmination of strategy" (PA1).*

It is of utmost importance that the needs of the participants and the needs of the industry align and it's about creating that balance between the interest of the participants and the interests of the industry (P5). Moving into such a space of equilibrium is not easy, as some participants only want to see and experience the commercial value in initiatives (PS1, PA3, P3). One reason attributed for the focus on commercial value could be because the buy-in is internally to the organisation and the various parts of the have different needs, of which one could be commercial value creation (P3). As a result, some participants would need to see a commercial case (PA3) and therefore they engage only in relation to that objective and not extend themselves further (B1).

Dialogue is a critical aspect of bringing together and connecting the views of the industry and those of the NPSD (P1). The processes involve checking for correct understanding and developing the strategy. The deliberation on, and discussing of strategy allows for shared thinking beyond the ambit of banks when it includes other participants (P1). Dialogue is an important strengthening mechanism to signal weak signals when building the strategy (PA3). The debate in these forums also allows participants to refine their own strategy internally to their organisations (P1). The discussion forums create opportunities for other innovative thinkers, which in turn creates an opportunity to expand the thinking to execute the strategy more effectively (P1). One should be cognisant that, as stated by interviewee P3, "*One Cannot sit back and try to change through implementation the strategic objectives, need to be part of the formulation.*"

To develop a strategy is an important exercise, and persons involved in this exercise must have experience and depth of knowledge in the field of payments (P2). As stated by interviewees, not everyone understands payments, and some participate with their own invested interests, only considering what is good for their business models (PS1, P1, P3), and little or no consideration of the industry view. A learning opportunity must be created that gives participants in these forums an in depth understanding of the national payments systems and importance of maintaining integrity, and high standards in these environments (PA2).

> *"The payment system in Africa is viewed as utility and it must benefit everybody. And I think the reason why that is problematic, the banks dominate" (PS1)*

It was proposed that in these discussions, by a few interviewees that a business case should be pursued as it brings together the understanding of the interests of the industry and that of the national payments system (PA2). The business case is also another means to validate the needs of the participants (P3). Furthermore, the business case is a means for the industry to find the commercial value in what is being done (P4). Although these discussions are primarily a discussion between corporate South Africa, an important stakeholder is the man in the street, the one person that will be directly impacted by whatever strategy happens in the industry. This is the customer, and in the next theme, consideration is given them.

5.3.7. Voice of the customer

The needs and services provided to customers, from both a retail and a corporate or business perspective are important and needs to be considered when developing a strategy (P1). Moreover, there is a need to understand what benefits the customers (P3).

> *"Damn it, it's one of the key things that I would say we do we need to do more of it? You know, uh, that voice of the customer, I mean everybody, consult with their customers as banks, we do it right, but I think when we try these strategic initiatives. Yeah, we need to do more of it, and it must be continuous throughout the journey. It's not a once off of exercise" (P1).*

One way to manage an initiative or the strategy is to map the customer needs against the strategy (P5). Along with this mapping, it is important to check the relevance of the customer needs as the strategy develops (P5).

There is a large contingent of voices in the payments industry, and the outer circle payments are key in this deliberation (P3). There are the voices also of organisations such as Fintechs and other organisation representatives that are connected to the NSPD so we should find ways to bring theses voice of the customer into the room (P4, P2, PA3).

5.3.8. Final conclusions for RQ1

In RQ1 there has been a description of how strategy evolves in the payments from conceptualisation to strategy formulation. What was key in these findings was that there is certainly confidence in what the NPSD does to develop the vision document. Some clarity seemed to have been required regarding how the vision document is understood, however there was strong opinions of introducing a guiding principles validation process. Some concerns were raised in regard to senior leadership, e.g. CEOs and how they could influence and create room for consensus when starting off initiatives. This RQ ends

with stating the relevance of the customer, however this lacks regarding an engagement model.

5.4. Research question 2 (RQ2)

RQ2: What are the factors that influence strategic implementation in the national payment system strategy of South Africa?

This question aims to understand the factors that influence the strategic implementation of the National Payments strategy in South Africa and follows on from the previous point of strategy formulation in the NPS of South Africa.

5.4.1. Thematic analysis

Figure 9 9:Sub-research question two breakdown to second order themes shows the first-order categories and second order themes related to the second research question. This sub-research question contains seven second order themes.
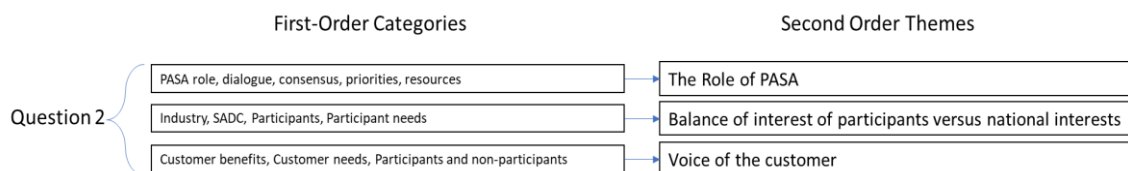
Figure 9 9:Sub-research question two breakdown to second order themes

5.4.2. The Role of Pasa

The role of PASA is at an important juncture at this point in the process, as the ending thread of the discussion from RQ1 still remains within the ambit of PASA. The questions lead the reader from strategy formulation to now strategy implementation and as such PASA's role morphs from the orchestrator of formulation to the orchestrator of implementation. This role in implementation still includes manging resource and building consensus.

The role that PASA has is a difficult one and can be compared to 'hoarding cats' (PA3). PASA sits in a pivotal role, which is a central role to the industry and acts as a buffer to the NPSD. Therefore, how PASA manages the initiative is an important contributing factor to the success of the implementation (P3).

> *"I think Pasa has done a great job during the planning phase, together with the bank teams to implement initiatives. I think the project team is good. I think that we have experts at the various banks and act as a conduit for those people to come around the table, offer their opinions, guide the Members and their useful participation for those that want to participate. (P2)"*

How PASA manages the initiative is a factor that determines how the initiative is implemented (P2). Prioritisation is a critical factor in strategic implementation (P1). The question is trying to understand how we assess what the current capabilities are (P3). In the implementation stage, we should look to common platforms as a means of building a legitimate consideration for utility of it (PA3). P5 advises that the environment is a complex and therefor detailed planning is essential (P5). As part of resource management, comes the many dialogues that ensue through implementation planning and execution. As mentioned earlier on the point of 'hoarding cats', a point of contention in the meetings is balancing the interests of the participants. This will be discussed in the following theme.

5.4.3. Balance of interest of participants versus national interests

There are different priorities in the banks and in the industry.

> *All the participants must be on board to actually solve for that (NPS needs), and whatever investment costs it needs, we find a way for all of us, we must put money into this, into the spot and solve for it, right? (P5)*

The needs of the banks are different than what can be proposed in industry initiatives, however the initiatives of the bank must be aligned to those interest of the industry (P3). Some of the interests that are raised by participants come from their customers, and in the next theme we get an understanding of how important the voice of the customer is.

5.4.4. Voice of the Customer

The interview substantiates on the previous point of Bank interests versus industry interests.

> *"You know you've almost got to go on an internal roadshow of selling the features, benefits, etc. Get the buy in across the organisation, in particularly the customer facing teams because obviously all payments end up as a customer facing thing in some way or another" (P3).*

Interviewee P1 advises that there are priorities that banks make for their customers which are tied to profit scenarios, so when consideration is made to industry initiatives,

these initiatives must be considered in terms of value to the customer (P1). It is critical that the voices of the outer circle are heard in the planning of the implementation of the strategy (SA1).

5.4.5. Final Conclusions for RQ2

The implementation part of the interview was a sparse one and did not contain as much detail discussion as what was had in the formulation discussions. The themes are starting to recur from formulation to implementation, however the context varies slightly. Resource and priorities are discussed in relation to PASA, particularly from a planning perspective. The inclusion of customers and outer circle in this phase is also discussed.

RQ3 and RQ4 was positioned to delve further into strategic implementation and therefor the concern raised as an observation earlier in this conclusion becomes less relevant in terms of understanding the context, but still provides insight in how significant strategic implementation is to the interviewees as opposed to strategic formulation, and possibly shows their natural biases.

5.5. Research question 3 (RQ3)

> **RQ3: What is the importance that is placed on strategic consensus in strategic implementation in the national payment system strategy of South**

This question aims to understand what consensus means in the industry, how it develops and how it can be achieved during the implementation phase.

5.5.1. Thematic analysis

This question contains three the second order themes and the evolution of first order categories to second order themes is depicted below in Figure 10 10:Sub-research question three breakdown to second order themes10.

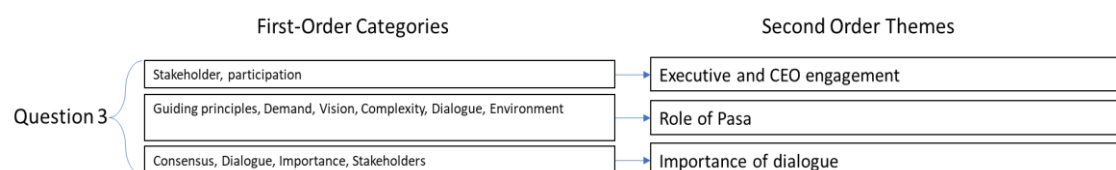| First-Order Categories		Second Order Themes
Stakeholder, participation		Executive and CEO engagement
Guiding principles, Demand, Vision, Complexity, Dialogue, Environment		Role of Pasa
Consensus, Dialogue, Importance, Stakeholders		Importance of dialogue

Figure 10 10:Sub-research question three breakdown to second order themes

5.5.2. Executive and CEO engagement

In strategic formulation (RQ1) there was a request to involve the CEO to position the strategy in organisations, and now in the strategic implementation(RQ2, RQ3), there is a further request to again engage the CEO.

CEOs of the banks have a critical role in developing consensus, at least at the highest level there needs to be an agreement in terms of the direction initiatives should take. This will assist in terms of consensus at lower levels in the organisation (SA1).

> *"The other thing is you know we don't have access to a CEO type level discussion. But BASA board are the CEOs of all the banks. You know, it's a very powerful platform, and we should from time to time use that. You know, because that's also how we can advocate, we can use that as an advocacy forum" (PA3).*

PA3 suggests that one way to engage the CEO, is to leverage of another organisation that already exists in the industry, Banking Association of South Africa (BASA). The reasoning is that BASA is already actively engaging with the CEOs of banks and therefor with little effort, an engagement can be had. PASA is already invited into those forums.

Building on theme of consensus, and following the points of PASA on strategic implementation, a deeper understanding of PASA is explored in the next theme.

5.5.3. Role of PASA

In RQ2 of the same theme, 'role of PASA', not too much detail was given in regards the dialogue, besides it being difficult discussions. Here in RQ3, a deeper exposition of dialogue in implementation is obtained.

Building consensus on details within initiatives must begin with a set of defined guiding principles (P1). *As stated by P1 "These guiding principles assist in recalibrating the conversation and means to follow the 'north star'" (P1).* A set of principles must be in place (PA2) which state what the broad objectives are (PA3), this is the onset of creating consensus.

The environment is a complex one, and the dynamics influence how conversations happen (P3). Generally, and especially now with the Covid 19 ways of working, "It is all about who's voice is the loudest" (P1). P2 noted that it seems like some banks have a greater influence than others in industry meetings (P2). There must be a need to treat all participants equally (PS1). Dialogue is one way of understanding the complexity (PA3). Although this discussion starts with its roots specific to PASA, it is further explored in the next theme as it moves to the aim which is consensus.

5.5.4. Importance of dialogue

Everyone's voice must be heard and incorporated into discussions and decision making (P1, PA1). One way to achieve this is with one-on-one sessions, this is a good way to ensure that all the voices are heard. A critical aspect of this is that it gives an individual a chance to talk. In open forums, not all persons are able to articulate, or convey their message (P1, B1. PA2). P1 further advises that, "The value of these one-on-one sessions cannot be underestimated" (P1).

Sometimes as indicated by B1, strong opinions may come from some industry players, however they may not represent the views of the broader audience (B1). Important issues must be heard from participants (PS1), not just the loudest voices in the room (P3, PA2).

Some constraints are that the voting process to reach consensus does not allow for all voices to be heard. As advised certain minorities may have a valid point however their voice is lost in a vote (P1). The purpose of these dialogues is to move to consensus (PA2, PA1, PA3, P1, P3, P5). What PA3 believes is that the dialogue is not of a static nature, however the dialogue evolves, start with an impetus to change and morphs into more wholesome discussions (PA3). P5 also states the following, *"The right people must be in the right discussions, otherwise the contribution of the person is limited".*

One consideration as mentioned by PA2, is comfort consensus, this means that there is not an absolute agreement, however an agreement to a point of moving forward (PA2).

> *"Majority is comfort consensus. So, if the majority moves in a direction and has a good idea of how things should work. If the majority has comfort in that. We can move forward. (PA2)"*

P5 further advises that this dialogue, can only happen through robust and rich discussions. This requires that those who are participants of the conversation must have familiarity with the topics or have at least come prepared for the sessions (P5). P5 further warns*, "…that if these discussions are not robust, and if debates are not held at the right time, they will crop up in implementation and things will get stalled or you will have to do another project".*

There are some flaws to broad conversations with all participants in the same room, for example, some may have a wait and see attitude (P5), which means that they will wait for the discussions and decision to take place and as a result follow, instead of lead (P5). Sometimes, some participants may not feel courageous enough to mention what they

consider to be sensitive things in these public forums (P5). Covid-19 does not help in these situations because in online meetings you cannot see people, and read their body language (P5).

5.5.5. Final Conclusions for RQ3

In RQ3, as expected, the interviewees delve deeper in understanding dialogue as it impacts on consensus in strategic implementation.   One interesting point that again surfaces, is the expectation of practitioners in meetings, having the right level of knowledge and contribution to the discussion. Although the theme is the same as in RQ1, the context is specific to implementation. This behoves one to consider the skill set of the practitioner in RQ1(formulation), to that of the RQ2 and RQ3 (implementation).

RQ4 continues in the same vein of implementation, however the discussion evolves to capabilities.

5.6. Research question 4 (RQ4)

RQ4: How does dynamic capabilities feature in strategic implementation, in the national payment system strategy of South Africa?

This question considers what are the capabilities in the industry? Can they be considered as dynamic capabilities and how can it give credence to the implementation process?

5.6.1. Thematic analysis

This question contains three the second order themes and the evolution of first order categories to second order themes is depicted below in Figure 11 11:Sub-research question four breakdown to second order themes.
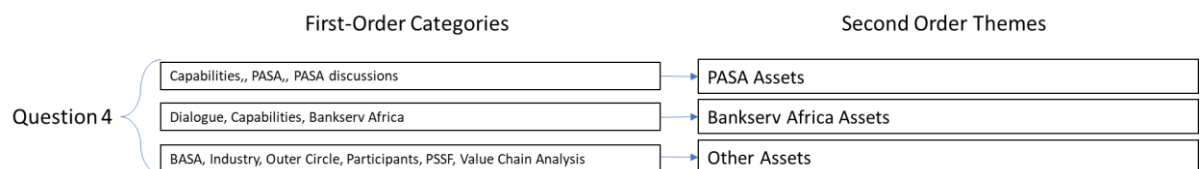

Figure 11 11:Sub-research question four breakdown to second order themes

5.6.2. Pasa Assets

In keeping with strategic implementation, this theme considers PASA, and what are considered at PASA to be dynamic capabilities that can be utilised as a means to mobilise the organisation to move forward.

The forums that PASA has, are assets (P1) and therefor PASA can be seen as a dynamic capability (SA1), as SA1 informs us that, *"…the skill set at PASA is irreplaceable."* These forums that exists at PASA are critical resources, e.g., the PCHs, the strategic forums and council forums (PA1). The participants are a great asset to the industry (P2) and the PCH is an effective mechanism that is used in the industry(B1).

> *"That is, a skill that sits at PASA. That PASA is built out over the years. And we shouldn't lose that skill" (SA2).*

What also assists greatly is the legal certainty in the payments environment and how it is managed, this comes from structures like PCH's and Legal forums at PASA(PA3).

What Pasa does well is create structures, discussions forums and documents to bring industry experts together (PA3), and PASA plays this pivotal role of bringing it all together (P5).

These forums and individuals in the forum can be used to simplify the problem by utilising their strengths and knowledge basis as well as networks (P1). What is key, is having the best and the right people for the project (PA3, P4).

> *"PASA history in terms of the payment system management body, it's stuck in a very operational rut. It's quite difficult to pull yourself out of that operational rut to then take a strategic viewpoint" (P3).*

A concern raised is that the PCH is an asset, but it is ineffective, when there is a lack of accountability and practitioners in those forums, only focus on operations (PA2, P4).

From understanding one of the key roles in industry for strategic implementation, the attention is now turned to another key role, and in the next theme we understand how Bankserv Africa can be viewed as a dynamic capability.

5.6.3. Bankserv Africa Assets

In this further exploration of understanding where and what the dynamic capabilities are in the NPS, Bankserv Africa as a critical contributor is understood.

Systems and processes at Bankserv Africa can and must be re-used where applicable. It has worked well for South Africa (P1), P1 further elaborates, *"…we cannot ignore them. We need to optimise on them".* Bankserv Africa can and should been seen as a utility of the NPSD, however innovation must not stifle by dint of it being seen as part of the NPSD (SA1).

> *"So, I think Bankserve is probably getting into a better space now of preparing a platform for the future that allows. That will allow for a bit of success in South Africa of interconnectivity, a wider range of consumers being able to interact and not, preventing Fintechs from also jumping in and providing value adds or overlay services that consumers can use that bank aren't on" (B1).*

Payment's system in South Africa must be seen as a utility and must benefit everyone (PS1). If we accept that payment systems are a utility, we must leverage off existing infrastructure to implement optimally(P5). There is a need to have an architectural view of assets in the industry of payments if order for the assets to be used effectively (P5). Part of this is to ensure that PASA nurtures these important relationships with Bankserv Africa and other system operators (PA3). Having understood the two core capabilities of the payments industry, the attention now moves to other parts of the industry that may have a significant role.

5.6.4. Other Assets

There are other assets that can be considered in the industry, of which PSSF is also a capability with rare set of skills (SA1), as is BASA, which creates an opportunity to engage with CEOs of banks (PA1) and allows for an important platform to advocate and to mobilise support at the highest level (PA3).

> *"…I think if that can be resolved, then together PASA for payments and BASA for general banking, working together, can influence. I think that can have a bigger impact on strategy for South Africa in terms of banking and payments" (PA2).*

One other important asset is Fintechs, a brain trust can be formed by mobilising individuals from banks and these Fintechs (PA3).

> *"I think in the past we've been in a bit of an acrimonious type of relationship. and you know, we kind of treated the operators pretty much in a pointed way, to do a job, do your job and keep quiet, you know. Strong partnerships, those include companies like SWIFT and so on, I would treat them as part of the inner core, and Pasa would need to work very tightly with those guys". (PA3)*

Value chain analysis is important because it makes you understand what worked for the customer and can be used again (P1). This also allows for better understanding of the strengths of all stakeholders and increases the value proposition (P1).

5.6.5. Final Conclusions for RQ4

In RQ4, the core capabilities are considered, PASA, BankServ Africa, BASA, PSSF and Fintechs. Although the RQ4 was positioned as a part of strategic implementation, the role of these capabilities was answered in a more general way in regard to their contribution across all phases of existence, e.g. formulation, implementation and operationalisation. This is important to the researcher as the researcher is prompted, at this stage of the analysis to consider the lack of discussion on capabilities in the previous stage of formulation (RQ1).

5.7. Conclusion

The findings chapter was found in a rich data source comprising of data collected from thirteen individuals. The data provides a reliable understanding of the environment from a practitioner perspective.

Table 12: Current framework employed at PASA for strategy
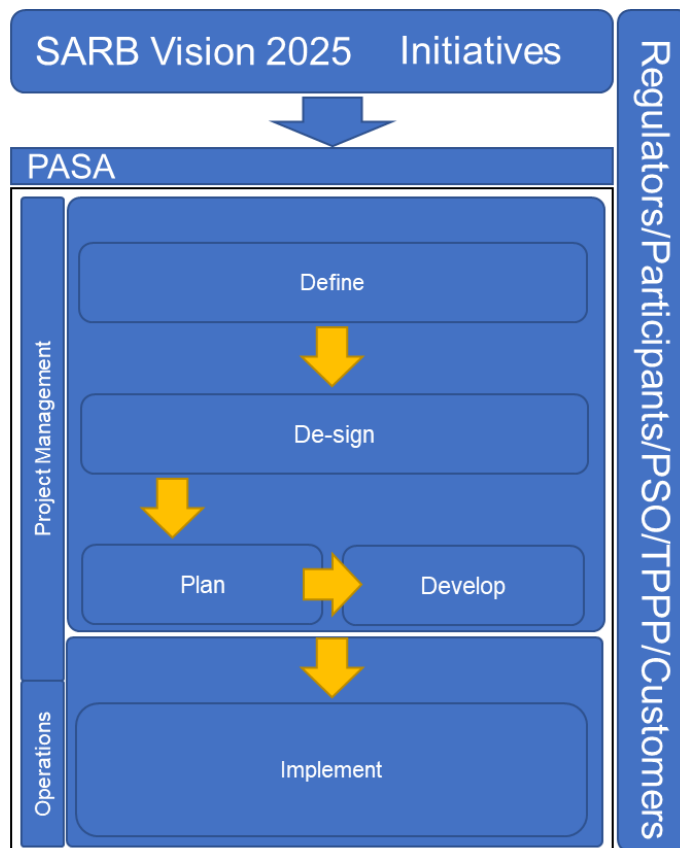
The understandings presented by the practitioners were consistent and allowed for a story to be told in a coherent manner. There were some apparent differences how things could be done, however, there was strong consensus that there is a need to ensure that the NPS is maintained in a sound and capable condition.

In the next chapter, the researcher will consider the results of this chapter and connect the results to the literature review.
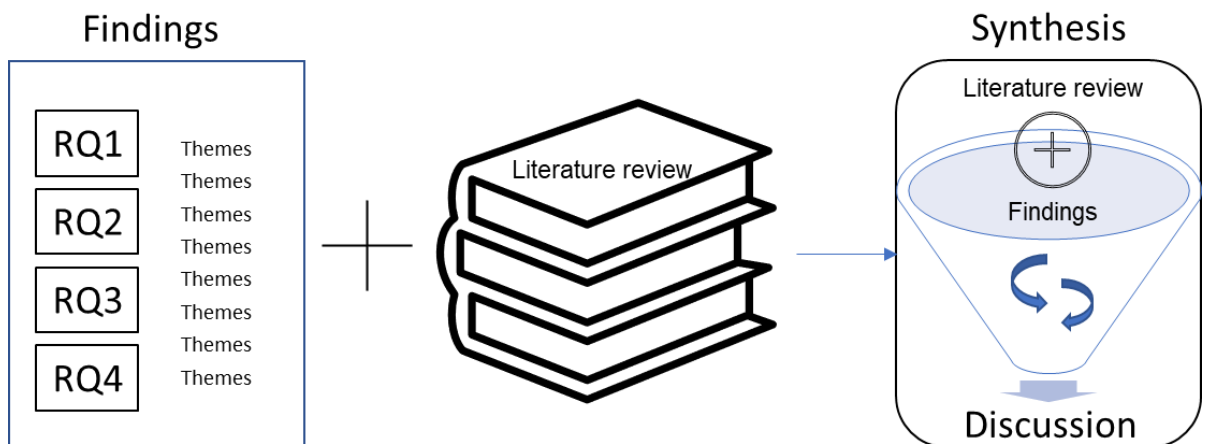
CHAPTER SIX: DISCUSSION

6.1. Introduction

Chapter five presented the results of the in-depth interviews of thirteen participants in the payments industry of South Africa. These interviews provide information on how strategy formation occurs currently and provides some insight from practitioners on what works and what does not work in the industry. Some practitioners go as far as suggesting solutions to how things can work better. This chapter will present an understanding of what practitioner's experience and the way they perceive things, whilst contrasting and comparing them to how the academics have captured. The process used in this chapter is depicted in Figure 12 12.

The discussion will occur, while keeping the general format used in chapter five. The four research questions are presented with the respective themes introduced in the previous chapter.

Figure 12 12: Process of synthesising the results with the literature review to produce findings for this study

The purpose of this chapter is to analyse the responses of practitioners in context with the literature and provide a discussion in relation to the research questions. The context of this study considers the landscape of South Africa. As a result, the context is broader than the context of a single firm, which is mostly what is interrogated in the researched literature. The nuances are similar, in that a company presents a structure with internal divisions that allows for separation. Likewise, the landscape of payments in South Africa at a national level presents structures that can be separated into components like that of a company. In this study, this context is considered, and comparisons are made.

For the purposes of this study, the naming conventions for the various structures (as presented in literature review) will be juxtaposed to the similar structures that are in the NPS of South Africa. As an example, senior leadership and the role they play in the literature will be juxtaposed to the NPSD, CEOs of banks and the executive team at PASA. Other such juxtaposition will be clarified as needed in the sections that follow.

6.2. How does strategic formulation occur in the national payment system strategy of South Africa? (RQ1)

6.2.1. The role of the SARB

To respond to RQ1, the sections below fall under the ambit of strategy formulation. The various themes that were developed to answer RQ1 are discussed below.

According to the participants, the role of the South African Reserve Bank is a critical one in both strategy formulation and implementation of the payment's strategy in South Africa. It was explained that the formulation of the strategic thinking for payments in South Africa is initiated in the South African Reserve Bank (du Rand, Gideon; Erasmus, Ruan; Hollander, Hylton; Reid, Monique; van Lill, Dawie, 2021). The NPSD is seen as the national body directing payments in South Africa. Thus, there is a clear indication that the NPSD is the primary body responsible for strategic thinking related to payments in South Africa and for setting the objectives of the industry.

There were several references in relation to the fact that policy direction must be driven at the national level by practitioners. This common view emphasised the fact that stakeholders tend to prefer a top-down approach in the policy environment as compared to stimulating policies from the bottom-up. Scholz and Huchzermeier have commented on the top down method, and have advised that this approach is followed when leaders have established autonomy and have a clearer understanding of the direction the initiative should progress towards (Scholz T.R., Huchzermeier A., 2021). On the one hand, it was clear that practitioners have high regard for and respect the role of the However, on the other hand, there were suggestions offered as to how the NPSD needs to fulfil their critical role. However, the overall understanding was that the practitioners place emphasis on the NPSD as determining the trajectory of the entire NPS but suggestions were made because strategy formulation in the NPSD has evolved over time. Initially the role was focused on solving for risk on settlement, liquidity risk and reputational risk. Having said that, things have changed since then and along with the change, other considerations were taken forward.

Another point that was gained from the practitioners is that it was evident that the role of the NPSD is not clearly articulated. In addition to this ambiguity on the role of the NPSD, there is a need to better distinguish between what is meant by strategy formulation and implementation. How the practitioners interpret what performing strategy formulation means in relation to the NPSD, may be a further stretch compared to what the NPSD does. It has been stated that there are two prominent aspects to strategy; one is strategy formulation and the other is strategy implementation (Mintzberg, 1990, Kopmann et al., 2017). Strategy formulation refers to setting goals and the planning of strategies, while strategy implementation focusses on the realisation of the strategy formulation (Mintzberg, 1994). The NPSD only does a part of the first part of strategy formulation, which involves setting goals and giving strategic direction. This is an important observation as this subtle difference in interpretation of the definitions of strategy formulation and implementation affects how practitioners engage with what is given by the NPSD.

Since practitioners are inclined to the top-down approach, a limitation in the interpretation of the role of the NPSD poses a considerable challenge in interpretation and execution at a later stage of the strategy. As explained by Floyd and Wooldridge, the combination of top management and middle-management is effective in executing strategy, with the understanding that top management develop a strategy and middle management executes on it (Floyd & Wooldridge, 1992). If it is apparent that the NPSD is the top management, then the assumption would be that the subserviates are the implementors. This would mean that the implementation of strategy is happening on objectives and not a deliberation of the objectives to formulate a strategy. Beer and Eisenstat affirm that such an approach can be counterproductive, when applied in a systematic way of setting strategic objectives and then formulating strategy, this leads to commitment and operational effectiveness (Beer & Eisenstat, 2000).

There are other considerations that incorporate different perspectives and thinking from other departments of the Reserve Bank, like Monetary Policy, Financial Markets, Financial Stability, Financial Surveillance, and the Prudential Authority. Although a wide array of input from different parts of the banks is considered, the NPSD ultimately understands what needs to be in place and how the national payments system should operate. Although the process is managed by the NPSD, there is consensus that the process followed by the NPSD is a good one and the authority that the NPSD holds in this, is an accepted one. This point reiterates the position of the NPSD and confirms that the top down approach is the one adopted by the NPSD on creating strategic direction

(Scholz T.R., Huchzermeier A., 2021). This practice is an accepted practice and does not need further deliberation if it is accepted and works effectively.

Besides the internal meeting of minds, the NPSD engages with various stakeholders, which comprises key people from several organisations, including banks and other non-banking participants. The inclusion of stakeholders is an important one intended to firm up the vision for South African payments industry. Noble advises that strategic consensus is a shared understanding by a group of individuals, to achieve the strategic direction within an organisational unit (Noble, 1999). As such, the approach adopted by the NPSD is aligned to what Noble views as an important consideration.

The outcomes of this inclusivity and collaboration manifests in a vision document, which has been available to the payments industry from 1995 to date and is called Vision 2025. The practitioners believe that this document is reflective of the needs of South Africa. Preceding the commitment to the strategy, it is incumbent on those preparing the strategy formulation to know and understand what the strategic vision is (Ateş & Porck, 2020). The preparation of a document to give guidance to the formulation is an important one and therefor what is implored by the NPSD in the form of this vison document is an acceptable and encouraged practice preceding the formulation of strategy.

The practitioners further state the importance of this vision document. The premise is that the document become the "north star" of the industry and as such provide strategic direction. This thinking is affirmed, the top management of organisations set these objectives for a future vision (Tawse et al., 2019a), and this understanding of NPSD setting of setting the direction as the leaders of the industry on payments is therefore a consistent argument. This type of shared understanding brings about confidence in the strategy, and commitment to it, and also reduces uncertainty (Ateş & Porck, 2020). The approach taken by the NPSD of being inclusive in developing the vision document is as recommended by Noble (Noble, 1999), and has the desired effect as articlated here by Ateş & Porck.

A concern raised by the practitioners on the vison document is that there are other priorities that emerge from the NPSD, which is not contained in the vision document and surfaces after the vison document has been sent to the industry. The vision document is a long-term document that has a life span of about ten years at a time, which means that there are many imperatives that can arise from the SARB during that period (BankservAfrica & Payments Association of South Africa, 2017). Although these additions are imperatives set by the NPSD with national imperatives, what is unclear to

the practitioners is how do these imperatives align with the vison document and what priority needs to be allotted to it. Although practitioners have their own view on how this should be addressed, there is evidence from literature of strategy interruptions, and this is referred to as emergent strategy (Mintzberg & Waters, 1985). Emergent strategies are an occurrence and sometimes changes the trajectory of the implementation, when that original strategy was deliberate (Mintzberg & Waters, 1985). The general understanding on emergent strategy is that it becomes apparent at a certain point in a strategy as a result of unintentional occurrences (Mintzberg & Waters, 1985), however in the case of what the practitioners have experience of in the NPS, is that there is always interruptions to the implementation. This is not a considered in the literature, and generally there is a continuum of planned to an emergent offshoot(Neugebauer et al., 2016) not a planned expectation of an emergent strategy.

Mention is made that the NPSD still tracks and monitors the progress in relation to the vision document and other initiatives, however the practitioners do not have clear guidelines on what that means. The literature points that in some instances, it can be found that strategy formulation is done by top level management and then handed over to lower levels in the organisation for implementation (Leonardi, 2015), suggestion are put forward of different mechanisms for measurement and one prominent method suggested is utilising a balance score card to measure and track progress on initiatives (Acuña-Carvajal et al., 2019).

There was some indication by practitioners that that the vision set by the NPSD is somewhat ambiguous and in some instances not completely clear. Some practitioners believed that that the role of the NPSD was to formulate the strategy in totality, and as such find themselves restricted in acting beyond what is presented by the NPSD. There are two concerns raised here. One is that the vagueness in the Vision 2025 document and other confusion can be raised if the role of the NPSD is not defined clearly. Thus, the clarity of the NPSD's role is again highlighted as a critical connection point. Regarding the vagueness of the document, a discussion on guiding principles, in point 6.2.2 will cover this discussion.

When considering this theme of the role of the SARB/NPSD against RQ1, strategic formulation is explained from the perspective of the NPSD and the question is answered. However, in positing the main research question (What are the strategic formation considerations, that can be employed by the Payments Association of South Africa to improve implementation of the national payment's strategy of South Africa?) against the theme, there are some recommendations that need to be considered. What is apparent

in this theme is that the role of the NPSD is important for developing strategic direction, their role on the strategy needs to remain in this ambit. The role, however, needs clarity so that all the practitioners are aware of this and can effectively engage with the SARB on the vision document, which will be discussed next in the context of PASA.

6.2.2. The role of PASA and the guiding principles

As pointed out in the previous theme, the strategic objectives are handed by NPSD to PASA for execution. The point is corroborated made by Leonardi (2015) on strategy being handed over from top management is again applicable in this instance.

The practitioners suggest that there is an entry point at PASA, which is known as the EPC forum (Electronic Payments and Cash forum) and this forum is a critical place to discuss strategy. The forum is at the right skill level and does allow for discussions to occur. What is a concern cited in literature is the makeup of persons who are in these forums, besides skills, other factors are also important when determining who will be responsible for making decisions in regards to strategy formulation, which include factors such as demographics, personality traits and team characteristics (Neugebauer et al., 2016). Here we find that the literature not only alludes to strategy formulation moving into another space, and skill levels, but gives some indication on what the composition of the forums should consider.

The strategy starts with objectives set by the NPSD and is further deliberated on by the EPC at PASA. Although there is some direction that is given by the NPSD, practitioners felt that more work could be done by PASA and its members to develop the strategy. Some practitioners have alluded to strategies start off as weak signals but gradually evolving into a clearer understanding and picture of what needs to be done. This is further contextualised by Nickols (2016) that although one part of strategy can be realised and carefully planned for, referred to as deliberate strategy, another has to be deliberated upon for the unanticipated events occurring, referred to as emergent strategy (Nickols, 2016). These emergent strategies may arise from practitioners themselves raising these changes, new technological developments, and changes in market conditions (Neugebauer et al., 2016). As such, the strategy is evolving and according to PA3, "There must be consideration of an emergent strategy, where the strategy develops." This will be further discussed in point 6.2.4.

What follows is a discussion on the guiding principles document, and its usage. There was some indication, although vision document provides the overarching direction, there

is a need for the industry to consider the document from their own. Minztberg validates this argument, by explaining that managers or top level executives may not be privy to lower level processes, systems, and some of the needs of the customers and therefore the expectation of managers precisely stating what is required for an effective strategy can be misleading through "insignificant guidelines" (Mintzberg, 1977).

Practitioners advocate that there is a need for a guiding principles document, yet there are some subtle disagreements amongst them on the purpose of the document. (Tarakci et al. (2014) provides insight and importance that consensus must be sort on the understanding on strategic objectives and that within the organisation and across interdependent organisational units (Tarakci et al., 2014).

The general discussion is how should the guiding principles be established. Because this is visionary, some thoughts provided by the practitioners is that a set of cathedral statements be positioned to position the initiatives and strategies. What is unclear from the practitioner is how does this cathedral statements match back to the strategic objectives set by the NPSD, to which we can draw guidance from a paper entitled, An integrated method to plan…" where it is explained that these principles or objectives can be translated into strategic maps which contain consequences as a means to validate those objectives (Acuña-Carvajal et al., 2019).

The point on validating the strategic objectives set by the NPSD is a significant point, as there is a substantial amount of narrative on this, as well as acknowledgement of the need for guiding principles that follow the vision or policy document of the NPSD. These points are well substantiated in the literature with a practical manner presented on how this can be achieved.

A concern is raised that although the payments industry and its participants are a significant influence in the system, a high level of co-ordination is required. Tawse et al. affirms this by adding that strategy formulation is hard work with key attributes of actualizing and achieving goals being in vast areas like communications, training, motivational management, and teamwork (Tawse et al., 2019a). Mintzberg further points out that when dealing with complexity, one should consider the many or the collective and engage them in the process at an earlier stage of the formulation of the strategy (Mintzberg, 1990).

In the exposition of the themes on PASA, there is a clear role that is being carved out by practitioners, this ties back to what the literature advises and gives a good indication that some validation needs to occur between the SARB and PASA on the strategic objectives.

The upward stream, which is between the SARB and PASA, has been clearly articulated and discussed, what now follows is a continuation of the discussion to the downstream. On the onset of the discussion, a point is raised on the role of leadership in the downstream and discussed in the context of strategic formulation.

6.2.3. Senior leadership engagement

The theme of this discussion still sits within the ambit of strategy formulation, however now looking to organisations that are affiliated PASA and part of NPS that needs to implement the strategy.

An important part that emerges in relation to decision making is that it is necessary to have the right level of authority involved in setting the strategic direction. In the earlier stages of strategy formulation, it is an imperative to get senior people involved. Resource allocation is important in any project, and needs to occur earlier in the project (Noble, 1999) and in complex environments, where needs are dynamic in nature, a systematic approach must be adopted in strategy formulation(Nwachuku et al., 2017). As further noted by P4 and P5, "CEO's need to be involved in positioning at an industry level (P5)" and P4, who says, "CEO's must be involved at an earlier stage". Noble agrees an points out the importance of selling the strategy both laterally and vertically to all stakeholders in the organisation (Noble, 1999).

A further point raised by practitioners is that the CEOs of banks are not involved, and this affects positioning these initiatives in their organisations and in the industry as well, they further point out that this buy-in is critical in terms of budget, priority, and resource allocation. Strategy formulation gives executives guidance in defining the environment their business is in, where the business should be heading to, and how the business will achieve success (Nwachuku et al., 2017), and thus becomes important for business position their environments to meet the strategy. The literature supports the comments made by the practitioners.

Further to the point on CEOs, another concern raised is their critical role in developing consensus, and as pointed out, at least at the highest level there needs to be agreement in terms of the direction initiatives should take and how will assist in terms of consensus building at lower levels in the organisation. As pointed by Ateş & Porck(2020), top management can have an ambivalence towards strategy and provides a broad lens of interpretation for lower management levels (Ateş & Porck, 2020), which could have the opposite effect on consensus. Therefore, building consensus with the senior

management backing is important and can influence the success of the implementation (Noble, 1999).

Besides just positioning, a concern is that CEO's and executives must to remain committed to the process and create stimulus in the system by motivating and encouraging their subordinates (Tawse et al., 2019a). Shared value is a concept is growing with popularity and it is dualistic in action, by creating opportunities for the company and simultaneously providing solution to the general society(Tawse et al., 2019a). Hoffman advises that creating shared value is an effective way to engage leadership and create purpose when considering activities that require a higher purpose in mind (Hoffman, 2018). The safe keeping and improvement of the NPS is considered a national imperative, and as such be considered a higher purpose. However, the literature provides further elucidation on the how this can be effective. Teece advises that business modelling is a means for businesses to show how it's going to achieve its objectives (Teece, 2018). During the strategy formulation process, a CEO should carefully consider how the strategy is implemented, and in some cases a centralised approach may not be the most effective means of implementation - a "free market" thinking may lead to long term benefits of the company (Bourgeois & Brodwin, 1984). The involvement of the CEO is a recurrent point that emerges amongst the practitioners as a need and will be put forward as a recommendation later in this study.

What is considered next builds on the thinking set in motion thus far, and that is, what happens next after buy-in has been achieved. The discussion now moves in the planning phase of strategy formulation and discussed in the next theme.

6.2.4. The development of strategy and national assets.

An important question posed was whether there is sufficient capacity in the industry to assist with initiatives, and whether initiatives that are considered of higher importance attracts the availability of resources. Nwachuku et al , suggests that organisations must consider what resources and capabilities they have to deal with complex situations (Nwachuku et al., 2017).

Practitioners warn that to develop a strategy is an important exercise, and persons involved in this exercise must have experience and depth of knowledge in the field of payments. As stated by the practitioners, "not everyone understands payments, and some participate with their own invested interests, only considering what is good for their business models, and little or no consideration of the industry view". Communication is key, open and supportive dialogue in facilitates learning and knowledge sharing

(Shadrack Mayende & Odhiambo Joseph, 2020). A learning opportunity must be created that gives participants in these forums an in depth understanding of the national payments systems and importance of maintaining integrity, and high standards in these environments. Learning is an important tool for strategy, and the incumbents must have fair knowledge of the project and of previous projects in the organisation (Tawse et al., 2019a). One point that is incongruent to the practitioners' responses is the role of past learning and the importance it adds to future initiatives.

It is thus important to ensure that there is prioritisation setting, which will ensure that capable resources are allocated to projects that meet the vision's objectives. Project Management is an important component when it comes to setting priorities in project or portfolio management, this is more obvious when moving from strategy formulation to strategy implementation (Kopmann et al., 2017). Further, practitioners point out that, PASA manages the project book of work, and this should map back to the vision document as a critical piece of work. This allocation of resources is effective in deliberate strategy, however in emergent strategy, one may not be able to as accurately determine utilisation, and generally in a deliberate strategy this can happen from top management downwards (Kopmann et al., 2017).

Part of this emergent strategy is the change of narrative that forms as the conversations evolve, sometimes, those that are involved in the process are not able to make connections earlier in the process, which is a concern and then the strategy may become disjointed. There is the thinking that there is more to a single method of strategy formulation (Mintzberg & Waters, 1985). In 1985, Mintzberg and Waters, further explored this apparent dichotomy (Mintzberg & Waters, 1985). Emergent strategy is the practice of addressing rising needs that occur in environments of fluidity (Mintzberg, 1990).This point is well substantiated, and supported as actions already taken by practitioners.

In this theme of the development of strategy and national assets, the discussion spoke of the importance of resource and prioritisation, the importance of learnings and knowledge by practitioners and the impact on these resources when strategy moves from deliberate to emergent strategy. Although the literature validates the concerns and recommendations of the practitioners, the literature also expands on how these concepts can be realised. Lessons learnt are a good way to make knowledge visible to all practitioners that are involved(Guibert & Roloff, 2017). What also comes to light is the way Teece manages strategy formulation, through the process of sensing, as being the ability to understand the organisation, its asset base and capabilities and in that way, position the organisation(Teece et al., 2016; Teece et al., 2009).

After having positioned oneself for strategy formulation, what follows, is a dialogue on the discussions that occur at PASA on the actual formulation of the strategy.

6.2.5. The interests of participants versus national interests and the importance of dialogue.

In this theme, there is a description of the discussions that happen at PASA on strategy formulation. Owing to the complex environment that involves several participants, one of the challenges is balancing the various interests of the participants and that of the national payments system. In other words, there is difficulty in finding alignment between different perspectives. The payments environment is a complex one, made up of various stakeholders, with a complex matrix of rules and conditions. Furthermore, the environment is a complex one because of a host of different requirements, needs and wants. Those involved need to be able to cope with high volumes of information, which required a high processing capability. The complexity of the environment is compounded by the complexity of bounded rationality. Bounded rationality is a natural occurrence related to the limitations that decision makers possess (Lejarraga & Pindard-Lejarraga, 2020).

Another related but different point is that various stakeholders have their own interests at the forefront of the discussions with little regard for what is in the best interest of the national payments system. It is of utmost importance that the needs of the participants and the needs of the industry align and it's about creating that balance between the interest of the participants and the interests of the industry. As mentioned shared value is an important concept that creates opportunities for the company and simultaneously providing solutions to the general society (Tawse et al., 2019a). Practitioners further point out that, moving into such a space of equilibrium is not easy, as some participants only want to see and experience the commercial value in initiatives. Tawse et al. further notes that this transition to shared value, moves organisations to creating a higher purpose and also management teams a sense of empowerment knowing that they are making a meaningful contribution (Tawse et al., 2019a).

One reason attributed to the focus on commercial value could be because buy-in is internal to the organisation and the various parts have different needs, one of which is commercial value creation. As a result, some participants see a commercial case and therefore they engage only in relation to that objective and do not extend themselves beyond this particular purpose. The point of balancing interests from practitioners' point

of view is widely discussed in the literature in terms of shared value, a novel way to address this challenge (Tawse et al., 2019b).

Dialogue is a critical aspect of bringing together and connecting the views of the industry and those of the NPSD. The processes involve checking for correct understanding and developing the strategy. The deliberation on and discussing of strategy allows for shared thinking beyond the ambit of banks when it includes other participants. Dialogue with centralised intentions work well in environments where deliberate strategies are conceived, because they are planned. This dialogue allows teams to discuss, deliberate, and problem solve issues (Neugebauer et al., 2016).

Dialogue is an important strengthening mechanism to signal weak signals when building the strategy and the debate in these forums also allows participants to refine their own strategy internally to their organisations. The discussion forums create opportunities for other innovative thinkers, which in turn creates an opportunity to expand the thinking to execute the strategy more effectively. This is a shared thought by both the practitioners and the literature and pointed out, to achieve a purpose of strategy formulations, the use of discussion techniques is important (Acuña-Carvajal et al., 2019).

Dialogue is an important part of the formulating part of strategy, and PASA and its members are well aligned to what has been discussed in the literature. Although there is a host of literature in respect to discussion techniques for effectiveness, this research paper does not venture in that direction and is worth consideration for future research on this topic. Although dialogue is important, what is more important is understanding how it is documented, and how this benefits the customer. This is explored in the theme that follows next.

6.2.6. Voice of the customer

Practitioners believe that building a business case brings together the understanding of the interests of the industry and that of the national payments system and the business case is also another means to validate the needs of the practitioners. Furthermore, the business case is a means for the industry to find the commercial value in what is being done. Businesses are under pinned by a business model that describes how companies work and earn their revenue and the strategy creates trajectory for the company based on the business model (Slavik & Zagorsek, 2016).

The needs and services provided to customers, from both a retail and a corporate or business perspective are important and needs to be considered when developing a strategy. Moreover, there is a need to must also understand what benefits the customers.

In the understanding of the strategy being a plan, this plan must be referenced to a purpose. One such purpose of the plan is to engage with the customer for the benefit of the business. Customer orientated strategies tend to focus on satisfying the customer more than focusing on the competitors(Lin et al., 2016)

One way to manage an initiative or the strategy is to map the customer needs against the strategy and along with this mapping, it is important to check the relevance of the customer needs as the strategy develops. Venkatesan recommends customer engagement is a strategy of understanding the customer at a deeper level, by building customer relationships (Venkatesan, 2017). The suggestions made by the practitioners validates well against the theory and needs to be recommended as a need for business case in which customer needs are articulated with associated benefits.

There is a large contingent of voices in the payments industry, and the outer circle of stakeholders are key in this deliberation (P3). There are the voices also of organisations such as Fintechs and other organisation representatives that are connected to the NSPD and how important are they? Fintechs are quickly entering into a delivery chain that was previously dominated by banks and offering their services. As a result banking will change dramatically in the next decade (Coetzee, 2018).

Practitioners further point out that it is critical that the voices of the outer circle are heard in the planning of the implementation of the strategy. Fintechs are offering a number of payments services, including digital payments solutions (Coetzee, 2018). Giorgio Barba Navaretti & Pozzolo, advise that the expansion of fintechs will be evident amongst others, in payments, clearing and settlement (Giorgio Barba Navaretti & Pozzolo, 2017).

6.2.7. Conclusion for RQ1

In the RQ1 that dealt with strategic formulation, six themes were further discussed to answer the main research question. From this discussion there has been an understanding presented that there is a gap that has been identified between the literature and the experience of the practitioners. These gaps do not indicate a serious lacking from a practitioner perspective however does provide insight into what can be further adopted in the NPS to make the strategy formulation a success.

Strategy formulation has been adequately covered from the perspective of the NPS and the discussion now moves to strategy implementation in RQ2.

6.3. What are the factors that influence strategic implementation in the national payment system strategy of South Africa? (RQ2)

To respond to RQ2, the sections below fall under the area of strategy implementation. The various themes that were developed to answer RQ2 are discussed below.

6.3.1. The Role of PASA

The role PASA has is a difficult one and was compared to hoarding the cats (PA3).

Like all other disciplines, there are challenges in strategic implementation. One of the considerations regarding why strategy may prove to be a challenge is the added complexity of bounded rationality. Bounded rationality is a natural occurrence related to the limitations that decision makers possess (Lejarraga & Pindard-Lejarraga, 2020). There is no perfect strategy and therefore no perfect execution of strategy (Lee & Puranam, 2016). PASA sits in a pivotal role central to the industry and acts as a buffer to the NPSD. Therefore, how PASA manages the initiatives are an important contributing factor to the success of the implementation. Before committing to the strategy, a team must understand the strategic vision associated with the implementation (Ateş & Porck, 2020). Strategy implementation needs distinct leadership throughout the organisation - upper, middle and lower levels (Ateş & Porck, 2020).

The question is trying to understand how we assess what the current capabilities are. In the implementation stage, we should look to common platforms as a means of building a legitimate consideration for utility of it (PA3). Teece's presentation on dynamic capabilities provides insights in how capabilities assessed. Teece also suggests how in the phase of implementation how the themes of seizing and transforming can be implored, where assets assessed for architectural designs and orchestration. (D. J. Teece, 2018).

As much as the responsibility of leaders is significant, there are staff at other levels who contribute to the success of strategic implementation. Strategic implementation is relayed through the system via the organisation structure, and middle managers have the responsibility to communicate it through to the line workers(Noble, 1999).

There are different priorities in the banks and in the industry. The needs of the banks are different than what can be proposed in industry initiatives, however the initiatives of the bank must be aligned to those interests of the industry (P3). Aligning the resources with the strategy is important along with defining roles and responsibilities when implementing strategy (Srivastava & Sushil, 2017). As mentioned by Elbanna, Said, Andrews, Rhys

and Pollanen, Raili, strategic management is planning needs to occur in strategic implementation (Elbanna et al., 2016), and this planning has shown success in organisational performance (Elbanna et al., 2016). As such, project management is an important component of strategic implementation, and in this paradigm, project management has a set of tools and techniques that are positioned to assist one in managing the resources of time, budget, and effort (Ben Mahmoud-Jouini et al., 2016). Noble further captures the point that implementation is a planning level that involves the allocation of resources(Noble, 1999).

Three phases for project portfolio management are captured as important in strategy implementation (Kopmann et al., 2017):

1. The prioritisation and selection of projects – determining which projects are priority and actioning on it.

2. resource allocation to and across projects - ensuring that projects are adequately resourced.

3. Portfolio steering- reprioritising and reallocation of resources.

There is also a view that suggest that less formal plans can also lead to effective decisions in strategic implementation (Elbanna et al., 2016). A consideration in resource allocation is securing as far as possible the resource in an autonomous manner to reduce resource dependence on other areas or projects(Elbanna et al., 2016). Guth and Macmillan have contemplated the commitment of individuals regarding strategic implementation, and have noted two common themes, one being high levels of effort exerted by individuals and the other being the individual identifying with the organisation objectives intimately(Guth & Macmillan, 1986).

Of the many attributes to that seem to encourage commitment, i.e., trust in senior management, decision making mandates, organisation decentralisation, and positive attitudes towards the organisation, one stands out the most as cite by Guth and Macmillan, that being "political access". This means to raise issues and get the appropriate attention on them (Guth & Macmillan, 1986). Middle management participation and commitment to the process seems to be a vital heart beat in regards to the successful implementation of the strategy, and therefore it is important that middle managers buy into the strategy, have the confidence that there is success in the project and that the project aligns to the values and goals (Guth & Macmillan, 1986).

Control mechanisms need to be in place when planning a target, setting a standard of performance, monitoring and measurement of targets an implementing corrective

actions if targets are not met (Noble, 1999). In relation to control mechanisms and prioritisation and on the point of how PASA manages the initiative, the responses given by the practitioners was where sparse. Turning to the literature provides an in-depth understanding of the practice.

Practitioners advise that the environment is a complex and therefore detailed planning is essential. Strategy is not a perfect science and the top-down or bottom-up approach may not present all the answers, this is further confounded with bounded rationality creeping in where individuals may have conflicting thoughts; this inevitably has an impact on implementation (Lee & Puranam, 2016).

Aligning best practices allows for companies to seek out new opportunities through newer technologies and modern methods of working (Srivastava & Sushil, 2017). An important aspect of business model implementation is understanding how to remain profitable(Teece, 2018).

6.3.2. Conclusion for RQ2

Some important considerations are the affirmation of the literature that strategic implementation in is not as flamboyant as strategic formulation. This is indicative by the lack of substantial responses that emanated from the practitioners. Consideration on implementation can be given in respect to Teece's model on dynamic capabilities (Teece, 2018) and the influence of seizing and transforming.

The next RQ question further explores strategic implementation, but specifically to building consensus in the NPS. The most critical part of building consensus is dialogue and the main theme in RQ3 explores this.

6.4. Research question three: What is the importance that is placed on strategic consensus in strategic implementation, in the national payment system strategy of South Africa? (RQ3)

To respond to RQ3, the sections below fall under the scope of strategic consensus. The various themes that were developed to answer RQ2 are discussed below.

6.4.1. The importance of dialogue

Dialogue is important in building consensus and everyone's voice must be heard and incorporated into discussions and decision making. As pointed out, stakeholder communication is any engagement or exchange of information between the organisation

and impacted persons, groups, other organisation, or areas of influence(Koschmann & Kopczynski, 2017).

Although there are many ways to have dialogue, one way this can be achieved is with one-on-one sessions, this is a good way to ensure that all the voices are heard. A critical aspect of this is that it gives an individual a chance to talk. In open forums, a concern is that not all persons are able to articulate of convey their message. P1 further advises that, "The value of these one-on-one sessions cannot be underestimated". Kent provides a simple yet most distinguishing argue on this point, which is that dialogue can only happen when there is a relationship of some kind in existence(Kent, 2018).

Sometimes as indicated by B1, strong opinions may come from some industry players, however they may not represent the views of the broader audience (B1). Important issues must be heard from participants (PS1), not just the loudest voices in the room (P3, PA2). It is a social process that adds value through negotiation and consensus and should not a means to keep control or create leverage(Koschmann & Kopczynski, 2017).

The purpose of these dialogues is to move to consensus. What participants believes is that the dialogue is not of a static nature, however the dialogue evolves, start with an impetus to change and morphs into more wholesome discussions. P5 also states the following regarding this, "The right people must be in the right discussions, otherwise the contribution of the person is limited". This dialogue means that there is a fair amount of trust and risk in the relationship(Kent, 2018) and is needed more so today, as a result of the complexity and interdependencies that exists in organisations (Koschmann & Kopczynski, 2017).

One consideration as mentioned by practitioners is comfort consensus, this means that there not an absolute agreement, however an agreement to a point of moving forward. Obtaining a broad base of opinions can promote implementation and the level of discussion and debate that can lead to identifying diverse opinions and creating a more conducive environment (Noble, 1999).

Practitioners advises that this dialogue, can only happen through robust and rich discussions and further explain that this requires that those who are participants of the conversation must have familiarity with the topics or have at least come prepared for the sessions. P5 further warns, "that if these discussions are not robust, and if debates are not held at the right time, they will crop up in implementation and things will get stalled or you will have to do another project". Ultimately, strategic consensus is a shared understanding by a group of individuals to achieve the strategic direction within an organisational unit (Noble, 1999). Shared understanding brings about confidence in the

strategy, and commitment to it, whilst also reducing uncertainty(Ateş & Porck, 2020). Benefits of consensus includes commitment of managers and reduction of uncertainty in the system, assessing in advance possible challenges to implementation whilst fine tuning and adjusting as trends arise (Noble, 1999). By reducing uncertainty, increasing perceived feasibility and improving desirability of strategic objectives, strategic consensus can build strategic commitment (Ateş & Porck, 2020)

There are some flaws to broad conversations with all participants in the same room, for examples, some may have a wait and see attitude, which means that they will wait for the discussions and decision to take place and as a result follow, instead of leading.

Sometimes, some participants May not be brave enough to say things in these public forums. The emergence of the Covid-19 pandemic in 2020 did not help in these situations, because in online meetings you cannot see peoples body language.

There is a dichotomy that can occur in no consensus versus total consensus, i.e. the effect of no consensus is uncertainty in the system and a lack of commitment (Noble, 1999), whilst total consensus leads to group think and the suppression of valuable individual opinions(Noble, 1999). Some of the concerns when there is a lack of consensus are related to alignment are resource commitment, policies, operations, structures, best practice, community orientation, budget and rewards (Srivastava & Sushil, 2017).   As a result, this cohesiveness can result in polarisation of sub units (Noble, 1999).

6.4.2. Conclusion for RQ3

Dialogue is described in this RQ and how it evolves has been described by both practitioners and corroborated by the literature. As previously pointed out, the purpose of this study was not provided methods on effective dialogue, however provided insight to the importance of dialogue in building consensus in the NPS on strategy implementation. Further research can be explored on effective dialogue and methods that can be applied in building dialogue in the NPS.

The importance of dialogue is an important aspect of strategy implementation, another aspect of implementation which is just an important is understanding capabilities for implementation. Further insight on capabilities is examined in RQ4.

6.5. Research question four: How are dynamic capabilities considered in strategic implementation in the national payment system strategy of South Africa?

To respond to RQ4, the sections below fall under the area of dynamic capabilities. The various themes that were developed to answer RQ4 are discussed below.

6.5.1. Dynamic capabilities.

PASA assets

In this theme, a understanding is presented by practitioners on the role PASA has in regards to dynamic capabilities. The forums that PASA facilitates is an asset and therefore PASA can be seen as a dynamic capability. The skill set at PASA is invaluable. The forums that exist at PASA serve as critical resources, e.g., the PCHs, the strategic forums and council forums. The participants are a great asset to the industry and the PCH is an effective mechanism that is used in the industry. What assists greatly is the legal certainty in the payments and how it is managed, this comes from structures like PCH's and Legal forums. What Pasa does well is create structures, discussions forums and documents to bring industry experts together, and PASA plays this pivotal role of bringing it all together.These forums and individuals in the forum can be used to simplify the problem by utilising their strengths and knowledge basis as well as networks. It is key though is having the best and the right people for the project. The practitioners present a view of the importance of PASA and the various forums, skill and management it provides to the NPS. As pointed out by Teece, it is important to understand the way things are carried out in the organisation, understand the routines, what routines are occurring and the patterns that have developed, along with any learnings that have become apparent(Teece et al., 2009).

A concern raised is that the PCH is an asset, but it is ineffective when there is a lack of accountability. Teece questions the effectiveness of an organisation and its associated efficiencies if the organisation is replicated (Teece et al., 1997). Part of that thinking of Teece leads to questioning the effectiveness of the replicated organisation devoid of the same set of people (Teece et al., 1997). This point of Teece indirectly speaks to deriving the same accountability of people in different environments. This is somewhat similar in the NPS, because the practitioners are often conflicted in how they operate across the

organisations that they work for, versus their efforts they are required to serve as representatives of the NPS.

Bankserv Africa Assets

Bankserv Africa is the national payment system operator and is consider a national asset for payments. Systems and processes at Bankserv Africa can and must be re-used where applicable. It has worked well for South Africa, further elaborates, "we cannot ignore them. We need to optimise on them". Bankserv Africa can been seen as a utility of the NPSD, however innovation must not be stifled by dint of it being part of the NPSD. Payment's system in South Africa must be seen as a utility and must benefit everyone. If we accept that payment systems are a utility, we must leverage off existing infrastructure to implement optimally. There is a need to have an architectural view of assets in the industry of payments if order for the assets to be used effectively. Part of this is to ensure that PASA nurtures these important relationships with Bankserv Africa and other system operators. Dynamic capabilities allows for expansion and growth whilst upgrading and utilising ordinary capabilities (Teece, 2018).

Other Assets

There are other assets that can be considered in the industry, of which PSSF is also a capability with rare set of skills, as is BASA, which creates an opportunity to engage with CEOs of banks and allows for an important platform to advocate and to mobilise support at the highest level. One other important asset is Fintechs, a brain trust can be formed by mobilising individuals from banks and these Fintechs.

Value chain analysis is important because it makes you understand what worked for the customer and can be used again. This also, allows for better understanding the strengths of all stakeholders increases the value proposition.

Eisenhardt and Martin, however conclude that dynamic capabilities are inclusive of familiar organisational and strategic processes, which is for product and alliances in understanding how to leverage resources(Eisenhardt & Martin, 2000).

 6.5.2. Conclusion for RQ4

The theory that is presented in this section is to match the practitioners' responses is primarily presented against the theory of dynamic capabilities. Practitioners have provided provocative evidence regarding the importance of these dynamic capabilities, however there is a lack of understanding of how these dynamic capabilities can be used in successful implementation in the payments industry. The literature speaks to dynamic

capabilities use in ways to enhance implementation by creating architectural views, asset configuration and reconfiguration and re-use of the assets to project the organisation forward towards achieving its objectives (Teece et al., 2009).

In the next section of this chapter, the discussion is brought together to show how the overall dialogue has progressed and what the discussion chapter elucidates.
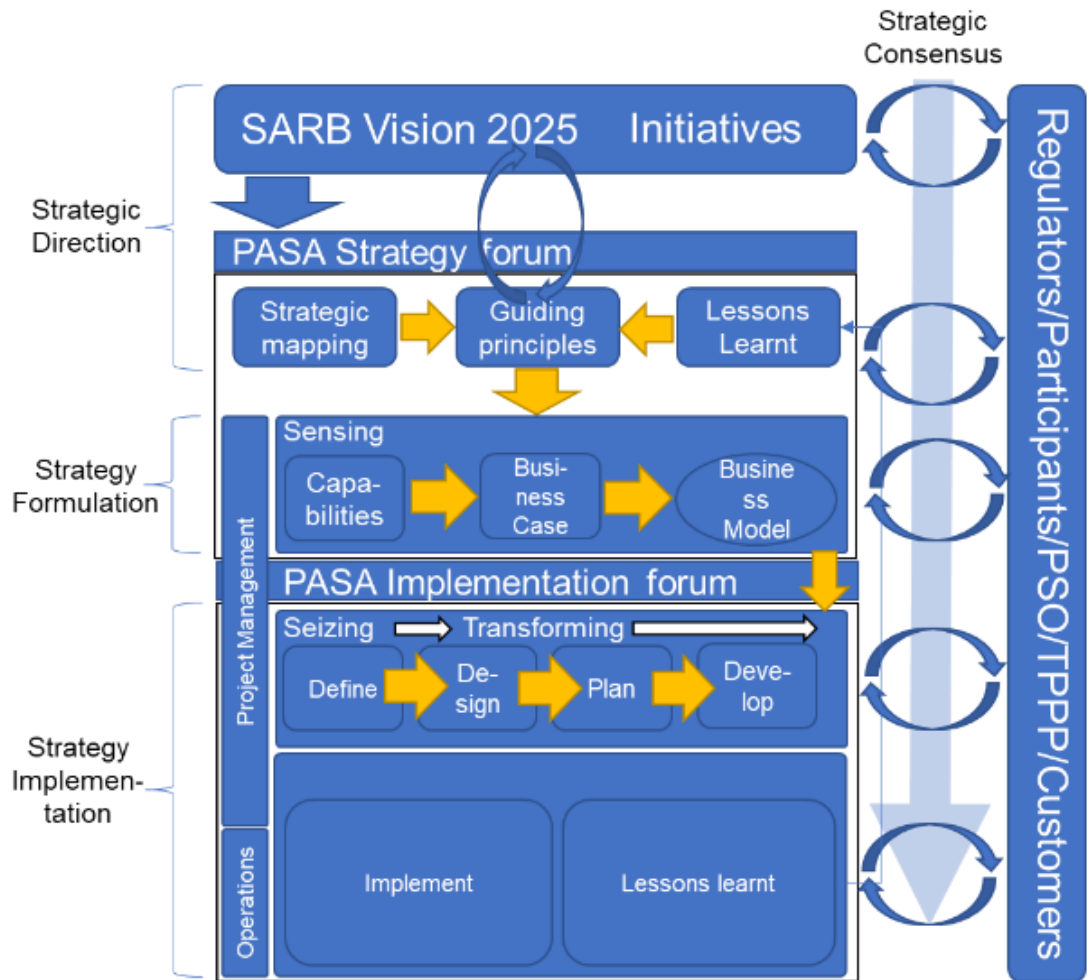
6.6. Conclusion

The research findings and the literature point out that that are some short comings in successful implementation of the national payment's strategy of South Africa by the Payments Association of South Africa at present.

These shortcomings present an opportunity for the improvement of strategy formulations and implementation through PASA. The findings are summarised through a conceptual framework that is presented below.

6.6.1. Conceptual framework

In Chapter two (Figure 4) a framework was presented in respect to dynamic capabilities and business models, and in chapter five (**Error! Reference source not found.**), a f ramework was presented to how PASA currently implements their strategy. From the outcomes of chapter six, a merge and updates to these frameworks listed are presented in **Error! Reference source not found.**. This framework considers the environment of t he NPS and shows how strategy formation can be managed for successful implementation and will be discussed in the next chapter.

Figure 13 13: 14Adapted conceptual framework based on literature and findings from this study

CHAPTER 7: RECOMMENDATIONS AND FINAL CONCLUSION

7.1. Introduction

Chapter seven synthesises the research findings and the research objectives into recommendations. The recommendations emanate from all the work done to answer the research questions, as presented in the previous chapter. This chapter provides a reviewed framework for strategy formation (formulation and Implementation) in the national payments system through PASA. Suggestions are made primarily to PASA and the SARB.

7.2. Research background and objectives

The objective of the study was to identify strategic implementation considerations, that can be employed in the successful implementation of the national payment's strategy of South Africa by the Payments Association of South Africa.

7.3. Recommendations

Error! Reference source not found. illustrates the revised conceptual framework c onsidering the themes and main points of Chapter six.

The essence of the conceptual framework, below, is that there is a multi-pronged approach to addressing the strategic formation considerations, that PASA can employ to improve implementation of the national payment's strategy of South Africa. The multi-pronged approach consists of three layers – one for setting strategic direction, another for strategy formulation and the last for strategy implementation. Within the strategic direction layer, strategic mapping, guiding principles and lessons learnt coalesce to inform the direction that the strategy can take. It is important to note that this step could have different outcomes depending on the diversity of the senior management team at PASA. Generally, more diverse opinions could lead to a more robust strategic direction.

The next layer in the conceptual framework is the layer of strategy formulation. Here, the three appropriate overarching technique is sensing, as presented by Teece (Teece et al., 2009). Sending allows for a resilient understand of the way things are carried out in the organisation as well as understand the routines, what routines are occurring and the patterns that have developed along with any learnings that have become apparent (Teece et al., 2009). The three components of the strategy formulation layer are capabilities, the business case and the business model.

Lastly, the strategy implementation layer centres on seizing and transforming. The concept of seizing is a means to understand the journey that the organisation has made, and the trajectory that it was on (Teece et al., 1997). Transforming refers to the ability to operate in another setting, especially with regards to employees, funding available and understanding the competition that exists (Teece et al., 1997).

Within this strategic implementation layer, the features that follow the current PASA project management framework have been incorporated. Strategic consensus serves as a pillar throughout all the layers.

Figure 14 15: Revised conceptual framework
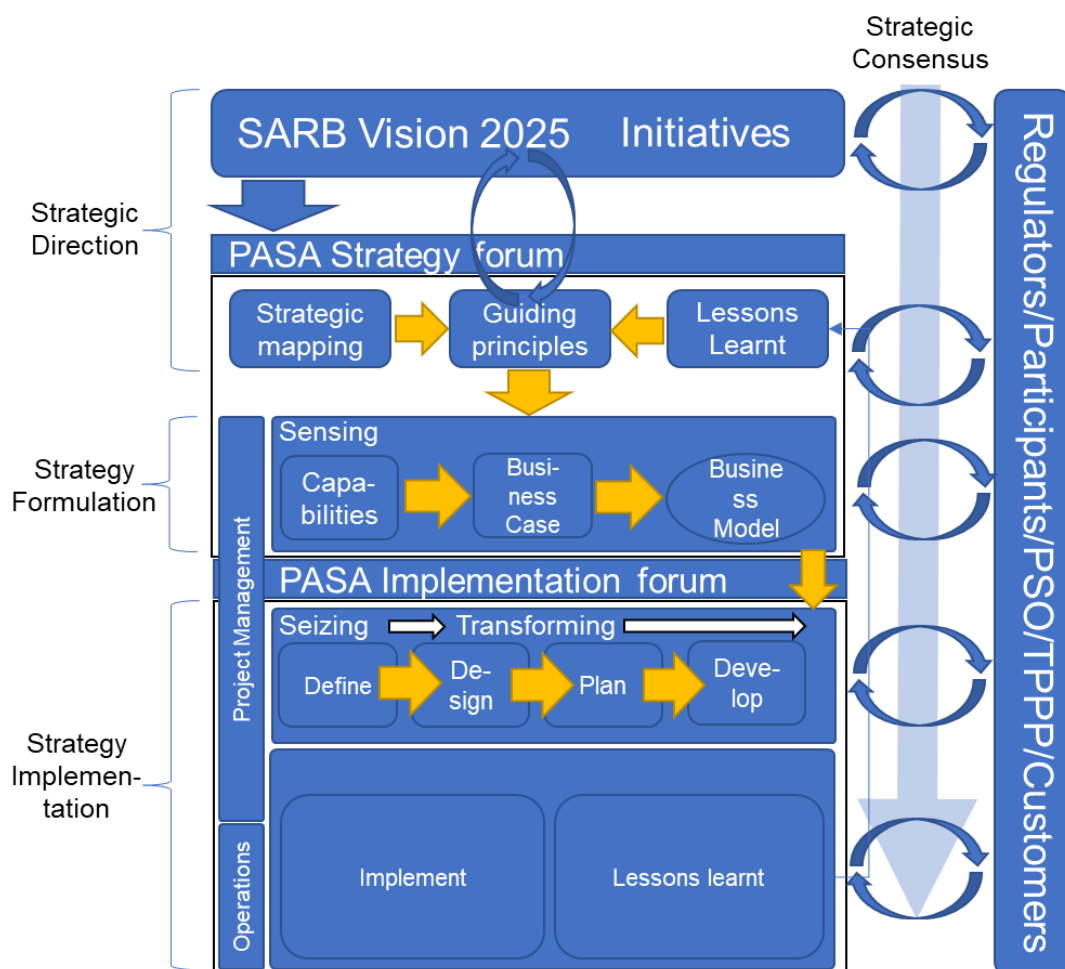
Recommendations that stem from this study are presented below.

7.3.1. Recommendation for the SARB (NPSD)

The SARB is inclusive in their process to develop the vison documents, and this should continue, as it is appreciated by the various practitioners of payments in the NPS.

The role that the SARB plays in respect to strategy formation, along the continuum of formulation and implementation is important and needs further clarification to participants. The SARB, from some of the practitioner's experience, is responsible for setting the strategic direction. It is also evident from how the industry formulates the strategy that this the role does not transgress into strategy formulation and implementation.

The mandate of the SARB must be clearly explained regarding the role the SARB has on payment strategy formation which includes strategy implementation and strategy formulation.

The focus of the SARB should be to set the strategic direction for the industry on the national payment strategy.

The SARB should also validate the meaning of the payments vision document as presented in a guiding principles document that would craft by PASA and its members.

7.3.2. Recommendations for PASA

PASA needs to restructure their environment to for effective strategy formation.

The environment should cater for a strategy formulation and for a strategy implementation forum as indicated in the illustration **Error! Reference source not found.**. As indicated by Tawse et al., the mindset of the implementors and the formulators are very different(Tawse et al., 2019a).

The strategy formulation forum

This forum will be responsible for formulating the strategy whilst simultaneously considering the principles employed by Teece on the concept known as sensing (Teece, 2018).

A consideration for this forum is considering its make up. What is a concern cited in literature is the makeup of persons who are in these forums, besides skills, other factors are also important when determining who will be responsible for making decisions in regards to strategy formulation, which include factors such as demographics, personality traits and team characteristics (Neugebauer et al., 2016).

The outputs of this forum would be a guiding principles document, a business model, and a business case.

The guiding principles document will be used to validate the vision document and other initiatives set by the SARB, with the SARB. The guiding principles document will be guided by the SARB vision document, lessons learnt from other projects of a similar nature and a strategic mapping exercise. A lessons learn portal needs to be set up with a number of tags that are easily referenced when looking for similar projects or initiates. Strategic mapping must also be introduced into this forum as a skill to map the vision book or initiative objectives to consequences and implications. This would give the SARB a better understanding of the initiative from an operational perspective to refine their thinking (Tarakci et al., 2014).

The approved guiding principles document must be used to formulate a business case and business model. This process will now be managed by a project or program team at PASA but report into the payments strategy forum.

In this part of the process, the thinking of Teece becomes applicable on dynamic capabilities. The concept of sensing will be used to identify the capabilities in the NPS and know what will be used as dynamic capabilities. The business case will also consider other aspects of the business along with the dynamic capabilities to create a business model for the industry (Teece, 2018). These business models must include the concept of shared value (Hoffman, 2018).

The signed off and approved outputs of this forum will be handed over to an implementation team.

The implementation forum

The implementation forum will be a different set of individuals who have an implementation mindset (Tawse et al., 2019a).

The implementation forum will be guided by the principles of dynamic capabilities, specific to seizing and transforming (Teece, 2018). In this phase project management would be leading the strategic implementation, (project management is an established discipline at PASA, and as such no recommendations are put forward in this regards).

A lesson learnt capability must established by PASA with rigorous discipline to ensure that all projects are stored in a lesson learnt portal for future use as explained.

No recommendations are presented for strategic consensus as this is an established protocol of PASA.

7.3.3. Recommendations for future research

There is limited research on strategic consensus in regulatory bodies with national interests.

- The discipline of strategic consensus is unknown when pursuing an item of national interest versus that of financial gain. Research can be provided on various engagement models in these environments.
- The concept of creating shared value in national scenarios when regulatory is driving the needs of a national agenda.

This is no evidence of a consideration in the literature for the planned expectation of an emergent strategy.

- Generally there is a continuum of planned to an emergent strategy (Neugebauer et al., 2016).
- This research paper was unable to source information that gave evidence where an emergent strategy was a natural expectation and therefor no suggested means to manage situations with this default setting.

7.3.4. Research contribution

This research paper does not produce any new findings for the literature, however does support the current literature on strategy formulations, strategy implementation and incorporating dynamic capabilities into the process.

7.3.5. Concluding remarks

The objective of the study was to understand what are the strategic formation considerations, that can be employed in the successful implementation of the national payment's strategy of South Africa by the Payments Association of South Africa?

The objective interrogated though a rigorous process of research principles and presented findings, a discussion, and some recommendations to assist in solving for the research problem.

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APPENDIX 1: INTERVIEW QUESTIONS

The interviewer indicated to the participants how the questions will be posed and that the questions follow a sequence of strategic formulation and moving towards strategic implementation. The question were posed to assimilate experiences.

1. **Research Objective 1: To understand how strategic formulation occurs in the national payment system strategy of South Africa.**
   1.1. The Assignment is about strategic implementation in the national payment system strategy of South Africa, however let's start with formulation, how does happen in your experience?
      1.1.1. How is the strategy introduced and discussed with your organisation and the industry?
      1.1.2. What are some of the considerations in the early stages of the planning that will assist in the implementation of the strategy?
2. **Research Objective 2: What are the factors that influence strategic implementation in the national payment system strategy of South Africa?**
   2.1. What are the factors that influence strategic implementation in the national payment system strategy of South Africa?
      2.1.1. What considerations are taken by your organisation in the implementation of the strategy?
      2.1.2. How do you bring those considerations into the industry and get relevance?
      2.1.3. What key considerations are considered by the industry when planning the implementation of the strategy and what do you observe?
3. **Research Objective 2: Is there importance placed on strategic consensus in strategic implementation, in the national payment system strategy of South Africa?**
   3.1. What is the importance that is placed on strategic consensus in strategic implementation, in the national payment system strategy of South Africa?
      3.1.1. How does dialogue develop in the process of implementing the strategy?
      3.1.2. How does the industry move to consensus on implementation concerns?
      3.1.3. Is the process fair and well represented?
4. **Research Objective 2: How can dynamic capabilities be considered in the implementation of the national strategy?**
   5. How are dynamic capabilities considered in strategic implementation in the national payment system strategy of South Africa?

5.1. Are there considerations to understanding what are the capabilities that the industry has in common?

5.2. How are these capabilities utilised in strategic implementation?

APPENDIX 2: ORGANISATION CONSENT

Organisation consent for interviews

I am conducting research on Strategic Implementation of the National Payments strategy in South Africa via the Payments Association of South Africa.

The dissertation adopts a qualitative research approach and will require interviews with various industry participants.
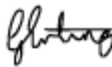
Scope of study:

Theory:

1. Strategic implementation
   a. Understand the various frameworks for effective strategic implementation
   b. Leadership
   c. Success factors
   d. Strategic consensus
   e. Influence of org structures
2. The role of Dynamic Capabilities

Interviews: Perspectives on strategic implementation of the NPS strategy

1. SARB
   a. Exec
2. PASA
   a. CEO
   b. Strategy exec
   c. Head: Projects
3. PSO
   a. Strategy
   b. Products-head
4. Banks
   a. Smaller Banks-Head of Payments
   b. Bigger banks-Head of Payments
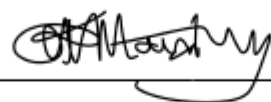5. Users
   a. PSO representation- Chairperson Payments

Approval to proceed with the studies:

Name of PASA CEO: Ghita Erling

Signature: _____

Date: ___12 August 2021___

Name of researcher: Kavin Maistry

Signature of researcher: _____

Date: 12 August 2021

If you have any concerns, please contact my supervisor or myself:

Researcher name: Kavin Maistry
Email: Kavinm@pasa.org.za
Phone: 065 839 1204

Research supervisor name: Andre Vermaak
Email: Andrepv@mweb.co.za
Phone: 0833080235

Confidentiality of the study will be observed as per the guidelines provided by the Gordon Institute of Business Science as follows:

The interview will be recorded;

The recording can be transcribed by a third-party transcriber, who will be subject to a standard non-disclosure agreement;

Verbatim quotations from the interview may be used in the report, provided they are not identified with a name or that of an organisation;

The data to be used as part of a report that will be publicly available once the examination process has been completed; and

All data to be reported and stored without identifiers.

APPENDIX 3: INFORMED CONSENT

This is an example of what was provided to practitioners for their consent to perform interviews and use the data.

Informed consent for interviews

I am conducting research on Strategic Implementation of the National Payments strategy in South Africa, via the Payments Association of South Africa.
This research forms part of my Corporate Strategy master's in philosophy dissertation with GIBS.

The primary objectives are to understand how strategy implementation is currently informed in the industry and how it can be improved.
You have been identified as a key resource and valuable source of information in this regards.

Your participation is voluntary, and you can withdraw at any time without penalty. By signing this letter, you are indicating that you have given permission for:
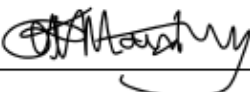
- The interview to be recorded;

- The recording to be transcribed by a third-party transcriber, who will be subject to a standard non-disclosure agreement;

- Verbatim quotations from the interview may be used in the report, provided they are not identified with your name or that of your organisation;

- The data to be used as part of a report that will be publicly available once the examination process has been completed; and

- All data to be reported and stored without identifiers.
- Information will be treated anonymously, and information will be seen as confidential

Name of Participant:

Signature of participant: _____

Date:

Name of researcher: Kavin Maistry

Signature of researcher: _____

Date: 24 August 2021

If you have any concerns, please contact my supervisor or myself:

Researcher name: Kavin Maistry

Email: Kavinm@pasa.org.za

Phone: 065 839 1204

Research supervisor name: Andre Vermaak

Email: Andrepv@mweb.co.za

Phone: 0833080235

APPENDIX 5: INVITATION EMAIL

Sample of the invitation email sent

Dear ████

I am conducting research on Strategic Implementation of the National Payments strategy in South Africa, via the Payments Association of South Africa. This research forms part of my Masters in philosophy dissertation: Corporate Strategy, with GIBS.

The primary objective is to understand how strategy implementation is currently informed in the industry and how it can be improved.

You have been identified as a key resource and valuable source of information in this regards.
If you are in a position to assist, I would appreciate booking an hour in your diary to interview you.

Appreciate your assistance.

Kind regards

APPENDIX 6: ETHICAL CLEARANCE APPROVAL

Ethical Clearance Approved

Dear Kavin Maistry,

Please be advised that your application for Ethical Clearance has been approved.
You are therefore allowed to continue collecting your data.
We wish you everything of the best for the rest of the project.

Ethical Clearance Form

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.

APPENDIX 7: CODING

Example of coding and with analysis using excel

Q no	RQ Question	RQ Answers	Identif	First order catergory	Second order theme
Question 1	1.How does strategic implementa	Strategy must be aligned to the vision of the SARB, visio	P1	SARB and the Vision 2025	Role of the SARB
Question 1	1.How does strategic implementa	The vision 2025 is the north star for the industry.	P1	Vision 2025 and Guiding principles	Role of the SARB
Question 1	1.How does strategic implementa	There are goals in Vision 2025 and we must align to them	P1	Vision 2025 and Guiding principles	Role of the SARB
Question 1	1.How does strategic implementa	When you talk about a strategy, you need to upfront und	P1	Vision 2025 and Guiding principles	Role of the SARB
Question 1	1.How does strategic implementa	The voice of the customer, both retail and corporate are	P1	Customer and Guiding Principles	Voice of the customer
Question 1	1.How does strategic implementa	There are the voices also of the Fintechs, other organisa	P1	Customer, Outer core, dialogue	Voice of the outer circle of payments particpants
Question 1	1.How does strategic implementa	It is also important to check if what had been said in the	P1	Customer	Voice of the customer
Question 1	1.How does strategic implementa	The EPC Strategic forum and EPC Stakeholder forums are	P1	PASA Role, Dialogue, Consensus	PASA Role
Question 1	1.How does strategic implementa	The deliberation of strategy at that level allows for share	P1	Dialogue, Banks role	Importance of dialogue
Question 1	1.How does strategic implementa	In these forums where there are other innovative thinke	P1	Dialogue, intellectual resource	Importance of dialogue
Question 1	1.How does strategic implementa	The debate in these forums, also allows participants(bar	P1	Dialogue, Startegy formulation	Importance of dialogue
Question 1	1.How does strategic implementa	The SARB tracks the Vision 2025 and the progress of it.	SA1	SARB, Vision 2025	Role of the SARB
Question 1	1.How does strategic implementa	Vision 2025	P2	Vision 2025	Role of the SARB
Question 1	1.How does strategic implementa	The understanding form the SARB is not very clear	P2	SARB	Role of the SARB
Question 1	1.How does strategic implementa	Some organisations act on the instructions that have bee	B1	Dialogue, participants, descsions	Balance of interest of particpants versus national interests
Question 1	1.How does strategic implementa	EPC is a good forum to initiate strategic discussions.	B1	EPC, dialogue, consensus	PASA Role
Question 1	1.How does strategic implementa	Policy direction should be set by National treasury	PA1	SARB, Policy management	Role of the SARB
Question 1	1.How does strategic implementa	Cathedral statements are a good way to position the init	PA1	Principles, demand	Guiding principles