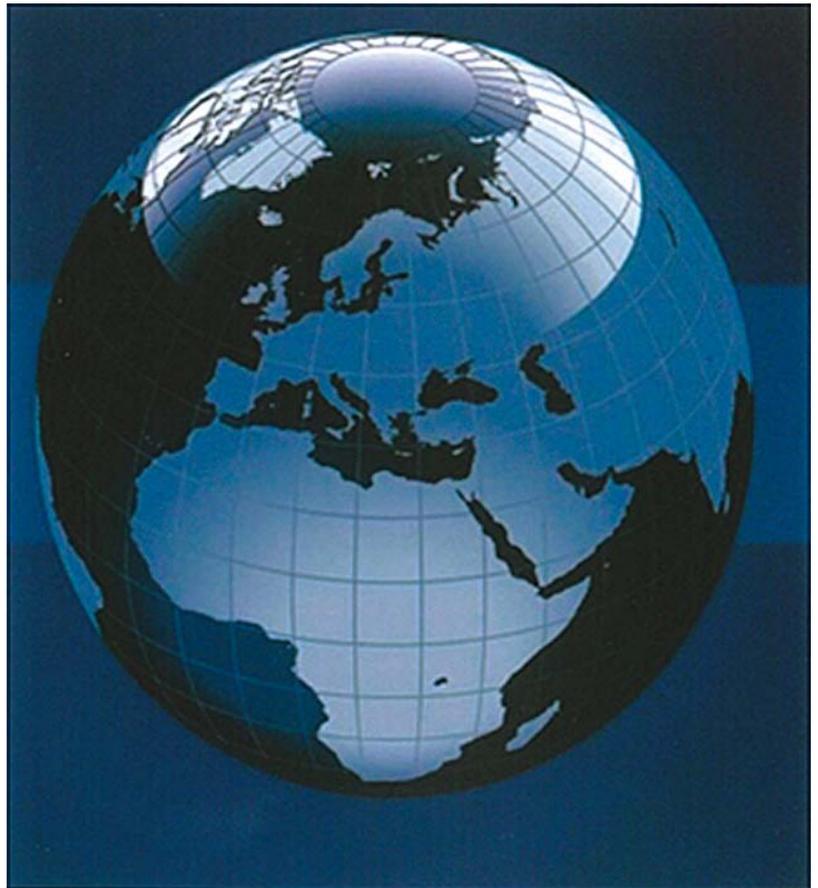


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Faculty of Business and Economic Sciences

Nelson Mandela Metropolitan University

Port Elizabeth, Eastern Cape, South Africa

Telephone: +27(41) 504 4607 / 2906

Electronic Mail:

rosalind.petrakis@nmmu.ac.za

naas.ferreira@nmmu.ac.za

Web Address:

<http://jdl.nmmu.ac.za>

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PLACING ETHICS IN ECONOMICS UNDER SCRUTINY

I. Lagardien¹

The ethics of the development of leadership and of the rationalist core at the base of orthodoxy is being scrutinised more closely by scholars and public policy makers who draw on the critical tradition in the social sciences. This closer scrutiny moves away from simple pat responses to surface forms of ethical conduct or behaviour (and we should not minimise these) to include matters of accountability and of power-relations in political economic bargaining and exchange. It is useful to recall that the task of the critical social sciences is to penetrate the world of things, especially the appearance in capitalist society of equal exchange, and to demystify surface forms of equality by looking beyond the empirical (Horkheimer, 2002).

In terms of the latter, and with particular reference to international development, there are decisive inequalities in the relationship between highly developed and less developed countries. These inequalities tend to be glossed over by unshakable orthodox belief in competitive markets, in equilibrium and in an undeterred loyalty to unfettered exchange as being necessarily good. This contention of glossing over inequalities is, of course, not terribly outlandish a claim.

Consider the argument made by Joseph Stiglitz, a former Chief Economist of the World Bank, and Nobel Laureate for Economics, that unfair advantages in international bargaining and exchange on the part of wealthy countries place poor countries at a distinct disadvantage. Stiglitz explained that there have been several instances where notions of equality have been ignored and where, for instance, international trade and development agendas sought to advance the interests of the more developed countries, at least partially, at the expense of the less developed. So much so, Stiglitz explained that on average the world's poorest regions were actually worse off at the end of the last round of trade negotiations, and an international environmental agreement that provided that those rich countries who today are polluting more, be entitled to continue polluting more into the future (Stiglitz, 2016).

Stiglitz has, of course, become increasing less orthodox after his tenure at the World Bank ended in 2001, and has called into question more forcefully the fundamentalist belief in Adam Smith's 'invisible hand' and neo-liberal orthodoxy in global public policy-making. It would, however, be unfair to describe him as a critical theorist, or to associate him with the rapidly expanding network of heterodoxy economists and political economists who are producing a credible and expanding body of scholarship on 'real world' economics. Within this tradition the issue of ethics in economics reaches to the heart of orthodoxy, and through explanatory critique, critical thinkers continue to show up the immanent contradictions in the blind faith in markets.

In this tradition we commence the argument that moral inquiry ought to be part of the economist's toolkit. This argument emanates from the basic understanding that the subject matter of economics has to do, in very fundamental ways, with decisions made by people within a social environment. This environment is shaped by history as much as it is by agency. Economic choices are therefore often framed by social relations and governed by ethical norms that change over time. Consider, for instance, the 'legitimacy' of trading human bodies (slavery) over centuries, and how moral outcry and considerations of right and wrong, the very basis of ethics, have overturned that practice. Conceptions of what is wrong or right change then over time. In this sense economic activities, or markets, operate within moral ecosystems.

¹Dr I. Lagardien, Dean, Faculty of Business and Economic Sciences, Nelson Mandela Metropolitan University, Port Elizabeth, South Africa.

While one should be careful about caricaturising economics, it is fair to say that most orthodox economists are loyal to *homo economicus*. However, this rational being does not help us understand the moral and ethical considerations of our real lives or the life world of millions of persons. These moral norms or ethical claims and considerations cannot be assumed constant; ideas on child labour law, slavery or property rights have not always been constant across time and place. And so, if economic analysis is to have scientific validity (I doubt that this will happen, given the structural complexity and transcendental nature of the social world as an open system), it would be good to start with an understanding of the underlying institutional frameworks, including moral norms, to uncover structural inequalities and injustices (Wright, 2015).

One can pry this inquiry open further. We can start with the question how it is possible for global public policy-makers, almost all of whom are orthodox economists, to have the power and ability to affect the lives of millions of people around the world, but when things go wrong, as they often do, the economists in particular deflect responsibility to ‘the market’.

One of the pronounced failures among economists is the lack of accountability and responsibility for advice that affect the lives of many. The main objection, it appears, is that orthodox economists are vehemently opposed to what Karl Polanyi described as the “re-embedding” of human rights, social justice or, specifically, ethics in their discipline. In his definitive work, *The Great Transformation*, a study of political economic expansion from 1750 to approximately the start of the Second World War, Polanyi identified what he described as a “double movement”. The first movement was the expansion of the market economy and the integration of factors of production of land, work and capital. An important outcome of this was that ‘the economy’ became disembedded from the social world, and from the institutions that underpinned political economic relations. As it goes, ‘the economy’ was set free also from ethical considerations.

The second movement Polanyi identified was a resistance from below, which stemmed from, and responded to the first - the disembeddedness of ‘the economy’. The first, he explained, was a political project that was planned, implemented and enforced. Resistance to this, the second movement, was more spontaneous and supported by different social forces that worked collectively and sought to re-assert society by supporting forms of re-regulation (re-embedding).

In his own words, “*Laissez faire* was planned; planning was not” (Polanyi, 2001: 147). Resistance to this unshakable belief in market fundamentalism “...may happen in a great variety of ways, democratic and aristocratic, constitutionalist and authoritarian, perhaps even in a fashion yet utterly unforeseen” (Polanyi 2001: 259). It could be socialist or fascist, “...at the price of the extirpation of all democratic institutions” (Polanyi, 2001: 245). We seem to be approaching this point quite rapidly.

“Disembedding the market,” Fred Block wrote in his *Introduction* to the 2001 reprint of Polanyi’s *Great Transformation*, “is similar to stretching a giant elastic band. Efforts to bring about greater autonomy of the market increase the tension level. With further stretching, either the band will snap - representing social disintegration - or the economy will revert to a more embedded position” (In Polanyi, 2001: xxv).

We seem to have reached a point, then, where we ought to reconsider the fixation with self-regulating markets and the almost sacerdotal faith in Smith’s invisible hand. This reconsideration starts with the economics profession itself – least of all for the way that it influences development and public policy-making.

The American Economics’ Association, which dominates the discipline and significantly influenced post-war development policies, was established more than 125 years ago, and has always and consistently sought to influence public policy. In all this time, the profession has

tended to avoid the ethical burdens associated with influence over others. In the United States, in particular, the profession has been utterly dismissive of the idea that it faces ethical duties that require any serious attention (DeMartino, 2012).

If we are to situate power relations, social justice, equality and ethics more centrally in development and leadership, we may have to start with opening up orthodoxy economics, and exposing it to the real world and the life world of the millions of people whose lives are affected by the economics logic that drives global public policy making.

The last word I should grant to the Indian scholar, Gayatri Chakravorty Spivak: ‘It is possible to put the economic text ‘under erasure’, to see, that is, the unavoidable and pervasive importance of its operation and yet to question it as a concept of the last resort.’ (In Charusheela & Zein-Elabdin, 2004).

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GROWTH RATES, REVENUES AND THE PERFORMANCE OF THE EXPORT SECTOR IN UGANDA

B. Nakalanzi¹ and R. Kyagulanyi²

ABSTRACT

This study explores the relationship between factors affecting export growth rates, revenues and the performance of the export sector in Uganda. It considered a time scope of 17 years i.e. 1996-2012. A series of t-statistic tests, correlation and regression analyses were conducted to test for the relationship as well as the factors. The following export model ($\ln X = k_0 + k_1 \ln P_{Xt} + k_2 \ln REER_t + k_3 \ln OPN_t + k_4 \ln Q_t + k_5 \ln TOT_t$) was run and it was found out that the explanatory variables explained only 73 per cent of the dependent variable though there was a high positive correlation between exports and openness and a high negative correlation between exports and their prices as well as with real exchange rates. Furthermore, the study showed that though the factors in the model are relevant: there was a need for the government of Uganda to invest more in research (using primary data) so as to obtain the other factors that may have led to low export growth rates, revenues and hence the poor performance of the export sector.

Keywords: Foreign direct investment; non-traditional exports; gross domestic product; macroeconomic environment.

BACKGROUND

Uganda is an agrarian landlocked country with over 65.6 per cent of the population's labour force engaged in the agricultural activities, and agricultural exports constitute 55 per cent of total export earnings (UBOS, 2011) which constitutes about 22.9 per cent of the gross domestic product (GDP). The service sector employs about 13 per cent of the labour and contributes 45.6 per cent of the gross domestic product while the industrial sector employs about 5 per cent of the labour and contributes about 23.8 per cent of the gross domestic product (UBOS, 2013). A third of the land is under cultivation and substance production remains the pattern as 70 per cent of the area under cultivation is used to produce locally consumed food crops such as bananas, cassava as well as sweet potatoes.

Uganda exports both traditional (coffee, cotton, tea, tobacco) and non-traditional products (fish, vanilla, flora and fauna), a large percentage of which is unprocessed and fetches a low income to the economy. Coffee and tea are the traditional exports that still fetch the country a considerable income as well as maize exports which contribute about 37 per cent of the total agricultural exports. Overall, the non-traditional exports (NTEs) contribute about 63 per cent of the total exports. In the years 1998, 2000, 2005, 2008, 2010 and 2012 traditional exports contributed 79.9 per cent, 53.6 per cent, 29.9 per cent, 30.7 per cent, 27.2 per cent and 25.1 per cent respectively while non-traditional exports contributed 28.1 per cent, 46.4 per cent, 70.1 per cent, 69.3 per cent, 72.8 per cent and 74.9 per cent respectively. This indicates that the trend is changing as the country has tried to concentrate on developing non-traditional exports.

The export sector is dominated by unprocessed and semi-processed traditional and non-traditional agricultural goods. These are vulnerable to vagaries of weather, international price

¹Ms B. Nakalanzi, Head of Department of Generic Management, Muteesa I Royal University, Uganda.

²Dr R. Kyagulanyi, Dean: Faculty of Business and Management, Muteesa I Royal University, Uganda.

volatilities, soil fertility loss, increased land pressure, declining yields and the global changing climate and all these factors have economic, ecological and social implications.

The agricultural industry contributes about 29 per cent of the total exports and hence 36.2 per cent of the gross domestic product. The agricultural sector in 2004, 2006, 2008, 2010 and 2012 contributed 25.8 per cent, 47.6 per cent, 36.2 per cent, 23.9 per cent and 22.9 per cent of the gross domestic product respectively.

The manufacturing industry contributes about 7.5 per cent of the total exports and hence 16.8 per cent of the total GDP. In 2004, 2006, 2008, 2010 and 2012 the manufacturing sector contributed 33.9 per cent, 24.5 per cent, 16.9 per cent, 24.6 per cent and 22.9 per cent to the GDP, respectively.

The service sector also contributes about 69 per cent to the export sector; that is about 46.4 per cent, 49.8 per cent, 35.5 per cent, 45.4 per cent and 46.2 per cent to the GDP in 2004, 2006, 2008, 2010 and 2012 respectively. The agriculture sector is the major source of inputs for the manufacturing industry in the economy (about 63 per cent of raw materials are from the agriculture sector) and hence most of the products produced are mainly semi-processed agricultural low-priced goods and hence fetch low revenues for the country.

The government of Uganda has been trying to put in place policies to increase export revenues through export promotion and import substitution to weaken the factors that affect productive efficiency and export development. Such effects have developed through taxation, protectionism and over-valued currencies. It needs to be noted that in the area of taxes, tax reform policies were made and licensing, rationalization of tax structures and exemption policies were put in place. Such policies included policies of stabilization of the macroeconomic environment, export refinancing schemes, export promotions (export promotions board), zero-rated export schemes, duty draw backs, development of the finance fund i.e. the International Monetary Fund (IMF), the competitive and investment climate strategy (CICS), the Uganda handicrafts export strategy (UHES), the medium-term competitive strategy (MTCS), and the plan for the modernization of agriculture (PMA) which aimed at increasing agricultural productivity since the year 2000. Hence there was a deliberate diversification of exports from only traditional to include also the non-traditional exports which constituted about 69.3 per cent, 72.8 per cent and 74.9 per cent of total exports by 2008, 2010 and 2012, respectively.

With globalization in the recent past, however, the government has tried to transform the economy. Since 1990 there has been a drastic change in market-oriented policy reforms, especially in liberalizing the foreign exchange rates, interest rates and attaining macroeconomic prudence (which fiscal and monetary policies enable the economy to attain low interest and inflation rates). Macroeconomic stability has recent instilled business confidence and hence a favourable trade environment has resulted. This has also been an initiative which has boosted the private sector through encouraging both domestic and foreign investment (foreign direct investment).

The government has also tried to eliminate barriers to private sector growth through the Medium Term Competitive Strategy (MTCS); and trade barriers, for example, tariffs, quotas and even some taxes on exports (export taxes) have been abolished in order to boost the export sector in the economy.

Given the uncertainty in the agricultural sector, there was a need for strategic interventions that would boost the export sector by improving the sector. This has been achieved through assuring sustainable use of the natural resources base, for example, forests, water bodies, mineral deposits and wild life. At the United Nations Conference on Trade and Development (UNCTAD) in 2003, the Ministry of Tourism, Trade and Industry identified that the bio-trade initiative was an

opportunity to combine sustainable use, biodiversity conservation and poverty alleviation. Uganda's rich biodiversity, the growing market demand for biodiversity-based products, the favourable policy climate in sustainable production, and the demonstrated private sector interest in bio-trade enterprises were among the factors that influenced the national decision to introduce the bio-trade initiative to Uganda. The Uganda Export Promotions Board was designated as the national focal point for the initiation programme, and coordinates its development.

This represents the second phase of planning for competitiveness and follows the Medium Term Competitive Strategy of 2000-2005. It provides an instrument to guide policy development and resource allocation in favour of Uganda's national competitiveness agenda and it is geared towards contributing to Uganda's Poverty Eradication Action Plan (PEAP) by enhancing productivity, competitiveness and incomes. This policy was to be achieved by addressing factors affecting the competitiveness of the country's key productive sectors, and proposing means to remove or mitigate the domestic business environment and investment climate factors which currently constrain export growth and competitiveness. Factors that impede Uganda's capacity to compete in international trading relationships were addressed.

This was initiated by the sector core team (SCT) in May 2005. Since 2004, the Uganda Export Promotions Board and the handcraft sector stakeholders have been developing an export strategy for handcrafts in Uganda. The process of formulating the strategy was supported under the Joint Integrated Technical Assistance Programme (JITAP) through the International Trade Center (ITC) in Geneva. The strategy aims at developing Uganda's handcraft sector for rapid export growth. In Uganda the sector has been recognized as important in the drive for the expansion and diversification of the nation's export base, particularly the non-traditional exports. Both in the rural and the peri-urban economy in Uganda, this sector is a very vital source of livelihood for the women, youth, people with disabilities and refugees. The Development Finance Fund (DFF), established in 1986 by the statutory instrument number six (No 6), was designed to introduce an increased flow of institutional credit to the production sector of the economy by making funding available to finance both short- and medium-term projects. It targeted projects to produce exports.

In 1987, a comprehensive Economic Recovery Programme (ERP), supported by the International Monetary Fund (IMF) and the World Bank, was launched by the government of Uganda. Its objective was to support and increase the volume of exports through export diversification. The International Monetary Fund (IMF) is geared towards funding short-term projects while the World Bank funds long-term projects and these organizations are still involved in Uganda to date.

The introduction of Structural Adjustment programmes (SAPS) in 1987 which was set to make new investment incentives, gave birth to the Uganda investment Authority (UIA) in 1991. It is a centre for processing investment proposals, offering assistance and advice to potential investors, hence the introduction of inter-bank system that unified the foreign exchange market. The World Trade Organization (WTO) was introduced in 1995 and by this time, due to the presence of the Economic Recovery Programmes (ERP), Uganda had been liberalized. The reason for the intervention of the World Trade Organization was to increase trade through liberalization.

Owing to reforms or policies (fiscal, monetary nationalization and stabilization of economic policies), Uganda's GDP has been increasing at the rate of about 5 per cent per annum since 1991. These policies have kept a check on low interest and inflation rates and hence export growth.

Diversification from only traditional to include the non-traditional exports has increased the export base, leading to an increase in the volume of exports from only 711.1 tonnes to 2357.0

tonnes (1996 to 2012) of exports and hence an eventual increase in export revenue from US \$711,091= to US \$2,357,493 =(1996 to 2012) (see Table 1).

Table 1: Contribution of traditional and non-traditional exports to total exports

Year	Traditional exports	Non-traditional exports	Total exports	% Contribution of traditional exports	% Contribution of non-traditional exports
1996	434.6	276.5	711,091	61.1	38.9
1997	381.6	213	594,628	64.2	35.8
1998	353.9	182.9	536,744	65.9	34.1
1999	314.5	137.3	488,844	71.3	28.7
2000	2112.3	190.3	401,645	53.6	47.4
2001	173.2	278.9	451,765	38.3	61.7
2002	182.7	284.9	467,605	39.1	60.9
2003	199.3	334.8	534,100	37.3	62.7
2004	245.0	420.1	665,091	36.8	63.2
2005	267.5	545.3	812,857	32.9	67.1
2006	288.1	674.6	962.193	29.9	70.1
2007	399.3	937.3	1,336,668	29.9	70.1
2008	530.0	1194.2	1,724,300	30.7	69.3
2009	425.1	1142.5	1,567,614	27.1	72.9
2010	440.7	1177.8	1,618,604	26.8	73.2
2011	678.8	1780.3	2,159,077	31.4	68.6
2012	590.7	1766.8	2,357,493	25.1	74.9

Source: Author's computation from UBOS data

The percentage of the contribution of traditional exports to the total exports has decreased over the period 2001 to 2012, while the contribution of non-traditional exports to total exports increased in the same period. Revenues from exports increased at a decreasing rate, despite the introduction of the above-mentioned policies to boost their growth (See Table 2 below):

Table 2: Contribution of exports to GDP; Export revenues and export revenue growth rates

Year	GDP	Total exports	% Exports to GDP	Export revenues (US\$)	Export revenue growth rates
1996	6406.08	711.1	11.1	711,091	27.2
1997	1743.43	594.6	8.3	594,628	29.4
1998	7856.82	536.8	6.8	536,744	-14.9
1999	8748.73	478.8	5.4	488,844	26.2
2000	9442.5	104.6	4.3	401,645	-7.2
2001	10167.30	451.8	4.4	451,765	14.2
2002	10847.8	467.1	4.3	467,605	11.4
2003	12756.5	534.1	4.2	534,100	5.3
2004	14081.6	665.1	4.7	665,091	23.6
2005	16268.3	812.1	5.0	812,857	14.7
2006	18608.3	962.1	5.2	962,193	7.7
2007	19594.65	1336.6	6.8	1,336,668	12.2
2008	20633.16	1724.3	8.4	1,724,300	7.2

2009	34908	1567.6	4.5	1,567,614	
2010	39086	1618.6	4.1	1,618,604	
2011	49849	2159.1	4.3	2,159,077	
2012	54688	2357.4	4.3	2,357,493	

Source: The authors' computation from UBOS data

The contribution of exports to the GDP decreased, for example, from about 5 per cent in 1999 to about 4 per cent in 2005, increasing at a decreasing rate from 2006 to 2012. The export revenue growth rates varied: they were negative in some years, for example, in 1998 and in 2000, while in the subsequent years they were positive though varying, for example, 23.6 per cent, 14.7 per cent and 7.2 per cent in 2004, 2005 and 2008 respectively. They declined since then till 2012.

LITERATURE REVIEWED

This section describes and explores the export growth rates, revenues as well as the performance of the export sector at large. It also looks at the various factors that affect export growth rates and revenues as well as the performance of the export sector at large.

Foreign direct investment

According to studies by Lardy (1996), Zhang *et al* (1999) and Lui *et al* (2001), foreign investment firms have significantly contributed to China's impressive export expansion and economic growth. Using panel data at the provincial level in the period between 1986 and 1997, Tse (1997) proved inward FDI positively affects provincial manufacturing export performance. But Sen (2001) argued that the role of FDI changes across regions in China. Although FDI shows a positive and significant impact on exports from coastal regions to the central region, its impact on the western region was found to be insignificant. Earlier literature has focused mainly on the impact of inward investment on China's exports. While the linkage between inward foreign direct investment and exports is quite well understood, there is still a paucity of systematic study on the impact of foreign direct investment on China's foreign trade.

The exchange rate

The relationship between the exchange rate and exports has been studied by Himarios (1989) and Bahmani-Oskoa (2001). Various studies have found weak statistical evidence connecting exchange rate changes and export revenues. Empirical evidence also shows that the changes in the real exchange rates have affected trade balances in some, but not all countries which implies that the direction of the impact of real exchange rate changes on trade balance is still unclear.

Gross national product

Bourmal and Blinder (1991) indicated that exports depend on the importing country's GDP. That is, if the country's GNP is low in the supply context, it will import more and the reverse is true. The country's own exports are insensitive to its GNP but rather that of the importing country. Their argument was based on international price differences, that is, a rise in prices of a country's goods will lead to a reduction in the country's exports.

Incentives

Hoekman and Djankov (1997), in their study investigating the relative performance of trade, postulated that import inputs, FDI and entrepreneur responses to change in incentives were major determinants of a country's export performance.

Entrepreneur responses

It was determined that the growth of exports in Central and Western Europe was a consequence of entrepreneur response to new incentives which caused them to restructure the production for the purpose of capturing new markets.

They also found out that a lack of change since the export structure and foreign direct investment (FDI) had a significant effect on the export performance. They further urged that foreign direct investments sometimes choose sectors in the economy in which the country may not have relatively specialized under central planning and hence this affects the export performance. Also, imports are intermediate inputs and machinery was an important determinant of changes in the export structure.

Devaluation

Hansen and Khan (1994) studied the impact of devaluation on the trade balance and maintained that export demand and supply functions were estimated simultaneously on the grounds that the relationship between quantities and prices is simultaneous in nature. The export demand is estimated to depend upon the foreign income relative price and nominal exchange rates variables. The supply function of Pakistan was spelt out to depend upon domestic production exportables and the relative price variable. The price function was included in the model to incorporate the impact of a high domestic price on relative prices, thus the import and export demand equation. The price function was defined as a function of money supply import price and the ratio of potential GDP to the previous year's year's actual GDP, exports were divided into primary and manufactured exports and the imports were divided into industrial raw materials and manufactured goods (1972-1991). The study found out that the devaluation of the exchange rate had a positive impact on the demand for both primary and manufactured exports and the export supply of manufactured products seemed to be influenced by the price deflator.

Trade policies

They also noted that despite the mutual gain from the international trade, the country usually interferes with the operation of international markets using quotas, tariffs and other interferences on trade.

According to Vinod and Nash (1991), the poor performance of African countries' exports was due to trade policies which did not contribute to the acceleration of industrialization and growth. They noted that import restriction policies often create a bias against export opportunities and that high tariffs and non-tariff barriers significantly increase the prices of input products in manufacturing and greatly reduce the potential for exporters' ability to compete in the foreign market.

Real exchange rate

Duasa (2008) examined the short- and long-run relationships between trade balances, real exchange rates, income, and money supply in the case of Malaysia. The inclusion of income and money variables in the study is to examine the monetary and absorption approaches to the balance of payments beside the conventional approach of elasticity, using exchange rates. Using the bound testing approach to co-integration and error correction models, developed within an autoregressive distributed lag (ARDL) framework, they investigated whether a long-run equilibrium relationship exists between trade balance and the determinants. Additionally, they adopted innovation accounting by simulating variance decompositions (VDC) and impulse response functions (IRF) for further inferences. Using this approach, they found evidence of a long-run relationship between trade balance and income and money supply variables but not between trade balance and the real exchange rate. The findings also suggest that the Marshall-Lerner condition does not hold for Malaysia in the long run.

A study of the Association of South-East Asian Nations (ASEAN)-5 countries (including Malaysia) by Liew *et al* (2003) has shown that trade balance in these countries is affected by real money rather than by a nominal exchange rate and therefore it concludes that the role of exchange rate changes in the trade balances has been exaggerated. However, as of now, very few attempts have been made to incorporate other views on balance of trade/balance of payments analysis or to test these other views empirically.

Research methodology

The study was largely quantitative. It covered a period of seventeen (17) years, that is from 1996 to 2012, in which time Uganda implemented economic liberalization, structural adjustment programmes (SAPS) as well as other economic recovery programmes (ERP). Secondary data was the main source of data used by the researcher to obtain all the required information. To find out the various factors that determine and affect export growth rates, revenues and hence performance of the export sector, the researcher used EVIEWS to test for significance of the variables in the model below:

$$X=f(Px_t, REER_t, OPN_t, Q_t, RGDP_t, TOT_t)$$

Where X ----- Export growth rates

Px_t-----Domestic price of exports

REER_t ----- Real exchange rate

OPN_t----- Openness

RGDP_t----- Real gross domestic product

TOT_t -----Terms of trade

Q_t----- Out put

To reduce the effects of multi-collinearity, the model was run using logs and the empirical model is as follows:

$$\ln X = k_0 + k_1 \ln PX_t + k_2 \ln REER_t + k_3 \ln OPN_t + k_4 \ln Q_t + k_5 \ln TOT_t$$

A unit root test was first made by the researcher to check for the stationarity of the variables; a correlation was then run to find out the relationship between the dependent and independent variables and then a regression was run to find out the significance, the magnitude and the relationship between variables

ANALYSIS AND DISCUSSION OF RESULTS

The section presents and discusses results as well as the findings.

Augmented Dickey-Fuller unit root test on export variables

Using the above test showed that all variables were stationary, for example, Export, which represents export revenues, was tested and unit root results were as follows (See Table 3):

Table 3: Augmented Dickey-Fuller unit root test on export variables

ADF Test statistic	-2.553215	1% Critical Value	- 5.4776
		5% critical value	- 4.085
		10% critical value	- 3.4901
Mackinnon critical values for rejection of hypothesis of a unit root.			

Since the ADF test statistic -2.553215 is greater than the t-test critical values at one per cent, five per cent and at ten per cent levels of significance, that is -5.4776, -4.0815 and -3.4901 respectively, then the export variable is non-stationary and hence the presence of a unit root in

order to make it stationary. The researcher differenced the export variable as shown below in Table 4:

Table 4: Augmented Dickey-Fuller unit root test on D (export)

ADF Test Statistic	-6.270929	1% Critical Value*	-5.2735
		5% Critical Value	-3.9948
		10% Critical Value	-3.4455
Mackinnon critical values for rejection of hypothesis of unit root			

Carrying out a difference showed that export variables had become stationary, given that the augmented Dickey-Fuller test statistic (-6.270929) was less than the t-statistic at 1 per cent, 5 per cent and 10 per cent levels of significance, that is -5.2735, -3.9948 and -3.4455 respectively. This shows stationarity of the export variable. The same was done to all variables to make them stationary.

Correlation

This shows the relationship between variables, ranging from the strong to a weak relationship and the positive to a negative relationship between variables

Table 5: Correlation matrix

	LNEXPORT	LNOPN	LNPX	LNRRER	LNRGDP	LNTOT
DLNEXPORT	1.000000	0.601911	-0.82630	-0.752468	0.483815	0.278425
DLNOPN	0.601911	1.000000	-0.454687	0.320347	0.046991	0.148974
D(2)LNPX	-0.82630	-0.454687	1.000000	0.431210	-0.42772	0.297544
DLNRRER	-0.752468	-0.320347	0.431210	1.000000	-0.309176	-0.044220
DLNRGDP	0.483815	0.483815	0.046991	-0.309176	1.000000	0.458337
DLNTOT	0.278425	0.278425	-0.148974	0.297544	0.458337	1.000000

The correlation between variables in an equation stipulates the relationship between the dependent and independent variables. For example, there is a strong positive relationship between export revenues and openness of 0.601911, a strong negative relationship between the price of exports that is -0.82630, the real exchange rate that is -0.752468 and a weak positive relationship between the real gross domestic product, 0.483815 and terms of trade, 0.278425. Note that correlation between variables is weak if the correlation coefficient is less than 0.5, strong between 0.5 and 0.9 and perfect if it is equal to one (1). There is no relationship between the dependent and independent variables if the coefficient is zero (0).

The regression equation

Using the empirical model, the researcher ran a regression in order to find out the significance, the magnitude and the relationship between variables. These were identified using the regression coefficients, standard errors, the t-values, the probability values as well as the R- square values. These are explained as in the regression table (Table 6) below:

Table 6: Regression results for the export model

Dependent variable: LNEXPORT				
Method: Least Squares				
Sample: 1996 2012				
Variable	Coefficient	Std error	t-statistic	Prob.
DLNOPN	0.970818	0.399481	2.430197	0.0454
D(2)LNPX	-0.270120	0.082769	-3.263553	0.0138
DLNRRER	-1.496672	0.375174	-3.989277	0.0053
DLNRGDP	0.168729	0.199274	0.846722	0.4251

DLNTOT	0.415541	0.370568	1.121362	0.2991
C	15.35878	1.919495	8.001470	0.0001
R-squared	0.74918	Mean dependent var		6.950972
Adjusted R- squared	0.688431	S.D. dependent var		0.495005
S.E of regression	0.165341	Akaike info criterion		-0.457573
Sum squared resid	0.191364	Schwarz criterion		-0.196828
Log likelihood	8.974228	F-statistic		20.11139

To test for the significance of all the variables, the researcher has used a simple rule of thumb where the coefficient is divided by two. If the result is greater than the standard error, then a given variable is taken to be significant and hence useful in the model. The researcher will also use the t-statistic to continue verifying the significance of the results. If the t-value is greater or equal to two (2), then a given variable is significant while if it is less, then the researcher will use the mathematical tables to test for the significance.

Moreover, the researcher will explain the results using the probability values, in that where the probability value is equal or less than 0.025, then the variable is considered significant in the model.

The variable openness (LN OPNt) whose coefficient is 0.970818 implies that a unit per cent increase in openness leads to a 0.970818 per cent increase in export revenues. LNOPN whose standard error is 0.399481 is less than the coefficient divided by two which is 0.485409. Its t-statistic is greater than two, all of which implies that the variable openness is significant in the model. The probability value of the variable openness is 0.0454 and it is greater than 0.025, which implies that it is not so significant.

The domestic prices of goods and services (LNPX) whose coefficient is -0.270120 means that a unit percentage increase in prices of goods and services in Uganda leads to a 0.270120 per cent decrease in the export revenues of the country. The negative sign coefficient shows the negative relationship between export revenues and the price of the exportables. The standard error for the variable is 0.082769 which is less than the coefficient divided by two (-0.13506) in absolute terms; the t-value 3.263553 is greater than two, and the probability value 0.0138 is less than 0.025. All of these indicate the variable price is significant and so leads to low export revenues in the country.

The real gross domestic product (LNRGDP) whose coefficient is 0.168729 means that a unit increase in the real gross domestic product of the country leads to a 0.168429 per cent increase in export revenues. Its standard error is 0.199274 which is greater than the coefficient divided by two of 0.084365, the t-statistic is 0.846722 which is less than two and the probability value is 0.4251 which is far greater than 0.025 which is the measure of significance. This shows that this variable real gross domestic product is not significant, given the statistics.

The real exchange rate (LNRER) whose coefficient is -1.496672 indicates that a percentage increase in real exchange rates leads to a 1.496672 decrease in export revenues. The negative sign on the coefficient signifies the negative relationship between real exchange rates and export revenues. The standard error 0.35174 is less than the coefficient divided by two of 0.74834 in absolute terms, the t-statistic 3.989277 is greater than two and the probability value 0.0053 is less than 0.025, all of which show that the variable real exchange rate is significant in the model.

Regarding terms of trade (LNTOT), the variable terms of trade whose coefficient is 0.415541 implies that a percentage increase in terms of trade leads to a 0.415541 per cent increase in the country's export revenues. The standard error 0.370568 is greater than 0.20777 which is the coefficient divided by two, the t-statistic 1.121362 is less than two and the probability value

0.2991 is greater than 0.025, all which indicate that the terms of trade do not have much significance in the determining of export revenues in the country.

The constant 15.35878 shows autonomous contribution to the export revenues in the Ugandan economy. The standard error 1.919495 is less than the constant 7.67939 divided by two, the t-statistic 8.001470 is greater than two and the probability value 0.0001 is less than 0.025 and this is highly significant. This looks at the part of export revenues that depends on any factors other than those mentioned above.

R-SQUARE VALUE

The R-squared value 0.74918 indicates the extent to which the explanatory variables explain the dependent variable and it shows that the independent variables (domestic prices of exports, terms of trade, real gross domestic product, openness, and real exchange rates) explain the dependent (export revenues) up to the tune of 74 per cent. This concentrates on the overall fit of the model.

The adjusted R-squared 0.688431 indicates the overall fit of the model when all errors have been corrected. So when the model has been adjusted to all errors, the adjusted R-squared is 68.8 per cent. That is the extent to which the explanatory variables explain the dependent variable when all errors have been corrected.

RECOMMENDATIONS

From the above research, the government of Uganda is recommendand to negotiate for higher prices so as to encourage exporters to improve and hence increase exports since better revenues are expected.

The Ugandan government should put a fund in place for research and development in the export sector. This will boast innovation and improved technology in the production as well as in the service sector. This will ensure value addition on the domestic produce, improvement in revenues and hence better performance of the export sector of the country.

There are various good policies which have been put in place by the Ugandan government to boost the export sector, but there is still a problem with the implementation of these policies and hence the need for mechanisms to manage and implement the available policy framework.

Given that Uganda is an agrarian nation, there is a need for the government to increase the agricultural sector budget. The sector is the main supplier of inputs to the manufacturing sector, and also a market for some manufactured products such as fertilizer (i.e. through backward and forward likages). There is also urgent need for government to change or improve the land policy which will improve commercial agricultural production and hence increase the agricultural export volumes. Irrigation schemes on the Nile and other potential river schemes need be implemented as this will allow production throughout the year.

Non-traditional exports, which have improved the export base of the country, need to be improved through further research and development which could lead to the discovery of new exportables, thereby improving the export base, revenues and hence the overall performance of the sector.

There is also a need for urgent expansion and funding of the service sector. This is largely because of a global service trend. Uganda needs to get on the bandwagon since it has a competitive advantage in services such as tourism. Moreover, still further research by the government is necessary through the use of primary data so as to identify the various factors that actually affect the performance of the sector in order to ensure a flourishing export sector for the country.

CONCLUSION

The study was carried out to find out the factors affecting export revenue growth rates and hence the performance of the export sector in Uganda. Several factors were found to be the basis for the low export revenues and hence the poor performance of the export sector.

Export revenues are increasing at a decreasing rate despite the various policies and efforts put in place by the government to increase revenues. The country appears to be too open to trade (as per regression coefficient 0.970818). This is not advantageous to any economy despite the positive opening up. The country should limit the degree of openness to reduce problems such as dumping and its effects. The terms of trade are also poor for the country (as per regression coefficient 0.14554). One of the reasons behind this could be the tax holidays given to the so-called investors and as soon as the holiday is off and hence revenues are expected to go to the government, they cease production. Worse still, the export prices on the world market are never favourable to the economy since Uganda usually exports low-value agricultural products. The worst is that the country is unable to negotiate for higher prices, despite the better quality that the country may produce. This is basically due to low quantity exports.

The quantities produced by the economy are still small. These quantities are not sufficient to satisfy both the domestic and the foreign market. This implies that the export volumes are still small and hence they generate small revenues. Worse still, the quality of exports is poor, despite the urge for value addition on all the exportables. This is basically because the country exports either unprocessed or semi-processed goods. Poor quality is, however, associated with low prices of goods and services.

The manufacturing industry is also not well developed despite the government's efforts to ensure a conducive environment for investment. There are still low returns from the industry, yet processed products are assumed to fetch higher revenues. This service sector is, however, fast growing and hence there is the expectation of more revenue to the country. However, more services ought to be put in place as well as improving the present ones so that they act as cash cows to the economy. There should be an emphasis on a well-developed tourism industry where Uganda has a competitive advantage.

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PROMOTING MANAGEMENT EFFECTIVENESS IN SOUTH AFRICAN PUBLIC HOSPITALS

C. Adendorff¹, N. Hoffman², B. Botha³ and G. Adendorff⁴

ABSTRACT

Effective leadership is essential for the achievement of organisational success. The need for strong leadership and increased diversity are prominent issues in today's health service workforce. Effective leadership therefore is the central ingredient necessary for progress as well as for the development and survival of organisations, especially in a changing environment such as in South Africa. This study was undertaken to explore and describe the views of health professionals with respect to factors that promote or influence leadership effectiveness in South African public hospitals. The research design of this study was a quantitative, explorative, and a descriptive survey effort. Interviews were conducted to explore and describe the views and perceptions of healthcare professionals (clinical and non-clinical), and management.

Keywords: Leadership; health service workforce; management.

INTRODUCTION

Internationally, healthcare executives and leaders must possess leadership talent that is sophisticated enough to match the escalating complexity of the healthcare environment (Model, 2008). Leaders are expected to indicate measurable outcomes and effectiveness, and to continuously practise evidence-based leadership (Stefl, 2008).

Dwyer, Johnson and Vriesendorp (2006) maintain that among the developed countries, no country has managed to figure out how to deliver cost-effective and equitable quality healthcare services and this therefore remains a challenge, even in First World countries which possess large economies and well-developed healthcare infrastructures (Dwyer *et al*, 2006).

On the other hand, Wilson, Redman and Potempa (2010) argue that economic uncertainty, persistent inadequate care for the poor and the growing diversified population worldwide pose particular challenges for healthcare leaders. Dwyer *et al* (2006) mention that even though healthcare in the developing countries is a multi-billion-dollar endeavour, people leading and managing healthcare possess little or no formal preparation to become successful. This leads to difficulty in achieving the set objectives (Wilson *et al*, 2010; Dwyer *et al*, 2006).

According to the Constitution of the Republic of South Africa, Act 108 of 1996, all citizens have the right to access healthcare services. The National Health Act, Act No. 61 of 2003 describes the nature of such services and structures, including the establishment of a National Health System that will provide, in an equitable manner, the population of the Republic with the best possible health services that available resources can afford. Therefore, the Department of Health (2001) in South Africa identifies two important issues that need to be considered when interpreting norms and standards of healthcare practice. The first is the role of national and provincial health

¹Professor C. Adendorff, Nelson Mandela Metropolitan University Business School, Port Elizabeth, South Africa.

²Ms N. Hoffman, Nelson Mandela Metropolitan University Business School, Port Elizabeth, South Africa.

³Dr B. Botha, Senior Lecturer, Nelson Mandela Metropolitan University, Port Elizabeth, South Africa.

⁴Dr G. Adendorff, Nelson Mandela Metropolitan University, Port Elizabeth, South Africa.

authorities in setting these norms and standards, and the second issue relates to staff competency in ensuring a high level of performance in service delivery (Department of Health, 2001).

Current economic conditions compel organisations in South Africa to expect employees to do more with the same or fewer resources. One of the reasons is that organisations are constantly challenged by the increasing demands of continuous change, rising costs, increased customer acuity, multiple professional hierarchies and staff shortages. These require leaders to engage and inspire employees to achieve peak performance using transformationally ethical forms of leadership (Wilson *et al*, 2010). Baldwin, Bommer and Rubin (2008) identify leadership as an integral part of the management process. It is argued that the ability of a leader to influence attitudes and behavioural patterns is such that the tasks and objectives are completed within an agreed time. Dubrin (2010) further considers leadership as a long-term relationship or partnership between leaders and group members which aims at balancing the power between such leaders and members (Baldwin *et al*, 2008; Dubrin, 2010).

Leadership development is perhaps the most relevant and certainly the most comprehensive in terms of the needs of public hospitals, particularly in South Africa. Ineffective policy implementation and inefficient highly unionized human resources hamper the services rendered by the state. There is a reported lack of ability in the hospital to align employees behind a common objective, to get them to buy into common values and to shape and see a vision of what could be achieved in the entire region. This notion is supported or validated by the report of an audit conducted by National Healthcare Facilities Baseline from May 2011 to May 2012. The key findings of the report indicate, under Quality of Services, that public service facilities in South Africa collectively scored less than 50 per cent compliance, with vital measures in two out of six ministerial priority areas. These areas were patient safety and security (34%) and positive and caring attitude (30%). This proves that employees do not identify with the public service vision of *Batho Pele*, which means 'People first' (National Healthcare Facility Baseline Audit, 2012).

This study explored respondents' views and perceptions about leadership effectiveness at the Uitenhage Provincial Hospital in South Africa and the development of a model of factors promoting leadership effectiveness. This culminates in a model that could guide or motivate individuals and groups in achieving appropriate individual or mutually supportive goals of implement.

PROBLEM STATEMENT

Complexity in the public healthcare system in South Africa undoubtedly creates special challenges for leadership and leadership development, stemming from a combination of both environmental and organisational factors (Curry, Taylor, Guey-Chi Chen & Bradley, 2012). Environmentally, public healthcare services are faced with a number of regulatory influences largely beyond their control. For example, most hospitals receive funding from the state and such fund allocation may be below the actual cost of providing care. As a result, hospitals are challenged to manage fragile budgets and often-shifting budget items, while needing to deliver high quality care regardless of adequacy of funding. Organisationally, healthcare services are infamous for seemingly chaotic internal co-ordination (Curry *et al*, 2012).

MacPhee, Skelto-Green, Bouthilette and Suryaprakash (2011) indicated that multiple hierarchies of professionals, on both the clinical and administrative sides of the service, generate special challenges for directing the organisation and co-ordination of work in healthcare. Clinical and organisational challenges combined increase the need for strong leadership at all levels of healthcare organisations (McPhee *et al*, 2011).

The Uitenhage Provincial Hospital, similar to other public hospitals in South Africa, is confronted with the challenge of an aging workforce, compounded by a rapidly changing health

system that creates the need to retain the available personnel and prepare other healthcare personnel to assume leadership positions in order to meet the future demands of the organisation. This has resulted in the recruitment of new staff with either no or less experience to perform the required leadership activities. Such lack of performance has rendered the hospital unable to attain critical management goals and decision futuristic perspectives, which has adversely affected the patients and community it serves (McPhee *et al*, 2011). The main problem of this study was to investigate and identify the factors promoting leadership effectiveness at the Uitenhage Provincial Hospital.

Healthcare services

According to Kluge (2007), healthcare resource allocation has been an international problem for decades. The problem of how to allocate healthcare resources in a just and equitable fashion has been the subject of concerted discussion and analysis, yet the issue has stubbornly resisted resolution. When resources are limited and demand exceeds supply, allocation becomes a problem. The proper allocation of resources, including human resources and funds, is one of the critical factors that play a major role in leadership effectiveness (Soliman & Spooner, 2000). The availability of sufficient funds allows the leaders to source every kind of material needed to enable an organisation to operate at its maximum potential. With adequate staffing, leaders are also able to do proper allocation of staff in different areas, and create a balanced workforce that enhances service delivery, which testifies to the effectiveness of leadership. Wooding (2008) and Curry *et al* (2012) have qualified this idea by stating that public healthcare services are faced with a number of influences that are largely beyond their control. For example, most hospitals receive funding from the state that is usually below the actual cost of providing care.

Models for effective leadership

The literature reveals that different researchers have developed varieties of models for effective leadership. Service and Carson (2010) developed a comprehensive global leadership model, in which the focus was based on wisdom that balances combinations and permutations of circumstances that address the relevant people at the appropriate time in the proper manner. The service model emphasized the fact that leaders should focus on analysing themselves, others, and the situation at hand, therefore applying their new-found knowledge to improve leadership effectiveness in complex contexts. The model further endorses the view that highly effective global leaders shift the emphasis from the management of stability and control to leadership directed towards speed, empowerment, flexibility, and continuous improvement (Service & Carsan, 2010).

Their model also comprised the following two elements that surround wisdom:

- Individual realism: This is personal and professional, and consists of the historical philosophical and psychological aspects of an individual and
- Collective realism: This relates to perspective and practices, which take into consideration the nature of leadership where leaders determine what it takes to motivate and move a group of people. Leaders' perspectives, followers' perspectives, situational and contextual perspectives are extensively considered in this element (Service & Carson, 2010).

The second identified model in the literature is the Healthcare Leadership Alliance (HLA) model that was developed by Stefl (2008). After extensive research conducted by the Healthcare Leadership Alliance Consortium of numerous professional associations in healthcare fields, a model of competencies that promote leadership effectiveness was developed (Stefl, 2008). This model comprises the following competencies:

- Communication and relationships management and professionalism – The ability to communicate clearly and concisely with internal and external customers;

- Leadership – The ability to inspire individual and organisational excellence, to create and attain a shared vision and to successfully manage change to attain the organisation's strategic ends;
- Professionalism – The ability to align personal and organisational conduct with ethical and professional standards;
- Knowledge of healthcare environment – A demonstrated understanding of healthcare systems and the environment in which healthcare managers and providers function; and
- Business skills and knowledge – These include human resources management, financial management, organisational dynamics and governance, strategic planning and marketing, information management, risk management and quality improvement (Stefl, 2008).

Bosch (2001) developed an integrated model for effective leadership that represents a multilevel concept, consisting of the leader and the follower, and the context in which they operate (Avolio, 2007). The factors emphasized in the model are leader qualities, followers' qualities, and the organisational environment (Bosch, 2001):

- Leader qualities include vision, communication, planning and execution, and empowerment;
- Follower qualities incorporate identification with the leader and the vision, motivation and goal pursuit, commitment and trust; and
- The organisational environment includes organisational structures and configuration, organisational culture and managerial expertise (Bosch, 2001).

RESEARCH AND METHODOLOGY

The main research objective of this study was to identify factors that promote leadership effectiveness in public hospitals in South Africa with particular reference to the Uitenhage Provincial Hospital. Wahyuni (2012) argues that research paradigms are used to address the philosophical proportions of social science. Wayhuni (2012) elaborates that research paradigms are basic assumptions and beliefs that distinguish how the world is perceived, which then serve as thinking frameworks, guiding the actions of researchers. According to Mittwede (2012), paradigms are essentially matrices of deeply held assumptions or conceptual frameworks that undergird and guide research. Groenewald (2004) also defines a paradigm as the patterning of thinking of a person, a principal example among examples and a model to follow according to which design actions are taken.

This study opted for a quantitative exploratory and descriptive design, using a self-administered questionnaire, to capture perceptions about the leadership competency and management effectiveness in a leading South African public hospital. The study explored and described the views and perceptions of healthcare professionals (clinical and non-clinical), and the management of the Uitenhage Provincial Hospital in South Africa regarding the leadership effectiveness in public hospitals. As a key outcome of the study, a model of factors promoting leadership effectiveness applicable to South Africa was developed as part of the study recommendations. The researcher conducted in-depth interviews to collect data: this involved questioning the participants about their perspectives on leadership competencies and management experiences. The interactions took the form of face-to-face interviews, using semi-structured questionnaires. Interviews were conducted individually in private rooms and each lasted approximately 30 minutes. Permission for such interviews and interaction with participants was obtained from the relevant authorities. Collis and Hussey (2009) argue that, if there is sufficient data, cluster analysis and factor analysis may be useful in aiding the interpretation of the data. This may assist in packaging and identifying content and problems to identify causative factors and recommended situations in resolving such issues.

Data analysis commenced with the reading of transcripts, then coding line by line, classifying into categories, and organizing into components in order to understand, identify and sort

leadership competencies into a cluster of characteristics. The researcher ensured that the privacy and confidentiality of participants would be protected throughout. The participants were informed of the objectives of the study, the benefits, confidentiality and risks prior to being requested to sign the consent form. It was explained to the interviewers that the participants could withdraw from the study at any time.

Sample and data collection

The population in this study comprised healthcare professionals, including doctors, nurses; clinical support services staff, administration staff, operational staff, and the management of the Uitenhage Provincial Hospital in South Africa. Purposive sampling was used to recruit the participants most likely to be familiar with the competencies required for clinical leadership. Purposive sampling was selected for the purpose of this study, based on the knowledge of the population and the purpose of the study. Ten per cent (68) of the total of 682 staff members of the Uitenhage Provincial Hospital were purposively identified in terms of groups, depending on their position in the institution.

Hypothesised model

Giving effect to the problem statement of this research, the hypotheses with regard to the relationships between the independent variables consisted of five determined model factors of leadership effectiveness. These in turn resulted in the dependent variable, which is the perceptions of leadership and management effectiveness of employees of the Uitenhage Provincial Hospital in South Africa. The five factors identified were followership criteria, organisational effectiveness, managerial expertise and individual realism, resource allocation, and leadership development

A pilot study was conducted to test the reliability and validity of the questionnaire and to identify any misrepresentation of questions during the data collection phase. A statistician utilizing Statistica, a data-processing statistical software package from the Nelson Mandela Metropolitan University, performed the data analysis. The information emanating from the analysis was subsequently quantitatively interpreted.

Data were further collected through exploring a self-administered structured questionnaire, which was divided into three sections. Section A comprised questions requiring biographical information. Section B and C were in the Lickert scale in order to measure the level of agreement and disagreement regarding the effectiveness of leadership and factors influencing it at the Uitenhage Provincial Hospital. All questions were coded for computer analysis.

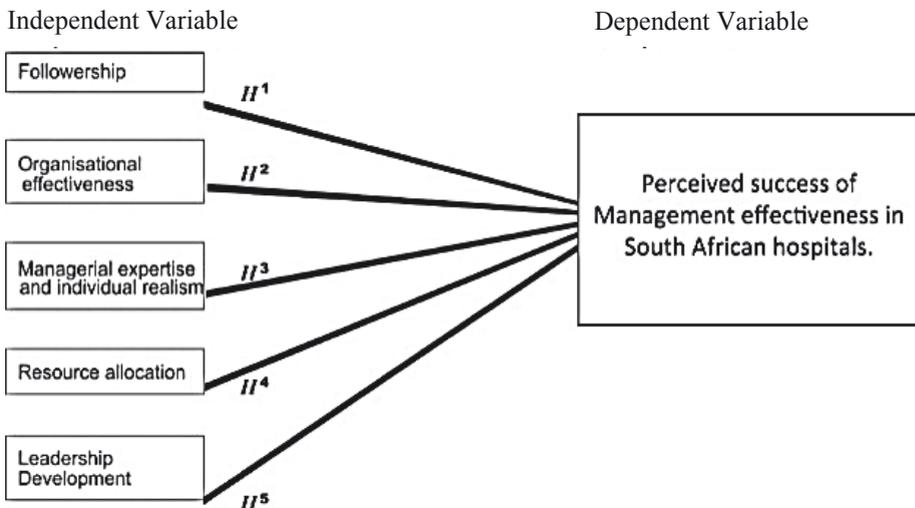
Research hypotheses

Giving effect to the problem statement of this research, the hypotheses with regard to the relationships between the independent variables consisted of five pre-determined model factors of leadership effectiveness. This in turn resulted in the dependent variable, namely the perceptions of employees of leadership and management effectiveness at the Uitenhage Public Hospital in South Africa. The abovementioned is illustrated in Figure 1.

Dependent Variable

A dependent variable is what one measures in the experiment and what is affected during the experiment. The dependent variable responds to the independent variable. It is called dependent because it "depends" on the independent variable. In a scientific experiment, you cannot have a dependent variable without an independent variable.

Example: one is interested in how stress affects heart rate in humans. The relevant independent variable would be the stress and the relevant dependent variable would be the heart rate. One can directly manipulate stress levels in human subjects and measure how those stress levels change heart rate (North Carolina State University: 2004).

Figure 1: Hypothesised conceptual framework

Source: Researchers' own construction

The five factors are followership criteria, organisational effectiveness, managerial expertise and individual realism, resource allocation, and leadership development. Therefore, the following hypotheses were constructed to determine whether a relationship existed between the factors of leadership and management effectiveness, to be tested in the empirical investigation.

H^{1a-b}: There is a positive relationship between the followership criteria (commitment and motivation) and management effectiveness.

H^{2a-b}: There is a positive relationship between organisational effectiveness (configuration and culture) and management effectiveness.

H^{3a-b}: There is a positive relationship between managerial expertise and individual realism (formal training and personal traits) and management effectiveness.

H^{4a-b}: There is a positive relationship resource allocation (funding and staffing) and management effectiveness.

H^{5a-b}: There is a positive relationship between leadership development (opportunity and skills development) and management effectiveness.

Empirical evidence

The following section provides empirical and anecdotal support for the abovementioned hypotheses.

Followership

Most leadership literature implies that leadership is significantly affected by the way followers construct their understanding of the leader in terms of interpreting the leader's personality, behaviour and effectiveness (Schyns & Felfe, 2006). Howell and Shamir (2005) have identified important theoretical propositions regarding how follower traits and characteristics might influence leader-and-follower relationships. The specific emphasis is on identifying followers' self-concept and collective identity as important factors in determining how followers create charismatic relationships with their leaders. Based on the above, the following hypothesis was formulated:

H^{1a-b}: There is a positive relationship between the followership criteria and management effectiveness.

Organisational effectiveness

According to Khan, Khan, Ahmed and Ali (2012), organisational effectiveness is very important for an organisation to succeed. Organisational effectiveness is closely related to high performance, and in order to achieve and sustain business results, organisations need to formulate strategies that engage their employees (Scott, Burall, Highton & Wong, 2008). Organisational effectiveness is achieved when leaders align and engage people, people management systems, and the structures and capabilities to implement the strategy of the organisation (Malik *et al*, 2011). Organisational configuration, organisational culture and managerial expertise have been identified as the major influences of organisational effectiveness. As a result, the following hypothesis was formulated:

H^{2a-b}: There is a positive relationship between organisational effectiveness (configuration and culture) and management effectiveness.

Managerial expertise

Managerial expertise incorporates certain aspects of leadership such as training, checks and balances. Leaders who are successful in implementing staff development, management practices, professional practices and ethical conduct, and who possess a belief and conviction in their own ability are able to execute strategic plans and address organisational challenges (Calhoun, 2008). Research proves that the behaviour of leaders has a positive relationship to overall perceptions of organisational effectiveness, which is an indication of leadership effectiveness (Khan, Ahmed & Ali, 2012). The concept of a leader as a hero is giving way to that of a humble leader who develops others and shares credit for accomplishments. As a result, the following hypothesis was formulated:

H^{3a-b}: There is a positive relationship between managerial expertise and individual realism (formal training and personal traits) and management effectiveness.

Resource allocation

The proper allocation of resources, including human resources and funds, is one of the critical factors that play a major role in leadership effectiveness. The availability of sufficient funds allows the leaders to source every kind of material needed to lead an organisation to operate at its maximum potential. With adequate staffing, leaders are also able to do proper allocation of staff in different areas, creating a balanced workforce that enhances service delivery, which testifies to the effectiveness of leadership.

As a result, the following hypothesis was formulated:

H^{4a-b}: There is a positive relationship between resource allocation (funding and staffing) and management effectiveness.

Leadership development

Ideally, an organisation should possess structures enabling the development of the leadership skills of its employees as well as opportunities for employees to access those. As a result, the following hypothesis was formulated:

H^{5a-b}: There is a positive relationship between leadership development (opportunity and skills development) and management effectiveness.

BIOGRAPHICAL INTERPRETATIONS

The majority of the respondents (77.94%) were female, with male respondents accounting for 22.06 per cent of the sample. Most of the respondents were African (45.59%), followed by white (29.41%), coloured (25%), and Indian (0.00%). Most of the respondents possessed a degree (36.76%), followed by a diploma (26.47%) and postgraduate qualifications (19.12%). Secondary education, Grade 12 and certificate holders were recorded as insignificant with the following percentages (2.94%, 8.82%, and 5.88%, respectively).

Almost half of the respondents were nurses (48.53%), followed by operations and support staff (26.47%), with the rest of the respondents from other occupational categories representing small fractions only, namely clinical support or ancillary professional staff (8.82%); doctors (8.82%); and management (7%). The majority of respondents had a length of service of two to five years (45.59%); followed by a period of six to nine years (23.53%); a period of more than 20 years (17.65%); and 10 to 19 years (13.24%). There were no respondents with a period of service of 0 to one year (0.00%).

RESULTS OF VALIDITY AND RELIABILITY ANALYSIS

In this study, an exploratory and confirmatory factor analysis was conducted to determine the validity of the measuring instrument. Items that loaded onto one factor only and reported factor loadings of greater than 0.5 were considered significant. Only factors with more than two items measuring that factor were considered for further statistical analysis. Cronbach alpha coefficients were calculated to assess the reliability of the measuring instrument used in this study. Cronbach alpha coefficients of greater than 0.70 are considered significant and deem a scale to be reliable. However, this lower limit may be reduced to 0.60 in most cases.

Dependent variable

In order to assess the validity of the scale measuring the dependent variable of perceived success of management effectiveness in South African hospitals, a confirmatory factor analysis was undertaken. A confirmatory factor analysis is a model that tests the theory set forth in the original hypothesis and verifies the structure of the set observed variables. All of the five factors that were intended to measure management effectiveness loaded together (MANE1, MANE2, MANE3, MANE4 and MANE5). Management effectiveness explained 3.66 per cent of the variance in the data. Sufficient evidence of validity for this construct was therefore provided. Management effectiveness returned a Cronbach alpha coefficient of 0.904, which is greater than the lower limit of 0.7. Satisfactory evidence of reliability for this factor was therefore provided. For the purpose of this study, management effectiveness referred to the ability to share a common vision, inspire others and successfully implement strategies.

Independent variables

In order to assess the validity of the independent variables, an exploratory factor analysis was undertaken on each of the categories of independent variables, namely intrinsic-, extrinsic-, social- and freedom-related work values. Exploratory factor analysis is considered a theory-generating procedure as opposed to being a theory-testing procedure. It answers the question posed by construct validity of whether the scores of the test measure what the test is supposed to be measuring (Stapleton, 1997).

Two factors were extracted from this analysis, namely *motivation* and *commitment*. These factors explain 3.834 per cent of the variance in the data. The items expected to measure the independent variable *motivation* were assessed for validity through an exploratory factor analysis. All the original items loaded together (MOT1 and MOT2). In addition, the item COMM1 also loaded into this construct. As a result of this additional item, the meaning of *motivation* was reformulated for this factor. The factor loadings for this constructs ranged between 0.789 and

0.907. *Motivation and support* explained 2.471 per cent of the variance in the data. The Cronbach alpha coefficient for *motivation and support* was 0.814, suggesting that the scale measuring this factor was reliable.

As a result of the factor analysis, the operationalization of *motivation* was reformulated. For the purpose of this study *motivation* referred to all employees being motivated by management to perform better, management being motivated by management to perform better, management being motivated by employees to lead in a better way, and the employees of Uitenhage Provincial Hospital always supporting their management.

Only one of the five items originally developed to measure the independent variable *commitment* was loaded. *Commitment* explained 1.363 per cent of the variance in data. Sufficient evidence of discriminate validity for this construct was therefore provided. *Commitment* returned a Cronbach alpha coefficient of 0.475, which is less than the lower limit of 0.70 and the acceptable lower limit of 0.6. Unsatisfactory evidence of reliability for this factor is thus reported for this variable. This means that if sampling were to be completed a number for times, the analysis of these variables would not remain consistent. For the purpose of this study, *commitment* refers to employees and patients being committed to and identifying with the Uitenhage Provincial Hospital and its management team.

Two of the original items for *configuration* loaded together with all the items from *culture* (CONEF2, CONF3, CULT1 and CULT2). As a result of these additional items, the name *configuration* was reformulated. The factor loadings for this construct ranged between 0.789 and 0.907. *Configuration* explained 2.811 per cent of the variance in the data. The Cronbach alpha coefficient for *configuration* was 0.790, suggesting that the scale measuring this factor was reliable.

As a result of the factor analysis, the operationalization of *configuration* was reformulated to *configuration and culture*. For the purpose of this study, *configuration and culture* referred to the type of environment of the organisation and the manner of doing things within the organisation, including all advancement processes.

Two factors were extracted from this analysis, namely *formal training and personal traits*. These factors explained 3.593 per cent of the variance in the data.

All of the original items for *formal training* loaded together with all the items from *personal traits* (FRMT1, FRMT2, PRST1, PRST2 and PRST3). As a result of these additional items, the name *formal training* was reformulated. The loadings for this construct ranged between 0.733 and 0.904. *Formal training* explained 3.593 per cent of the variance in the data. The Cronbach alpha coefficient for *formal training and personal traits* was 0.899, suggesting that the scale measuring this factor was reliable.

As a result of the factor analysis, the operationalisation of *formal training* was reformulated to *formal training and personal traits*. For this purpose of this study, *formal training and personal traits* referred to each respective leader possessing the necessary experience and *formal training* needed to conduct all professional activities, including administrative work and implementing strategies and the manager possessing individual characteristics needed to successfully lead and coordinate an organisation. Two factors were extracted from this analysis, namely *funding and staffing*. These factors explained 3.672 per cent of the variance in the data.

The items expected to measure the independent variable *funding* were assessed for validity by means of an exploratory factor analysis. Two of the original items loaded together (FUND1 and FUND2). In addition, item, STAFF3 also loaded into this construct. As a result of this additional item, the meaning of *funding* was reformulated for this factor. The factor loading for this construct ranged between 0.725 and 0.838. *Funding* explained 2.411 per cent of the variance on

the data. The Cronbach alpha coefficient for *funding* was 0.720, suggesting that the scale measuring this factor was reliable.

OPERATIONALISATION OF VARIABLES

As a result of the factor analysis, the operationalisation of *funding* was reformulated. For the purpose of this study, *funding* referred to enough funding and support from government to make sure that the organisation runs smoothly and delivers quality healthcare and visionary leadership that enhances the organisation's corporate sustainability and sustainable performance.

Staffing

One of the original items was loaded (STAFF1). In addition, the item FUND1 also loaded into this construct. As a result of this additional item, *staffing* was reformulated for this factor. The factor loadings for this construct ranged between 0.609 and 0.670. *Staffing* explained 1.216 per cent of the variance in the data. The Cronbach alpha coefficient for *staffing* was 0.600, suggesting that the scale measuring this factor was reliable at the lower limit of the acceptable Cronbach alpha coefficient.

As a result of the factor analysis, the operationalisation of *staffing* was reformulated. For the purpose of this study, *staffing* referred to the number of skilled and semi-skilled employees to make sure that the organisation runs smoothly, and delivers quality healthcare and good management strategies and approaches, despite a lack of funding.

Leadership development

Two factors were extracted from this analysis, namely *opportunity* and *skills development*. These factors explained 3.579 per cent of the variance in the data. The items expected to measure the independent variable *opportunity* were assessed for validity through an exploratory factor analysis. Two of the original items loaded together (OPP1 and OPP2). In addition, the item SKILL2 also loaded into this construct. As a result of this additional item, the meaning of *opportunity* was reformulated for this factor. The factor loadings for this construct ranged between 0.817 and 0.902. *Opportunity* explained 2.496 per cent of the variance in the data. The Cronbach alpha coefficient for *opportunity* was 0.745, suggesting that the scale measuring this factor was reliable.

As a result of the factor analysis, the operationalisation of *opportunity* was reformulated. For the purpose of this study, *opportunity* referred to the available opportunities of progressing in the organisation, the ease of exploiting these opportunities, and management's role in mentoring and coaching middle management and emerging leaders.

Skills development

Only one of the five items originally developed to measure the independent variable *skills development* was loaded. *Skills development* explained 1.083 per cent of the variance in data. Sufficient evidence of discriminate validity for this construct was therefore provided. *Skills development* returned a Cronbach alpha coefficient of 0.435, which is less than the lower limit of 0.6. Unsatisfactory evidence of reliability for this factor was therefore reported in this case. This means that if sampling was to be undertaken a number of times, the analysis of this variable would not remain consistent. For the purpose of this study, *skills development* referred to different structures in the organisation that train future leaders and was focused on the enhancement of employee leadership skills.

Revised theoretical framework and hypotheses

Based on the factor analysis, the operationalisation of the various constructs was reformulated, the theoretical framework was revised and the hypotheses reformulated. The reformulated

operational definitions are summarised in Table 1 while the reformulated hypotheses are depicted.

Table 1: Operationalisation of variables

Factor	Operationalisation
Motivation	Refers to all employees being motivated by management to perform better, management being motivated by employees to lead in a better way, and employees of the Uitenhage Provincial Hospital always supporting their management
Commitment	Refers to employees and patients being committed to and identifying with the Uitenhage Provincial Hospital and its management team
Configuration and culture	Refers to the type of environment of the organisation and the manner of doing things within the organisation, including all advancement processes
Formal training and personal traits	Refers to each respective leader possessing the necessary experience and formal training needed to conduct all professional activities, including administrative work and implementing strategies and the manager possessing individual characteristics needed to successfully lead and coordinate an organisation
Funding	Refers to enough funding and support from government to make sure the organisation runs smoothly and delivers quality healthcare and visionary leadership that enhances the organisations corporate sustainability and sustainable performance
Staffing	Refers to the availability of skilled and semi-skilled employees to make sure that the organisation runs smoothly and delivers quality healthcare and good management strategies and approaches, despite the shortage of staff
Opportunity	Refers to the available opportunities of progressing in the organisation, the ease of exploiting those opportunities and management's role in mentoring and coaching middle management and emerging leaders
Skills development	Refers to different structures in the organisation that train future leaders and are focused on the enhancement of employee leadership skills

Empirical results

In the following section, the results of the statistical analysis are presented, these being the results of the descriptive analysis, the Pearson's product moment correlations, the multiple regression analysis, and the analysis of variance.

In order to describe the sample data, descriptive statistic were calculated. These included the mean, standard deviation and frequency distributions. For the purpose of brevity the frequency distribution response categorises 'disagree' in Table 2 below. Similarly, the response categories '*strongly agree*', '*agree*' and '*somewhat agree*' were categorised together as 'agree'.

The followership criteria *motivation* and *commitment* reported mean scores of 3.005 and 3.191 respectively. The majority of respondents of *motivation* (40.20%) were neutral regarding the

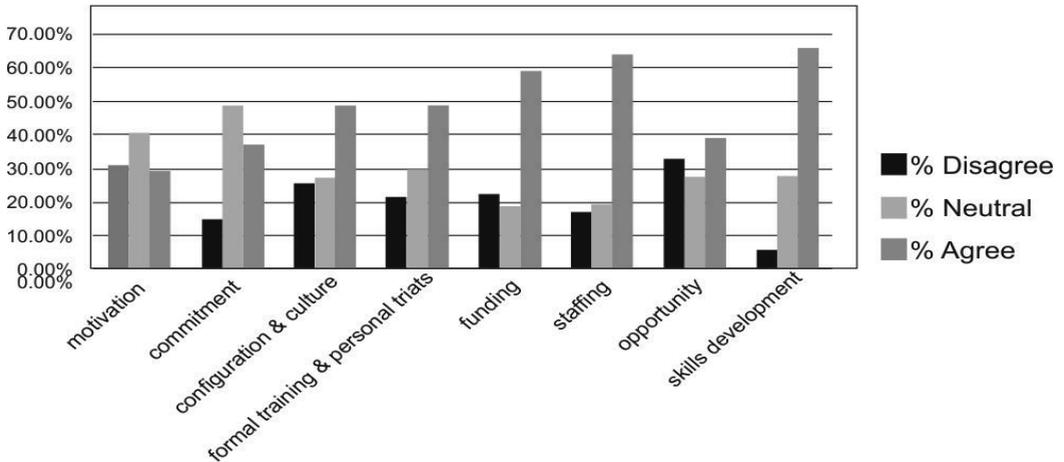
assertion that management and employees motivated each other to do well. However, very similar percentages of the respondents both disagreed and agreed with this statement (30.88% and 28.92% respectively). Almost half of the respondents (48.53%) were also neutral regarding the statement that employees were committed to and identified with the hospital. A total of 36.76 per cent of the respondents agreed while only 14.71 per cent disagreed with this statement. The organisational effectiveness factors *configuration* and *culture* reported a mean score of 3.202. Close to half of the respondents (48.16%) agreed with the type of organisational environment and the way things were done. However, 26.84 per cent were neutral and 25 per cent disagreed with this statement.

The managerial expertise and individual realism factors *formal training* and *personal traits* reported a mean score of 3.268. The majority of the respondents (48.82%) agreed with the assertion that the leaders possessed the necessary experience and formal training needed to conduct all professional activities and possessed the individual characteristics needed to successfully lead and coordinate an organisation. However, quite a number of respondents remained neutral (29.41%), while only 21.76 per cent of the respondents disagreed with this statement. The resources allocation factors *funding* and *staffing* reported mean scores of 3.539 and 3.640 respectively. Regarding the issues of *staffing* the majority of the staff (63.97%) agreed with the statement that the availability of skilled employees ensured that the organisation would run smoothly and deliver quality healthcare and good management strategies and approaches, despite the staff shortages. However, very similar percentages of respondents remained neutral or disagreed with this statement (19.12% and 16.91% respectively).

The leadership development factors *opportunity* and *skills development* reported mean scores of 3.000 and 3.750 respectively. The majority of respondents (39.22%) agreed regarding the issues of *opportunity* with the claim that there were opportunities to progress which were easily accessible, and that the managers' role in mentoring and coaching was visible. A total of 32.84 per cent of the respondents disagreed, while 27.94 per cent remained neutral regarding this statement. Two-thirds of the respondents (66.18%) agreed with the assertion regarding *skills development* that training was available to enhance employee leadership skills; 27.94 per cent of the respondents remained neutral and only 5.88 per cent disagreed with this statement.

Table 2: Descriptive statistics (N=68)

Factor	Mean	Std. Dev	Disagree %	Neutral %	Agree %
Motivation	3.005	0.813	30.88%	40.20%	28.92%
Commitment	3.19.1	0.815	14.71%	48.53%	36.76%
Configuration and culture	3.202	0.834	25.00%	26.84%	48.16%
Formal training and personal traits	3.268	0.859	21.76%	29.41%	48.82%
Funding	3.539	0.986	22.55%	18.63%	58.82%
Staffing	3.640	0.796	16.91%	19.12%	63.97%
Opportunity	3.000	0.921	32.84%	27.94%	39.22%
Skills development	3.750	0.936	5.88%	27.94%	66.18%

Figure 2: Distribution of respondents' replies to statement

Pearson's product moment correlations

The correlations between the various variables investigated in this study are presented in Table 3 that follows. The Pearson's product moment correlations were established for this purpose. Significant positive ($p < 0.05$) correlations reported between *motivation* and the following leadership factors, namely *staffing* ($r = 0.34$), *opportunity* ($r = 0.26$) and *skills development* ($r = 0.35$). Although these correlations are significant, *motivation and opportunity* had an r -value of less than $+0.3$, reflecting little or no association where the other two relationships were moderately positive. There was a significant positive correlation ($p < 0.05$) between *commitment* and the following leadership factors: *configuration and culture* ($r = 0.36$); *formal training and personal traits* ($r = 0.34$); *funding* ($r = 0.30$); *staffing* ($r = 0.29$); and *opportunity* ($r = 0.26$). Although these correlations were significant, *commitment and funding* had an r -value equal to $+0.3$ and *commitment and staffing* and *opportunity* had an r -value less than 0.3 , reflecting little or no association, where the previous two relationships were slightly positive.

Significant positive correlations ($p < 0.05$) were reported between *configuration and culture* and the following leadership factors: *commitment* ($r = 0.36$), *formal training and personal traits* ($r = 0.88$), *funding* ($r = 0.76$), *staffing* ($r = 0.63$) and *opportunity* ($r = 0.74$). All these factors reflected strong positive relationships with *configuration and culture*, because their r -value were significantly more than 0.3 , even though *commitment* was moderately positive. Formal training and personal traits revealed a significant positive correlation ($p < 0.05$) with the following leadership factors: *commitment* ($r = 0.34$); *configuration and culture* ($r = 0.88$); *funding* ($r = 0.79$); *staffing* ($r = 0.68$); and *opportunity* ($r = 0.74$). There were significantly strong positive relationships between all these leadership factors, with only *commitment* reflecting a slightly positive relationship of ($r = 0.34$).

There was a significant positive correlation ($p < 0.05$) between *funding* and the following leadership factors: *commitment* ($r = 0.30$); *configuration and culture* ($r = 0.76$); *formal training and personal traits* ($r = 0.79$); *staffing* ($r = 0.88$); and *opportunity* ($r = 0.69$). All these leadership factors reflected a strong positive relationship with *funding*, except for *commitment*, which showed little positive association. Significant positive correlations ($p < 0.05$) were reported between *staffing* and the following factors: *motivation* ($r = 0.34$); *commitment* ($r = 0.29$); *configuration and culture* ($r = 0.63$); *formal training and personal traits* ($r = 0.68$); *funding* ($r = 0.88$); and *opportunity* ($r = 0.60$). Although these correlations were significant, *staffing* had no association with *commitment*, a slightly positive association with *motivation*; and strong positive relationship with the other four factors. Significant positive correlations ($p < 0.05$) were reported between *opportunity* and the

following factors: *motivation* ($r=0.26$); *commitment* ($r=0.26$); *configuration and culture* ($r=0.74$); *formal training and personal traits* ($r=0.74$); *funding* ($r=0.69$); and *opportunity* ($r=0.60$). *Motivation and commitment* showed no association with *opportunity*, because they had r -values less than $+0.3$ and all other factors reflected a strong positive relationship. There was a significant positive correlation between *skills development* and *motivation* ($p<0.05$) but the relationship between the two was moderately positive, with an r -value of just above $+0.3$.

Table 3: Pearson's correlations coefficients

Factor	1	2	3	4	5	6	7	8
Motivation	1.00	0.01	0.07	0.08	0.16	0.34	0.26	0.35
Commitment	0.01	1.00	0.36	0.34	0.30	0.29	0.26	0.12
Configuration and culture	0.07	0.36	1.00	0.88	0.76	0.63	0.74	0.12
Formal training and personal traits	0.08	0.34	0.88	1.00	0.79	0.68	0.74	0.08
Funding	0.16	0.30	0.76	0.79	1.00	0.88	0.69	0.07
Staffing	0.34	0.29	0.63	0.68	0.88	1.00	0.60	0.02
Opportunity	0.26	0.26	0.74	0.74	0.69	0.60	1.00	0.04
Skills development	0.35	0.12	-0.12	-0.08	0.07	0.02	0.04	1.00

Multiple regression analysis

A multiple regression analysis was undertaken to assess whether the independent variables (followership, organisational effectiveness, management expertise and individual realism, resource allocation, and leadership development) exerted a significant influence in the dependent variable, management effectiveness. The R-square value depicted in the regression output of Table 4 is equal to 0.7782. This indicates that the results of the multiple regression analysis indicate that these independent variables explained 77.82 per cent of the variance in management effectiveness.

From Table 3, it can also be deduced that a negative linear relationship (-2.387 ; $p<0.05$) was reported between *commitment* and management effectiveness. As the relationship was negative, it suggested that the more committed employees were perceived to be, the more likely that they would view the leadership as effective. Significant positive linear relationships were also reported between *configuration and culture* (2.606 ; $p<0.05$) and *opportunity* (3.321 ; $p<0.01$). In other word, the more professional the organisation was perceived to be, the more the leadership promotes an innovative environment, and the more the leadership encourages initiative, then the more leadership was perceived as effective in the hospital.

Similarly, the more there existed an opportunity for advancement and easy access of exploiting those opportunities, the more the leadership was perceived to be effective. It must, however, be noted that *commitment* reported poor evidence of reliability and the results relating to this construct must therefore be treated with caution. This study found no relationship between the independent variables *motivation*, *formal training and personal traits*, *funding*, *staffing*, and *skills development*, and the dependent variable, management effectiveness. In other words, whether or not these leadership values were perceived to exist among management at the hospital, they had no influence on the effectiveness of leadership at the hospital.

Against this background, support is found for the hypothesised relationships between the leadership factors *commitment* (H^{1a}), *configuration and culture* (H^{2a}) and *opportunity* (H^{5a}), and the dependent variable, management effectiveness; (H^{1b}); but not for the leadership factors

motivation (H^{1b}), *formal training and personal traits* (H^{3a}), *funding* (H^{4a}), *staffing* (H^{4b}) and *skills development* (H^{5b}) and the dependent variable, management effectiveness

Table 4: Influence of the independent variables on management effectiveness

Dependent variable: Management effectiveness R – Square = 07782			
Independent variables	Beta	t-value	Sig. (p)
Motivation	0.117670	1.33117	0.188253
Commitment	-0.186710	-2.38746	0.020188*
Configuration and culture	0.411586	2.60605	0.011577*
Formal training and personal traits	0.116520	0.73818	0.463329
Funding	0.128700	0.78938	0.433051
Staffing	0.047355	0.27060	0.787644
Opportunity	0.348783	3.32091	0.001543**
Skills development	-0.092770	-1.35658	0.180083

Interpretations of the empirical results and recommendations

Some leadership factors were identified as possessing a significant influence on perceived leadership effectiveness at the Uitenhage Provincial Hospital. Interpretations of significant relationships and recommendations are therefore made.

Commitment

The results of the study illustrate a negative relationship between *commitment* and management effectiveness. This means that as commitment increases, the more the employees viewed management as ineffective. A possible explanation would be that those employees had invested more in the hospital or were emotionally and personally linked, that is, identifying with the hospital, so that they were more critical when it came to leadership standards and what they viewed as effective leadership. This might also mean that the committed employees expected the leaders to do more for the hospital to prove themselves to be effective. However, based on the literature study done, this negative relationship was not expected. The literature revealed that organisations with committed employees tended to be higher performing and capable of more effectively responding to environmental changes, which is an indication of leadership effectiveness. The commitment of staff is very important, not only to leadership effectiveness, but it also forms a causal to the efficiency of the hospital and the quality of healthcare. Therefore, the researcher presents the following recommendations in this regard:

In order to maximize leadership effectiveness, it is crucial to consider the commitment of staff in the organisation. This can be done by:

- making the staff identify with the hospitals and increasing pride through programmes that promote cohesion and pride;
- creating a positive image of the localized hospital among the community;
- encouraging staff to be part of decision-making in planning and organising the hospital's daily operations; and
- ensuring that leaders create and communicate a view of a desired state of affairs that clarifies the current situation and induces commitment to an even better future.

Configuration and culture

The results of the study illustrate a significant positive relationship between organisational effectiveness factors *configuration and culture* and management effectiveness. This implies that the more the organisational environment and the manner of doing things within the organisation, including all advancement processes, were favourable to the employees, the more they perceived the leadership of the organisation as effective. This means that leaders have an ability to control and coordinate their work through the standardisation of the skills and knowledge of the employees and opportunities of advancement. The more the organisation adopts a culture that promotes employee engagement in all aspects, the more that organisation is perceived as possessing leadership effectiveness.

The manner in which a hospital conducts its services (core services and all peripheral services, including administration and how employees are treated) reflects either positively or negatively on leadership effectiveness. In order to create a culture that is conducive to quality work and satisfaction, the leadership has to:

- treat employees fairly;
- ensure that the work environment is not stressful;
- be inclusive in the decision-making processes of the hospital;
- focus on enhancing the skills and knowledge of the employees rather than checking processes and outputs;
- create an environment that promotes multi-tasking and the exposure of professionals to administrative aspects that affect their units, including performance management and development and resource allocation;
- allow employees to be innovative and take the initiative; and
- engage employees in all aspects of organisational operations, starting from policy formulation to implementation.

Opportunity

The results of this research show a positive relationship between *opportunity* as a factor of leadership development and management effectiveness. This implies that the more opportunities there are for progressing in the organisation and the easier it is for employees to exploit those opportunities, the more it is perceived to have effective leadership. It is crucial for the leadership of an organisation to encourage openness in sharing the information needed to make decisions and to foster the positive self-development of the employees at all levels. Granting opportunities for growth and development to employees allows the employees to be empowered and work autonomously towards a shared vision. The following recommendations are proposed in this regard:

- Employees must be exposed to career development and advancement programmes;
- Leaders must provide mentoring and coaching to their subordinates;
- A clear succession plan must be in place and communicated to every employee;
- Internal promotions must be encouraged as a way of developing employees; and
- Provision must be made for secondment or acting on vacant senior positions.

RECOMMENDATIONS AND CONCLUSION

Senior managers and leaders of healthcare programmes around the world have been expressing the urgent need to professionalise the leadership and management of healthcare services. The argument for these managers and leaders comes from personal experience in the work environment (Management Science of Health, 2006). While the roles that doctors and nurses play in the delivery of healthcare in developing countries have changed dramatically, the preparation they typically receive in medical and nursing education has not kept pace and the role of health

managers is not as valued as the role of clinical specialists. Technically and medically, practitioners in the health field already know what to do to save millions of lives and reduce illness. A key limitation in applying what is known in primary health care is effective leadership and management (Management Sciences for Health, 2006).

Rapid innovation and adaption to change require a collaborative, interdependent culture and solutions that cut across function, region and profession. Leaders must learn to shift away from the 'individual expert' model so common in today's healthcare systems towards a model that leverages cross-boundary groups and teams and spans disciplines, levels, functions, generations and professions (Browning & Torain, 2011). These new collaborative groups will be able to integrate knowledge throughout the system and anticipate and solve unprecedented challenges, while delivering efficient, high quality and compassionate patient care. In the quest to improve healthcare leadership effectiveness, Browning and Torian (2011) developed a model focusing on six essential organisational capabilities that are imperative for an organisation to succeed.

Since the demise of apartheid in 1994, the new democratic government has taken some bold steps to improve the status and healthcare of its citizens, *inter alia* undertaking the redistribution of resources among geographic areas. The fragmented public health services were consolidated into one South African healthcare system, shifting the focus towards primary healthcare. Most successful health programmes over the past 15 years have arisen from centrally regulated approaches, contrasting with suboptimal progress in implementing other critically important policies that require health system capacity. Particularly in the case of HIV/AIDS, denials and failures in leadership have led to the unnecessary loss of life and a runaway epidemic. Despite enthusiastic support from the international community and a relative abundance of resources, progress in South Africa has faltered because of a lack of leadership and a failure of equitable implementation (Health in South Africa, 2009).

In an attempt to address the issues around healthcare leadership, the Lancet *Health in South Africa* series conducted an extensive research and analysis to assess the country's health status and health systems. The main focus was to examine the historical roots of current health challenges and identify priority interventions and actions (Health in South Africa, 2009). One of the recommendations was to call for action for the South African government, universities, training institutions, health councils and researchers to work together in strengthening the healthcare system in South Africa, putting more emphasis on the development of strong leadership and stewardship.

In his Budget Speech in 2009, Dr Aaron Motsoaledi, Minister of Health, acknowledged that some of the factors contributing to the problems that the health system was carrying included a lack of managerial skills with health institutions, delayed response to quality improvement requirements, poor technological management, poor supply chain management, inability of individuals to take responsibility for their actions, poor disciplinary procedures and corruption, and significant problems in clinical levels in all areas (Excerpt from Minister Aaron Motsoaledi's Budget Speech, 30 June 2009). All these factors emanate from poor or inadequate policy implementation caused by ineffective leadership.

The purpose of the study was to identify factors influencing leadership effectiveness at the Uitenhage Provincial Hospital. The following recommendations have been formulated for the Uitenhage Provincial Hospital to prioritise going forward:

Firstly, there could be other factors or variables that influence leadership effectiveness in public hospitals. For example, factors including remuneration and reward were omitted by researcher. Other factors could include the role played by leaders in employee satisfaction surveys. Different sets of questions under the same factors could also be put to get more views or set of ideas from the respondents.

Secondly, more data could be sourced by including other public hospitals in South African hospitals. This would elicit more views of other employees in other similar institutions.

Thirdly, similar research effort could be embarked upon whereby recommendations could be implemented to establish whether the recommendations have had any positive influence on leadership effectiveness at hospitals.

The aim of the study was to analyse the view of health practitioners with regard to the effectiveness of leadership at the Uitenhage Provincial Hospital in South Africa. The implementation of the recommendations proposed by the researchers, based on the research findings, could improve the quality of healthcare leadership, and enhance the quality of healthcare service delivery in South Africa and beyond. The proposed recommendations could make the *Batho Pele* (People first) principle a reality in all South African healthcare services. Our people deserve no less.

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THE TENUOUS LINK BETWEEN REMUNERATION, WORKFORCE PLANNING AND EMPLOYEE RELATIONS: CREATING INNOVATIVE HR PRACTICES FOR UNIVERSITIES

L. Govender¹

ABSTRACT

Universities are currently experiencing challenges with regard to student protests, balancing the commitment to absorb previously outsourced functions and other macro factors impacting on the human resources function. This requires the human resources function to think critically about balancing the staff headcount, contractual commitments and adherence to legislative requirements amid growing pressure on budgets. This requires a more robust, innovative way of thinking and practice in the HR space. This paper is a case study analysis of the challenges facing South African universities during challenging times.

Keywords: Student protests; human resources; legislative requirements.

INTRODUCTION

South African universities are currently operating within an extremely complex milieu. Significant changes in the past twenty years have impacted on the higher education (HE) landscape. Contributory factors may be classified into internal, external and other contextual factors. Internal factors include institutional legacies, history and location, while external macro factors such as international trends, statutory requirements, and the Higher Education Act No 101 of 1997 have impacted on higher education institutions (HEIs).

The HE Act and University Statutes give guidance to the operations of universities. Universities still have to consider these statutory guidelines and the larger macro-context and therefore have to conform to different sets of statutes, the legislative, that of the Department of Higher Education and Training (DHET), the HE Act, the Department of Labour, South African Revenue Services and immigration laws.

Apart from the factors outlined above, other changes including mergers, statutory changes and the restructuring of the Department of Higher Education and Training (DHET) have all impacted on universities, their mandates, structures, research and staff. Amid the myriad networks of changing legislation, post-democracy initiatives are high on the agenda. South African universities are under pressure to transform and need to critically re-think their strategic and operational approaches.

CHANGING CONTEXT

According to the Draft National Plan for Higher Education in South Africa (2001), the inequalities of the past needed to be addressed through the transformation of the HE system in order to be relevant to a new social order, meet national priorities, and be responsive to new realities and opportunities. Skills development, parity related to remuneration and benefits, and equal opportunity to promotions are some issues which are high on the agenda of universities. Issues of transformation, employment equity, development, and employee attraction and retention require a contextual and research-based approach to finding workable solutions. Further to the issue of redress, the plan highlighted the autonomous nature of HEIs and indicated that autonomy and accountability are key aspects of institutions, as espoused by the HE Act. The

¹Ms L. Govender, Director: Human Resources, Rhodes University, Grahamstown, South Africa.

autonomy referred to is the restricted ministerial interference in operations of HEIs. The National Plan (2001), however, highlights the ongoing concern about public accountability. Although autonomy has been upheld, HEIs also need to address change and transformation.

To meet these changing needs requires a rethink of how HR delivers on its changing mandate, thereby indicating a need to rethink the role of the HR function to deliver on strategic matters (Boninelli, 2010; Schultz, 2010; Mapesela & Strydom, 2004). Although the HR approach to transformation may differ among institutions, almost all the historical twenty-three HEIs post the merger period face similar challenges, as they have to traverse the same landscape, shaped by the same policy milieu. The three new universities have an opportunity to implement good foundations to give effect to transformation outputs.

A key challenge, fraught with uncertainty and fear, is the current student protest action for free education. This national protest action known as #FeesMustFall initially brought universities to a halt in 2015, resulting in pandemonium. The 2015 demands initially focused on student fees, increases and exclusions which later expanded to include demands of workers at universities. This highlighted the need to reconsider the arrangements (contracts, benefits and other conditions of service) pertaining to certain groups of workers. There has been a trend since the merger of universities to use external service providers to provide a range of services. Some of these services typically included cleaning services, catering, gardening services and security. These services could broadly be characterised as semi-skilled. The rationale for these services being undertaken by service providers was to contain costs in light of a growing wage bill.

Integrating remuneration, workforce planning and employee relations (ER)

Herbert, Murphy and Wilson (2004) suggest that the financial function is facing challenges and needs to deliberate on producing good quality financial information to support enhanced decision-making and achieve organisational effectiveness in a meaningful way. Herbert *et al* recommend that a coherent analytical framework be developed and that the vision of the finance function be communicated to the financial team and management. In this respect, the need for a centralised budgeting process at universities and effective resource allocation planning models and processes should be considered.

The need to focus on ethical workplace practices has been highlighted by the International Labour Organisation (ILO) and the National Economic Development and Labour Council (NEDLAC). The ILO and NEDLAC commissioned a Draft Decent Work Country Programme for South Africa for the period 2010 to 2014. The document was developed as an impetus to continue the work of the Constitution of SA, which advances the "...protection of rights to equality, rights to equal treatment and protection against unfair discrimination; rights to human dignity, freedom of expression and association and *rights to fair labour practices* and rights of access to social security including social assistance" (NEDLAC, 2010).

The Decent Work Agenda, as promoted by the ILO internationally, advances the need for the fair and ethical treatment of people in the workplace. The concept of decent work is founded on the principles of "...personal dignity, family stability, peace in the communities, democracies that deliver for people and economic growth that expands opportunities for productive jobs and enterprise development" (ILO, 2014). This forms the basis for universities to rethink and constantly be reminded of the need to instil and uphold ethical workplace practices. To this effect, the ER function has become an important sub-function in HR departments.

The Constitution of SA guarantees rights to fair labour practices, which are upheld and enforced by the Labour Relations Act 66 of 1995 (LRA), the Basic Conditions of Employment Act (BCEA) and various codes of good practice. The role of the courts and tribunals such as the Labour Court and the Commission for Conciliation, Mediation and Arbitration is to uphold,

deliberate and give effect to fair employment practices. This demonstrates the importance of protecting the rights of workers, thereby ensuring that fair treatment of workers is prioritised.

The employment relationship can therefore be understood to be a tri-party relationship between the employee, employer and the state, represented by statutory frameworks (Nel, Swanepoel, Erasmus & Tsabadi, 2005). While a contract of employment is entered into by the employee and employer organisation, the latter being represented by the line manager, the HR function plays an important role in monitoring and maintaining the employment relationship. The employment relationship should be managed in a manner that advances the social justice and humanistic mandates of the ILO and the Constitution of South Africa (NEDLAC, 2010).

The experiences of employees in the workplace encompass more than the remuneration and benefits received. There is a need for a balance between intrinsic motivation (the employee) and the provision of a supportive work environment (the employer) in order to minimise the possibility of frustration, dissatisfaction and psychological withdrawal. This demonstrates the important role of HR in establishing and supporting an environment that puts the individual employee first.

Employees want to feel valued and cared for. This includes role ambiguity, role conflict and fluctuation in role over-load/under-load. This demonstrates the role of HR in ensuring a fair and equitable workplace and environment. In order to meet the needs of a changing workforce, the HR function must take cognisance of the need to create an integrated approach to remuneration, workforce planning and employee relations. This can be done by ensuring adherence to the BCEA and LRA. If pay practices are considered and structured in accordance with the BCEA provisions and contracts of employment in accordance with the BCEA and LRA in the first instance, the ability to plan and retain staff becomes easier to manage. This is indicative of the role of the ER function in advising on and monitoring remuneration practice.

RE-THINKING HR PRACTICES

In addition to the above, another unique aspect of HR is the compliance-driven governance model used by universities. The sector is being forced to address this as the changing needs of the HE environment are prioritised (Govender, 2013). This framework provides for a highly consultative and analytic process that gives effect to key decisions that affect universities. It is a highly stratified approach and is used, as with other key university functions, for the monitoring and implementation of HR-related strategies, policies and processes. The advantage of this is that a cross-section of managers deliberate on and give input to the matters put forward. The item is usually presented by the HR Executive. According to Govender (2013), HR functions in the South African higher education sector should be focusing on management and leadership capability, its capacity to operate in an international environment and the development of relevant HR strategies. Similarly, Schultz (2010) suggests that demands placed on HR departments in the HE sector requires a "HR responsiveness" to the actual, identified needs and the need for HR to be guided by relevant national frameworks and legislation.

The HR function in HE is not immune to the challenges and changes facing the profession nationally and internationally. HR in the HE sector is increasing in complexity with the function increasingly challenged to add value and make meaningful contributions to organizational success (The Times, 2012). A range of factors contributes to this complexity, including but not limited to budget challenges, differentiated staffing models, the highly consultative nature of the HE environment and a critical supply of labour. Owing to the complexity of the HR function, it is incumbent on all around the executive table to have a good understanding of HR. This call is made on the basis of contributing factors which include but are not limited to a slew of relevant legislation, stringent compliance requirements, highly stratified occupational levels, scarcity factors, and supply and demand factors, to name but a few. This places an enormous demand on

HR professionals who often have to implement practices in a hostile context. The hostility is often due to a misunderstanding of the HR function and its tenuous position in balancing compliance and HR management objectives.

CONCLUSION

Multiple stakeholders in the HE sector call for universities to implement systems and structures to facilitate improved monitoring of national and institutional transformation agendas, as seen by the #FeesMustFall movement. The issues of pay parity, effective workforce planning processes that give effect to headcount, the kinds of skills required, and growth and retention of employees need to be emphasised within the current challenges facing institutions. The interests of the staff and the manner in which they are managed as well as the disciplinary processes utilised require a review of the ER functions. Therefore, remuneration, workforce planning and ER should be seen as critical inter-related HR factors that need to be addressed in the advancement of the social justice agenda of universities.

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TRADITIONAL LEADERSHIP IN LOCAL GOVERNANCE IN SOUTH AFRICA: A CASE STUDY OF eTHEKWINI MUNICIPALITY

P.S. Reddy¹ and S. Shembe²

“Internationally, many countries are still grappling with the role and contribution of traditional leaders in governance, despite having ushered in a democratic dispensation. Some African countries have demonstrated that the aspirations of traditional structures can be reconciled quite effectively with those of government. They could co-operate and work in collaboration with each other positively for the common good” (Ndlela, Green & Reddy 2010:1).

ABSTRACT

The paper analyses the role of traditional leaders in service delivery in eThekweni City Council, which is one of eight metropolitan municipalities in South Africa. There are currently 17 traditional leaders within the Municipality. It makes an in-depth analysis of traditional leadership in the local governance process, both in the pre- and post-democratic local government dispensation. The study focused on three wards in the Municipality which are almost ninety per cent rural, namely 01, 02 and 03 and reviewed the municipal budgets for three years which covered the 2006/2007, 2007/2008 and 2008/2009 financial years. Budgets allocated to the wards were also analysed. The study makes an in-depth analysis of the projects budgeted for and implemented in the three financial years and the role played by traditional leaders in the process. In addition, the participation of traditional leaders in the Integrated Development Plans (IDP) and annual reviews for the three years was also critically reviewed. The most important findings of the paper are the fact that traditional leaders are not playing any significant role in service delivery within the Municipality. They are not members of the Council, which is the main decision-making body of the Municipality, despite explicit provision being made for their representation in the Local Government Municipal Structures Act, 1998 (Act No.117 of 1998). They do not contribute to the IDP, budget formulation or planning of projects. The traditional leaders are only consulted when the projects are implemented in their respective areas. The traditional leaders' role was purely ceremonial and restricted to sod turning and public mobilisation within the Municipality. It is hoped that the findings of this research will provide an impetus for the Municipality to critically review the participation of traditional leadership in local governance with an emphasis on the implementation of the Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998) and, more specifically, the basic provisions in this regard. Increased involvement of the traditional leaders in key municipal activities, notably integrated development planning, budgetary processes, planning and implementation of development projects and the annual review processes is encouraged. It is further recommended that the Office of the Amakhosi should report directly to the Deputy City Manager: Governance of the Municipality to ensure speedy consideration of recommendations made. The City Council recently decided that traditional leaders will henceforth participate fully in municipal affairs. In this context, they will serve on the various portfolio committees, and participate in the development initiatives and integrated development planning of the Municipality.

Keywords: Participation; service delivery; integrated development planning; local governance.

¹Professor P.S. Reddy, Discipline of Public Governance, School of Management, IT and Governance, University of Kwazulu Natal, South Africa.

²Mr S. Shembe, Discipline of Public Governance, School of Management, IT and Governance, University of Kwazulu Natal, South Africa.

INTRODUCTION

The Amakhosi are regarded as one of the key role-players, particularly in the governance of rural areas in South Africa. They are the custodians of African traditional culture and heritage. Rural communities still greatly respect them as leaders of their communities (Reddy & Mkaza, 2007:1; Ndlela, Green & Reddy, 2010:1; Dube, 2012; Republic of South Africa, 2002.). Before the dawn of democracy, traditional leaders provided uncontested authority and leadership within their areas of jurisdiction (Hornsby, 2002: 28-29). Six of the nine provinces have traditional leaders in their jurisdiction, namely KwaZulu-Natal, North-West, Limpopo, Mpumalanga, Eastern Cape, and Free State. Despite the democratisation of local government, traditional leaders have not been fully integrated into the system (Thornhill & Cloete, 2014:38). Their authority and role have been greatly undermined by legislation and laws passed in the new dispensation. The study focuses on eThekweni Municipality, a metropolitan council in KwaZulu-Natal and one of eight in the country. eThekweni Municipality is unique in the sense that it includes a large number of tribal communities with seventeen traditional leaders in its municipal jurisdiction, covering about thirty-two wards. Up to 2010 the Municipality spent a considerable part of its capital budget on projects in the city centre at the expense of rural areas within its jurisdiction. This was justified to a certain extent by the City being a host for the 2010 FIFA World Cup. Billions of rands were spent on the Moses Mabhida Stadium as well as the renovations and upgrading of neighbouring soccer stadiums in the City. The Municipality also upgraded a number of roads in the city centre and developed a lane dedicated to public transport and as well as one for bicycles. Whilst it is a fact that tribal areas in eThekweni Municipality are far better than the neighbouring municipalities in terms of service delivery, they are lagging behind when compared to urban areas within the Municipality. This paper critically evaluated the role played by traditional leadership in service delivery within eThekweni Municipality and identified the political and legislative challenges relative to service delivery. It also proposes possible solutions to improving the relations between the Municipality and traditional leadership with the view to increasing the level of co-operation between the two institutions and improving the role of Amakhosi on service delivery matters.

RESEARCH METHODOLOGY

The aim of this research was to understand the role of traditional leadership within eThekweni Municipality by critically defining, analysing and describing their participation in municipal affairs. More specifically, the participation of the Amakhosi in three traditional communities representing about thirty per cent of the tribal communities within eThekweni Municipality was studied. The research used qualitative research methods and data was collected using structured in-depth interviews and focus group discussions with the Mayor; Deputy City Manager (Governance); Deputy Chairperson (Governance Sub-committee); Senior Manager (Provincial Department of Co-operative Governance and Traditional Affairs); ward councillors; ward committee secretaries; Amakhosi; Development Committee secretaries and one community member from each ward. Some information was also collected through municipal reports, council circulars and previous municipal budgets. Approximately fifty people were interviewed in total, including three from the selected communities. Thematic analysis was used to analyse the qualitative data.

LEGISLATIVE FRAMEWORK IMPACTING ON TRADITIONAL LEADERSHIP

The policy and governance framework for traditional leadership in South Africa is to a large extent based on a sequence of legislation commencing from the apartheid era to the current legislation. In terms of the pre-1994 legislation, governance by the traditional authorities was in accordance with statutory and customary law and furthermore in line with the then Constitution. Traditional leadership was based on the Black Administration Act, 1927 (Act 38 of 1927) and the

Black Authorities Act, 1951 (Act 68 of 1951) (Ndlela, Green & Reddy, 2006: 253). The KwaZulu Amakhosi and Iziphakanyiswa Act, 1990 (Act 9 of 1990) and the KwaZulu Code of Zulu Law Act, 1985 (Act 16 of 1985) provided the specific context in the Province of KwaZulu-Natal. However, both these pieces of legislation were ethnically and racially based and consequently contradicted the democratic system in place post-1994.

Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

Chapter 12 of the Constitution of the Republic of South Africa Act, 1996 (Act 108 of 1996) made provision for the institution, existence, status and role of traditional leadership in accordance with customary law. Section 212 (1) of the Act explicitly states that "...national legislation may provide for a role for traditional leadership as an institution at local level on matters affecting local communities" (Act 108 of 1996:114). Provision for the establishment of the Houses of Traditional Leaders was made for by national or provincial legislation in terms of subsections (2) (a) and (b). Furthermore, a Council of Traditional Leaders could be created by the former.

The above-mentioned legislation has generated a great deal of discussion and debate as there is a general view that the Constitution has not clarified the specific role, functions or powers of traditional leadership relative to the public governance system in South Africa. The respective powers, roles and functions of the three spheres, namely national, provincial and local, in governance has clearly been spelled out in the Constitution; however, there is still considerable ambiguity on the issue of traditional leadership, particularly in local governance.

White Paper on Traditional Leadership and Governance (2002)

Following the ushering in of the Constitution in 1996, the White Paper on Traditional Leadership and Governance was the final document that emerged after extensive consultation and lengthy research. It also at that stage detailed a broad policy framework on the institution of traditional leadership and, more specifically, their role and place in the post-1994 democratic state.

The foreword of the White Paper (2002:3) states that "...the institution of traditional leadership occupied an important place in African life and historically, in the body politic of South Africa. It embodied the preservation of culture, traditions, customs and values of the African people while also representing the early forms of societal organisation and governance." However, with the ushering in and adoption of initially the Interim, and thereafter the new Constitution, there was a firm declaration by the South African populace that it was a sovereign and democratic state based on certain distinct values, including, *inter alia*, the supremacy of the Constitution. There was also an acknowledgement that the traditional leadership institution survived beyond the colonial and apartheid eras and has played an instrumental role in facilitating local community development, more specifically in rural areas where formal structures of local government was absent (White Paper, 2003). However, while acknowledging the positive contribution made by traditional leadership over the years, there was a strong policy view that traditional leadership as an institution was an unrepresentative, undemocratic and unaccountable governance system and consequently had to be transformed constitutionally and in line with the democratic ethos of the country (Picard & Mogale, 2015: 227).

Traditional Leadership and Governance Framework Act, 2003 (Act 41 of 2003)

This Act basically makes provision for traditional communities to be recognised; for the creation and general functioning of traditional councils and traditional council/municipal partnerships. Chapter 5 of the Act details the functions and roles of traditional leadership and those pertaining to customary law and the customs of the traditional community concerned are covered in section 19. The guiding principles for the allocation of roles and functions of the traditional councils are highlighted in Section 20 (1). However, it should be noted that the roles and functions relative to rural development has not been clearly spelt out, and service delivery in general are not clearly defined and this has basically been the source of dissatisfaction of traditional leaders.

KwaZulu-Natal Traditional Leadership and Governance Act, 2005 (Act 5 of 2005)

This provincial Act acknowledges traditional communities in KwaZulu-Natal and provides for the resultant regulation of key issues governing the roles and responsibilities of traditional councils in this regard. Houses of traditional leaders have been established at the national and provincial levels, including the Province of KwaZulu-Natal, to play an advisory role to government. This arrangement has apparently not found favour in some sectors of society, notably the opposition political parties, as they are of the view that it does not clearly define the role of traditional leaders in the post-1994 democratic dispensation.

The Act also highlights the role of traditional councils in service delivery, that is, they have to work jointly with municipalities in identifying local needs, facilitate the development and possible amendment of integrated development plans of municipalities, and recommend, after due consultation with the Provincial and Local House of Traditional Leaders in question, the required interventions to governance that will facilitate service delivery and development in their respective municipal areas.

The above-mentioned Act acknowledges and recognises the existence of traditional leadership and their respective communities by defining their roles; however, the above three functions relegate the role of a traditional council to that of assisting, facilitating and recommending to or on behalf of the Municipal Council. This implies that the traditional leaders do not have executive powers to take decisions on crucial developmental issues within the areas of their respective traditional authorities.

The fact that the system of Ubukhosi or traditional leadership exists in South Africa appears to be a contradiction to a certain extent. The different pieces of legislation from the Constitution of the country up to the different municipal legislation and traditional leadership Acts are vague on the role of the Amakhosi relative to the delivery of municipal services. The organisations representing traditional leadership nationally and provincially, notably the Congress of Traditional Leaders of South Africa (CONTRALESA) and other formations, need to be much more vocal on matters relating to the Amakhosi, given the present political *impasse* and the fact that they are not participating in local government.

Functional and relational framework and linkages

The intergovernmental framework and functional linkages that have been developed between traditional leadership and local authorities are governed by several pieces of local government legislation, namely the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998); the White Paper on Local Government (1998) and the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000). Section 29 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) provides for local traditional leadership participation in the integrated development plans of municipalities, whilst Chapter 43 (Section 1) of the Local Government: Municipal Structures Act of 1998 facilitates their participation in the councils of municipalities. Traditional leadership's developmental role in local government is highlighted in the White Paper on Traditional Leadership (2002). The Municipal Finance Management Act, 2003 (Act 56 of 2003) regulates the management of public funds in the local government sector and this also includes the traditional authority areas. The mandate of the houses of traditional leaders is governed by the House of Traditional Leaders Act, 1994 (Act 7 of 1994) (Ndlela *et al*, 2006: 253).

The current policy and legislative framework in place has provided the legal basis to give traditional leaders a formal role in local governance, although some view this as a return to the country's pre-democratic era prior to 1994. There are a significant number of people who firmly believe that traditional leaders are unlikely to ever have a niche of their own in the modern contemporary democratic governance system in South Africa. The key role of the traditional

councils as highlighted in the policy and legislative framework would appear to be to provide a platform for issues to be discussed, which does not directly impact on governmental authority. Traditional leaders may attend council meetings in their areas of jurisdiction. If invited to do so, they can speak; however, they do not have the vote. Consequently, they have decided not to attend meetings as they believe that their participation is not meaningful (Thornhill & Cloete, 2014:39).

African societies, more particularly in the rural areas, are also in transition and undergoing a process of fundamental change, economically, socially and politically. Consequently, in this context, traditional leadership working collaboratively with local authorities can ensure that these changes can impact positively on local communities by ensuring that they:

- assist in explaining and managing change and demystifying local concepts in communities;
- maintain family bonds in terms of promoting social cohesion and addressing juvenile delinquency and criminality;
- manage relations with central and local government and in some cases, regionally, continentally and internationally, depending on their autonomy and regulatory framework;
- guide, inform, educate and advise local communities on aspects relating to education, welfare and development given the respect and allegiance that they are shown locally;
- encourage more effective consultation and dialogue between central and other forms of government as a result of the credibility accorded to them; and
- assist the local administration by providing leadership in, *inter alia*, maintaining best customs and traditions, arranging local or tribal ceremonies, representing communities on customary issues and presiding over meetings where community matters are discussed (KZNCOGTA, 2007; Ndlela *et al*, 2010: 6).

It is quite apparent that traditional leadership is playing a pivotal role in aspects relating to community development. They can be used to good advantage in this regard in terms of interacting with local communities and collaborating with them in terms of physical, social and economic upliftment (Motlana & Kendler, in Picard & Mogale 2015: 233).

ROLE OF TRADITIONAL LEADERS IN eTHEKWINI MUNICIPALITY

The elections of 1994 resulted in an overwhelming victory of the ANC nationally and in seven provinces. The only two provinces which eluded the ANC were the Western Cape and KwaZulu-Natal. The then ruling party in the Province, Inkatha Freedom Party (IFP), was led by Inkosi M. G. Buthelezi. It was quite clear that the ANC could not expect to win this Province without neutralising traditional leadership. The ANC started a campaign to win over the traditional leaders, starting with the King of the Zulus. The 2000 local government elections led to the incorporation of 15 traditional authorities, along with their traditional leaders (Beall, 2006: 766). The above was a result of deliberations of the Municipal Demarcation Board and it incorporated 60 000 households into the eThekweni Metropolitan area. The incorporation of the tribal areas was initially resisted by traditional leaders because they felt threatened. They also felt that they had not been properly consulted during the demarcation process. According to Beall (2006), some of the objections of the Amakhosi were based on concerns regarding the balance of power between rival political organisations, the ANC and the IFP, more particularly because most of the traditional leaders were IFP members and leaders, whereas most of the elected councillors were ANC members (Beall 2006, 464). Another concern for the Amakhosi was based on their role, representations and remuneration within the Municipality which were not properly clarified (Beall, 2006: 464). After the 2000 local government elections, the ANC was victorious within the Municipality and, together with the Minority Front, constituted the ruling majority within the City. This also led to political tensions between the ANC-led Municipality and the traditional leaders who were largely members of IFP (Beall, 2006: 766).

After an initial reluctance of the Municipality to co-operate and work with the Amakhosi, the attitude of eThekweni Municipality has since changed. Several programmes were introduced within the broader context of support for the Amakhosi and rural development. In addition, traditional leaders have been participating in the affairs of the Municipality and, furthermore, have been given a monthly allowance of R3500. In addition, Amakhosi also have access to council resources. A trust was set up to raise funds for the various rural projects, including *inter alia*, tourism. The City was at that stage planning major investments in 2003.

Even before the approval of a Traditional Leaders and Governance Act, Durban established the Traditional Leadership Forum, aimed at facilitating consultation relative to developmental issues in tribal areas. A councillor was the Chairperson of the Forum and through him the traditional leaders had some form of representation within the Municipality (Khan, Lootvoet & Mantzaris, 2006: 193). It should be noted that the Traditional Leadership Forum was chaired by an ANC councillor and this was perceived as a vehicle used by the ruling party to co-opt traditional leaders and exclude others who cannot be co-opted.

Whilst it is true that much has been done by the eThekweni Municipality in terms of investing in the tribal rural areas in the Municipality, unfortunately, the following is a fact:

Amakhosi are not represented in any major committees of the municipality from the council committees, to the Executive Committee and finally to the full council. According to Cllr. Zandile Gumede, who was a Chairperson of the Masakhane Committee from 2006 to 2011, her committee was exercising political oversight for, among other departments, the regional centres where the office of the Amakhosi is located. She could not recall dealing with a report on traditional leadership issues.

The Mayor's Office in eThekweni Municipality has a special advisor on traditional leadership and governance. There was very little contribution this Office has made in terms of ensuring that the Amakhosi are actively facilitating service delivery issues. It should also be noted that eThekweni Municipality has an Executive Committee system which renders the Mayor less powerful than the Executive Mayor in the other metropolitan cities (Hornsby, 2002: 12-14).

Most projects implemented through the area-based management (ABM) programmes that are rurally based are mostly funded by either the national government directly, and funding and development agencies such as, *inter alia*, the Development Bank of Southern Africa and the European Union. The Municipality invests a very small percentage of the Council funds in rural projects. The only contribution of the Amakhosi to rural development will be through using their political influence by lobbying the Municipality, provincial, national government or other development agencies.

CHALLENGES IN eTHEKWINI MUNICIPALITY

eThekweni Municipality is experiencing a number of challenges as it begins the journey of marrying the two types of seemingly opposing systems of governance, namely the traditional leadership system with its autocratic features and the democratically elected councillors. Some of the challenges will now be elaborated on:

Traditional leadership and local government tensions

Prior to wall-to-wall municipalities being established in South Africa, tribal areas were under the absolute control of traditional leaders. Their power, although sometimes symbolic, was uncontested as they were the only leadership available in these areas (Pickard & Mogale, 2015: 229). After the establishment of municipalities, the Inkosi suddenly had to compete with a councillor for respect in their areas of jurisdiction (Hornsby, 2002: 32-33). As a result of the legislation in place then, the Inkosi could not individually participate in the highest policymaking structure in the City, notably the Council. Whilst the municipal legislation, more specifically the

Local Government Municipal Structures Act, 1998 (Act 117 of 1998), calls for the allocation of twenty per cent of the council seats to traditional councils, in reality the Amakhosi are not actively participating in municipal affairs. They play no significant role when the Integrated Development Plans of the municipality are developed; do not contribute to the budget process or do not have a seat on the Executive Committee, council committees or the council. Their role has been relegated to that of assisting in community mobilisation and making recommendations to the Municipality. The Pinetown-based Amakhosi Support office is poorly staffed with its head, Mr. Victor Mkhize, at the lower end of middle management and in this regard does not yield much power and influence. The office in question does provide support to the Amakhosi. A former Mayor of Durban, Mr Siphon Ngwenya, was appointed as an advisor to the Mayor on traditional leadership issues. The above was a positive step towards improving the role of the Amakhosi within the Municipality.

Ward versus development committees

Ward committees for metropolitan municipalities and certain types of local municipalities were legislated for in the Local Government Municipal Structures Act, 1998 (Act 117 of 1998). The Act also states that the councillor should be the chair of the committee. Ward committees are meant to represent different constituencies within the community i.e. clergy, private, health and education sectors and others. Whilst they do not take decisions, they have a tremendous influence as they make recommendations through the ward councillor to the municipality. Ward committees are also responsible for “facilitating community participation” (Butler, 2002: 43-44).

Development committees are established in traditional areas to assist with the coordination of developmental issues. The development committees were established before ward committees in rural areas. They are controlled by traditional leaders and are seen as their extension. Their contribution to the development of their communities varies from area to area depends on the passion of the Inkosi on developmental issues. There is no particular piece of legislation which led to the formation of development committees (Hornsby, 2002: 03-07).

Relationships between the two committees have been characterized by tensions as both are supposed to deal with development. Development committees have to report to traditional leadership and ward committees have to work closely with municipal councillors and if their principals belong to different political parties, as it is often the case, then tensions tend to be more marked.

In 2007, ward committees were elected in all eThekweni Municipality wards and in most cases, members of the African National Congress Branch Executive Committees were elected to office. These ward committees were not representing different sectors of the community, but were the extensions of the ruling party. These committees were not trained until 2010 and the training they received was not adequate. Some members of the committees have passed away, resigned or moved away from those particular wards and they have not been replaced. Some councillors simply sidelined the members of the committees by not calling meetings. They were not consulted on developmental issues (Hornsby, 2002: 07).

Participation in IDP and budget process

The developmental role of the third sphere of government was prioritised in section two of the White Paper on Local Government and to this end the characteristics of developmental local government was highlighted. Subsection 1.3. of section two states that “...Municipal Councils play a central role in promoting local democracy, and municipal councillors should promote the involvement of citizens and community groups in the design and delivery of municipal programmes” (Republic of South Africa. 1998: 25). The above, when combined with the democratic nature of the political system, creates what many international and African scholars call a democratic developmental state. The ruling party has a developmental state which is

democratic as its political ideology places democratic development at the core of government policy at all levels, including at the local government level.

Edigheji (2010) identified regular elections, which are viewed as being free and fair, and participatory democracy as one of the most important pillars of a state which is democratic. In South Africa since the creation of the post-1994 local government structures, regular local government elections have been declared by the independent body (IEC) and international observer missions as relatively free and fair, adequately representing the views and aspirations of all the voters.

The Local Government Municipal Systems Act, 2000 (Act 32 of 2000) has legislated for an integrated development plan which will set priorities for the municipalities over a specific period of time. Section 23 of Chapter Five of the Act points out that

“...a municipality must undertake developmentally-oriented planning so as to ensure that the objects of local government as defined in section 152 of the Constitution are achieved; its developmental duties as required by section 153 of the Constitution are effected; and it contributes to the progressive realisation of fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution (Local Government Municipal Systems Act, 2008 (Act 32 of 2008) : 19) in collaboration with other state organs”.

The IDP should be a product of wider and intense community consultation. The Act also stipulates that the IDP should to a large extent determine the municipal priorities. It also states that budget hearings should be conducted where communities will be given a chance to contribute to the municipal budget. eThekweni Municipality does not adequately publicise the IDP meetings which results in poor attendance. This is especially the case in rural areas where wards cover a huge geographical area and transport is provided for people to attend meetings. In addition, there has been no consultation with traditional leaders on IDP meetings and consequently they did not play any role in encouraging people to attend such meetings. Furthermore, the final ward IDP plans were not adequately publicised in the community.

Budget hearings are conducted annually for community members, but again there is very little publicity to popularise them. The little publicity is largely limited to English newspapers in the form of small notices on the inside pages. The municipality clusters the wards on average of four per cluster. This means that about eight thousand citizens or their representatives are expected to assemble in a hall with the capacity to accommodate five hundred people. In most budget hearings meetings, the local communities are not there in their numbers and fail to even adequately fill the venues. At some meetings, there is no proper recording of discussions. In 2010 all budgets hearing recordings were lost. Finally, budget hearings are meant to allow citizens to participate in budget formulation and some of their contributions should be reflected in the final budget. What is disturbing with the eThekweni Municipal Budget is that when one compares a draft and final budget, there is always no difference reflecting contributions in public hearings.

Implementation problem

eThekweni Municipality, which was the focus area for the study, fortunately does not experience some of the challenges faced by most of the rural municipalities. The challenges of attracting competent staff with the required technical skills are not one of the issues faced by the Municipality. The major challenge faced by eThekweni Municipality relative to the skills issue is having to implement service delivery programmes with employees based on political alignment. This tends to become problematic and complicated when such political appointees do not have the necessary skills and qualifications to perform at a satisfactory level and in the final analysis, it compromises service delivery and disadvantages local communities.

Another challenge on service delivery in traditional areas within eThekweni Municipality may be caused by the lack of skills of councillors and traditional leadership in terms of the oversight role they should be playing. There is a worrying skills' gap in favour of the municipal officials tasked with implementing resolutions of the municipal council. The councillors who take municipal resolutions and also perform the important political oversight over implementation of their resolutions by the highly skilled officials have a skills' deficit which does pose a challenge (Picard & Mogale, 2015: 238).

Finally, eThekweni Municipality has failed to comply with the Local Government Municipal Structures Act, 1998 (Act 117 of 1998) which explicitly states that twenty per cent of the seats in the Municipality should be reserved for traditional leaders or one seat where councillors are fewer than ten. eThekweni Municipality has all its two hundred and three seats occupied by elected councillors, leaving traditional leaders unrepresented. The above situation has discouraged traditional leaders from taking ownership of council resolutions or participating in the implementation of municipal programmes.

Rural wards mostly cover larger areas per square kilometre

Rural areas cover a large area and are not densely populated. Ward 03 covers about 92 square kilometers, ward 01 about 89 square kilometres and ward 2 about 167 square kilometers. The above means the average square kilometers for the three identified research wards is about 116 square kilometers per ward (Ward profiles, 2006/20116). The average square kilometers covered by urban wards is less than fifty. The above means that ward councillors from rural wards have more voting districts, an example being ward 03 with 16 voting districts, whereas in ward 44 which is neighbouring ward 03, there are only seven voting districts. The councillors and traditional leadership have to provide services in an area which is more than twice as large as the urban wards. More money is needed to ensure that service delivery reaches every community member because of the distance between households.

KEY FINDINGS AND RECOMMENDATIONS

Data collected from the more than thirty respondents interviewed which include the Mayor, the four Amakhosi, four ward councillors, the Deputy City Manager, municipal officials and eighteen community members, was analysed. The main findings of the study are the following:

- More than fifty per cent of community members do not attend councillors' meetings and do not know them;
- More than sixty per cent of traditional communities attend traditional leaders' meetings; and
- Eighty per cent of the community members are of the view that traditional leadership should play a role in service delivery provision together with eThekweni Municipality.

Research conducted in this study as well as elsewhere has demonstrated that traditional leadership is a legitimate and integral part of governance in the rural areas and more specifically traditional communities (Ndlela *et al*, 2006; Ndlela *et al*, 2010:17). The institution and structure are viewed as being imperative to advise government on matters relating to traditional issues. Traditional leaders can complement the work of democratically elected councillors instead of competing with them (Ndlela *et al*, 2010:17).

The following recommendations were made in 2015, and it is hoped these will contribute to the improved participation of traditional leadership in local governance matters and improved working relations between the traditional leadership and councillors. Hopefully, they will also result in enhanced service delivery to communities in the traditional areas.

- Representation of traditional leadership in municipalities as per the implementation of the Local Government Municipal Structures Act, 1998 (Act 117 of 1998)

eThekweni Municipality and the KwaZulu-Natal Local Government Member of the Executive Committee have not implemented the Amendment to the Constitution of the Republic of South Africa Act, related traditional leadership and municipal legislation to provide greater clarity on the roles and responsibilities of leaders within the Municipality. The original Act on the Constitution does not provide clarity on the exact role played by Traditional Leaders within local government;

- Involvement of traditional leadership in integrated development planning, budgetary processes, projects planning and implementation and annual review processes

There is no evidence of traditional leaders' participation in the above processes and this issue needs to be given attention as a matter of urgency;

- The Office of Amakhosi to report directly to the Deputy City Manager Governance for speedy implementation of decisions taken by the Office

Currently, the Office of the Amakhosi reports to the Deputy Head: Regional Centres who reports to the Head: Regional Centre. Then the Head reports to the Deputy City Manager Governance, who in turn reports to the City Manager;

- Regular capacity-building workshops and study bursaries for both councillors and the traditional leadership

The Municipality should continuously capacitate traditional leaders through workshops and study bursaries, given that they are an integral part of local governance in the Durban metropolitan area; and

- Team-building workshops for councillors and the traditional leadership

Councillors' and traditional leaders' relationships should be strengthened through team building workshops and other related activities.

Given the fact that the politics of traditional leadership has not been satisfactorily resolved at the national level, a critical challenge that is high on the municipal agenda is unlocking the much needed developmental potential of traditional authorities within their areas of jurisdiction in the broader context of co-operative governance. Reddy and Mkhaza (2007:1) are of the firm view that traditional leadership, working collaboratively with democratically elected councilors, municipalities, the private sector and community-based organisations, can play a critical facilitative development role in enhancing municipal service delivery, thereby improving the quality of life of rural communities. They have lamented the fact that there has been a political *impasse* for some time on the issue of participation by traditional leadership and consequently traditional leaders have missed the opportunity for stimulating and facilitating development in areas under their jurisdiction (Reddy & Mkhaza, 2000: 1).

Following a workshop with the 17 traditional leaders in Durban, the eThekweni Municipality recently decided that henceforth they will participate directly in municipal affairs to fast-track service delivery. They will serve on the different portfolio committees. According to the Speaker, Cllr. L Naidoo, "...they are an important component in bringing service delivery to the community. Traditional leaders are part and parcel of the Municipality,...mutual co-operation between councillors, traditional leaders and ward committees,...service delivery in every part of the Municipality" (www.durban.gov.za/Resource_Centre/press_Releases?pages/EThekweni-Works-Traditional_Leaders.aspx). This is indeed a significant and positive development as eThekweni Municipality is a major metropolitan municipality in South Africa and this development will encourage other municipalities to follow suit. The traditional leaders will be able to prioritise local development needs in the rural areas, ensure the participation of traditional

communities in development initiatives and more specifically integrated development planning, and encourage sustainable development through the promotion of indigenous knowledge (www.durban.gov.za/Resource_Centre/press_Releases?pages/EThekwini-Works-Traditional_Leaders.aspx).

CONCLUSION

Successive colonial and apartheid governments in South Africa passed oppressive legislation to legalise the marginalisation of traditional leadership. The post-1994 democratic dispensation had to reverse these unjust laws by promulgating legislation which sought to reverse the injustices of the past. The challenges faced by the new democratic government are that the new dispensation for traditional leaders has not been acceptable to them as they are of the view that there was inadequate consultation when the legislation was passed. There is also a view among traditional leadership that these laws do not place them in their pre-colonial position.

The results of the analysed data in the broader study conducted serve to confirm that traditional leadership has a role to play in collaboration with the Municipality in fast-tracking service delivery. It is clear from these analyses that a percentage of community members living in tribal areas respect traditional leadership. The statistics from the research show that communities are likely to attend meetings called by the traditional leadership in higher numbers than those called by the councillor. Some traditional communities identify themselves mostly with traditional leadership. A significant number of rural communities in rural areas believe that traditional leadership is currently a key role player in service delivery. The role of traditional institutions was also highlighted in the relevant consultations and dialogues held by the United Nations on the development agenda beyond 2015. It was pointed out that they still remain a valuable resource from which development policies can draw the required legitimacy, resources and knowledge to enhance the effectiveness of development (UN, 2014: 9).

The study has revealed that there is an improvement in working relationships between the Municipality and traditional leadership. There are distinct challenges in some wards, but they are not necessarily based on policy positions but are rather political. eThekweni Municipality is fortunate to have a rate base worth billions of rands which translates to an annual budget in excess of R40 billion. The above, combined with the fact that the Municipality is mostly urban, means there is not a problem in attracting a skilled labour force with the necessary skills to speed up service delivery in rural areas. eThekweni Municipality should forge closer working relationships with traditional leaders for enhanced service delivery, more specifically in the rural areas. Dube (2012: v) points out that legislation alone is inadequate in promoting positive relations between municipalities and traditional leadership; there have to be apolitical structures in place and also agency agreements to facilitate this process and, more importantly, enhance service delivery. The implementation of section 81 of the Local Government Municipal Structures Act, 1998 (Act 117 of 1998) is critical in terms of initiating the process and is in fact the first step.

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INTEGRATING THE RIGHTS OF THE CHILD WITH LOCAL CULTURAL VALUES: A PRECURSOR FOR MEANINGFUL DISCIPLINE IN MALAWI SCHOOLS

V.Y. Mgonezulu¹

ABSTRACT

Literature review indicated that a gap exists between how different stakeholders understand the universal values espoused in the rights of the child and the place of local values. This affects discipline in primary and secondary schools in Malawi in that school managers are unsure of which set of values they should promote. Guided by the theoretical lens of the theory of incompatibilities and culturally responsive methodology, this conceptual article examines how the gap between some rights of the child and the local values can be bridged. Having examined theories of deliberative pedagogy and democracy, global citizenship education, transformative pedagogy, multiculturalism, and democratic education, negotiation between stakeholders was considered an appropriate approach to analysing the compatibility of the local and universal values with the purpose of adopting values they agree with and rejecting/adapting those that are questionable. In this connection, a model that involves key stakeholders has been developed to guide negotiations. It is hoped that integrating local and universal values will reduce conflict between the stakeholders and therefore improve discipline in schools in Malawi.

Keywords: Incompatibility; integrate; rights of the child; values; learner discipline, culture.

BACKGROUND

Indiscipline in schools is as old as the school system itself (Speakes, 1996). Le Roux and Mokhelele (2011) and Maphosa and Mammen (2011) concur with the observation and add that there are, in fact, growing concerns about escalating cases of indiscipline worldwide. Yet, for many years education institutions have tried to root out indiscipline but the current state of affairs indicates that success has been limited (Sekiwu & Botha, 2013). A case in point, Malawi continues to register numerous incidences of indiscipline, ranging from minor incidents to violent acts, such as burning down and vandalising school property (Mwale, Hauya & Tizifa, 1996; Sabola, 2013).

Many reports attribute learner indiscipline in Malawian schools to their upbringing, substance abuse and peer influence, to mention a few (Mwale *et al*, 1996; Sabola, 2013). However, experience shows that blame for indiscipline in schools can be apportioned to the school authorities and the surrounding communities as well (Salifu & Agbenyega, 2012). For example, indiscipline can come about as a result of school authorities engaging in practices that do not make sense in the eyes of the learners or the surrounding communities. It can also be caused when a new idea is introduced in school without consulting stakeholders. A study in Bangalore City (India) (Nanjunda, 2010) indicates that when stakeholders are not consulted about a change, they are likely to resist it even if it may be in their interest. In the Bangalore City study, 97 per cent of the participants did not know anything about children's rights. When the notion of rights was explained to them, they did not welcome it because according to their understanding, it was incompatible with their way of life.

A similar situation seems to exist in Malawi where some children's rights have been introduced in schools with little prior consultation with the local communities (Phiri, 2012; Nkhata, n.d.).

¹Professor V.Y. Mgonezulu, Mzuzu University, Mzuzu 2, Malawi.

Such practice runs against the principles of deliberative democracy which advances the idea that legitimate decisions depend upon well-reasoned discourse that is guided by the desire to understand the perspectives, values and experiences of others (Doherty, 2012). Advances in communication technology have facilitated cross-pollination of cultures amongst communities that were once isolated so that they now have little choice but to begin to ascribe to global identity (UNESCO, 2014). The idea that UNESCO promotes is not that traditionalist values should be discouraged, but rather that individuals should link the local identity and its values to the global identity and multiculturalism. In the following discussion, the terms 'globalisation', 'multiculturalism', 'universalism', 'transculturalism', and 'global citizenship' are used interchangeably.

STATEMENT OF THE PROBLEM

Unlike local identity, global identity and multiculturalism are espoused in the United Nations Human Rights Charter (1989) and the African Charter on the Rights and Welfare of the Child (1999). Local cultural practices and values usually represent the local identity of a community. Dewey (1916) calls the people who want the *status quo* of their local identity 'traditionalists'. Traditionalists tend not to espouse ideas of global identity and multiculturalism because they view them as disrupting the established order and social cohesion (Sekiwu & Botha, 2014). They tend to be defensive about any idea that seems foreign. With a relatively low urbanisation rate of around 4 per cent, an urban population of around 16 per cent (Republic of Malawi, 2016), communication technology penetration of around 10 per cent of Internet users and 21 per cent of cell phone users (University of Witwatersrand, n.d.) that can enhance global identity and multiculturalism (Ogunsola, 2005), Malawi can be said to be traditionalist in the sense that she is low in the indicators of high information uptake that can transform people's perceptions of other cultures. Indications are clear that societies should begin to espouse ideas of global identity and multiculturalism (Umera-Okeke, 2016), yet the primary and secondary schools of Malawi seem not keen or handicapped, given the low communication technology penetration. The local communities and school authorities in Malawi need to appreciate the need for moving towards multiculturalism because the growing facility of transport and telecommunication entails increased interaction with people of other cultures. For this reason, there is a need for a well-reasoned discourse that can lead to negotiating for the hybridisation of values that will include the retention of some local values and the acquisition or adaptation of some universal values.

The purpose is to feed the negotiated values into the rules and regulations of primary and secondary schools so that they mould learners for a multicultural society that is bound to evolve in Malawi. When there is no common understanding of the values that must be promoted in schools, indiscipline may breed because there is likely to be a conflict of interest among different social groups. This seems to be the case in Malawian primary and secondary schools. For example, reflecting the traditionalist nature of the general population in Malawi, anecdotal evidence shows that treatment of learners that causes bodily or emotional harm, or both, is still widespread in schools in Malawi (Global Initiative to End All Corporal Punishment of Children, 2016; USAID, 2008). In other words, parents, traditional leaders, and teachers of some schools still hold local values which influence how indiscipline in schools is dealt with. The incompatibility between local and universal values exists probably because values of local communities may not have been taken into account when human rights and children's rights charters were being crafted. Bearing in mind that human rights were proclaimed in 1948, it is probable that local communities were not aware of their right to their way of life. Article 22 (1) of the African Charter of Human Rights and People's Rights (1981) spells out that all people have the right to social and cultural development with due regard to their freedom and identity and in equal enjoyment of the common heritage of humankind. To synchronise local and universal values, negotiation was required so that local communities could retain some of their

practices but also be part of the common heritage of human kind. At a local level, issues of children's rights and local values should have been negotiated to arrive at mutually agreed upon sets of values that would influence how discipline in schools would be managed. The research question is therefore how the stakeholders in Malawian schools can negotiate in addressing the incompatibility between local values and universal values as a means of promoting positive discipline in schools.

Specific research questions

The study addresses the following research questions:

1. How can the local communities, school authorities, students and NGOs engage with one another to bridge the gap between local and universal values?
2. How can the integration of local and universal values improve discipline in Malawian schools?

METHODOLOGY

This is a conceptual paper. Hardcopy libraries in Mzuzu, Malawi were visited and several online sources consulted. Several literary sources were examined, including selected articles of the African Charter on the Rights and Welfare of the Child (1999), the Malawi Education Act of 2012, The Child Care, Protection and Justice Act of 2010 and theories of incompatibilities, culturally responsive methodologies, and restorative practice as possible frameworks for enhancing positive school discipline in Malawian primary and secondary schools. Additional sources were studied regarding issues of school discipline, leadership and management in schools, mentorship, sociology of education and traditional African values. Key concepts that were examined included negotiation, deliberative democracy, global citizenship education, transformative pedagogy, multiculturalism, cultural proficiency and democratic education.

Theoretical framework

The *theory of incompatibilities* (Cardenas & Cardenas, 1977) is considered appropriate as a lens for understanding the dynamics between local cultural values and the rights of the child in Malawian schools. The theory was developed as a result of the experiences migrant Black and Mexican learners had in the United States of American education system. The system was not designed to take care of the interests of migrant learners in terms of rights of the child versus local cultural values recognising their uniqueness, inclusive of their culture. There was a lack of compatibility between the characteristics of migrant children and the instruction programme of the host country. Several incompatibilities between the expectations of migrants and those of the school system were identified, which included culture and societal perceptions. Societal perceptions refer to how schools and families view each other and how this interactive relationship affects the success of children in school. Given the background, the theory states that if education is to be meaningful to the population, education processes should be made compatible with the characteristics of the population rather than requiring the population to adapt to the school. The theory adds that education must be needs-responsive and must also focus on the assets of learners, their families, and communities (Cardenas & Cardenas, 1977).

One may argue that the theory is over-expecting on the education system, that it must unduly bend to the interests of individual communities. The education system is supposed to promote the common good of communities (Lopez-Vasquez, n.d.). In other words, individual communities must be prepared to lose some of their cherished beliefs and practices for the sake of the common good of the wider society. This view raises the question of which is a better common good between what concerns an individual community or concerns a greater population. Freeman (2011) holds the view that there are certain types of common good that are independent of the social consensus. Said differently, there are certain issues that are in the interest of the greater

society that supersede the interests of any single community. Although this may seem to be correct, the theory of incompatibilities provides a useful framework for this study because it presents an important point of view that uniqueness of communities should not be viewed as an impediment to human development, but rather as an asset that should be nurtured. In other words, there are certain aspects of individual communities that are so critical to their identity and existence that they must be protected and promoted. In support of this view, Lopez-Vasquez (n.d.) maintains in relation to school situations that what takes place in class does not exist in a vacuum because schools are influenced by society. In short, the theory will enable an appreciation of the incompatibilities between local and global identities with the aim of exploring ways of bridging the gap between them.

The study is also guided by the theory of *culturally responsive methodology* that embraces cultural pluralism, deconstructs Western colonial traditions and recognises the primacy of relationships within a power-sharing dialogical encounter. Culturally responsive methodology aims to bring those who have been marginalised to the centre of determining the best course of action. In this regard, the methodology emphasises building relationships as a way of building communities (of people that were originally in power-rivalry) that can co-construct what is in their best interest (Berryman, SooHoo, Nevin, Barrett, Ford, Nodelman, Valenzuela & Wilson, 2013).

Rights and welfare of the child

The United Nations Human Rights Charter (1989) spells out all the rights that a human being is supposed to enjoy. Recognising the fact that there is diversity of cultures in the world, sub-regional institutions such as the African Union were allowed to adapt the Charter to suit their local circumstances. From this arrangement, the African Charter on the Rights and Welfare of the Child was developed. Furthermore, recognition was given even at sub-regional level, to the fact that owing to diversity, a continental charter could not fully address local variations in culture. In the case of the African Children's Charter, national governments were also allowed to adapt the Charter to address local circumstances (Article 1.1 of African Charter on the Rights and Welfare of the Child, 1999). This study will focus on six articles selected from the African Children's Charter which is fully developed, as opposed to the Malawi Constitution (Law Commission of Malawi, 2006) which does not fully elaborate on the articles that this study intends to examine.

Excerpts related to the rights of the child

The articles have been presented verbatim from the African Charter on the Rights and Welfare of the Child (1999) as a measure of avoiding distortion.

Article 4.1: *In all actions concerning the child undertaken by any person or authority the best interests of the child shall be the primary consideration.*

Article 9.2: *Parents, and where applicable, legal guardians, shall have a duty to provide guidance and direction in the exercise of these rights having regard to the evolving capacities, and best interests of the child.*

Article 11.2(c): *The education of the child shall be directed to the preservation and strengthening of positive African morals, traditional values and cultures.*

Article 11.5: *States party to the present Charter shall take all appropriate measures to ensure that a child who is subjected to schools or parental discipline shall be treated with humanity and with respect for the inherent dignity of the child and in conformity with the present Charter.*

Article 16.1: *States party to the present Charter shall take specific legislative, administrative, social and educational measures to protect the child from all forms of torture, inhuman or degrading treatment and especially physical or mental injury or abuse, neglect or maltreatment including sexual abuse, while in the care of the child.*

Article 21.1: *States party to the present Charter shall take all appropriate measures to eliminate harmful social and cultural practices affecting the welfare, dignity, normal growth and development of the child....*

The following sections examine how the Malawian cultural values determine practice in promoting discipline in schools and how these values relate to the rights of the child.

Perspectives on values

The term ‘values’ can be defined in many ways. It is not the intention of this study to delve into all the possible meanings. The intention, though, is to highlight the general sense of the term as a basis for common understanding. One definition is that they are ideas about whether experiences are important or not, good and desirable or not (Haralambos & Holborn, 2013). Values are standards of our actions and the attitudes of our hearts and mind that shape what we are, how we live, and how we treat other people and other living and non-living things in our environment (Eyre & Eyre, 1993). They are, therefore, important guidelines to our decisions and actions.

Since values are the foundation on which practice is built, the way schools deal with issues of discipline will invariably reflect the values espoused by the societies to which they belong. Conceptions of African values and rights of the child may be guided by philosophical positions of *universalism* and *relativism* (Blake, 1993; Freeman, 2011). Universalism advances the idea of sameness of humanity and that every human being should be treated in ways prescribed by the United Nations Human Rights (1948). By extension, universalism is also the main principle driving the idea of children’s rights as universal rights. Relativism, however, rejects universalism and recognises the dignity inherent in every cultural grouping. Unlike universalism which promotes individual rights, relativism advances the rights of humanity. Subscribers to this philosophy believe that every culture should be respected as an independent and unique entity, and should not be judged by the standards of another culture (Nsamanang, 2008). By extension, the two philosophical positions also determine the conception of the ‘self’ in society and the world view. A person from the Western culture would probably think in terms of individuality, competition and independence, while a Malawian would be guided by what is in the interest of the community (Cobbah in Heyns & Stefiszyn, 2006; Lindholt, 2001). Incompatibility between universalism and relativism is clear at this point. It is now important to consider how such incompatibility manifests itself in the value of ‘respect for authority’.

The value of respect for authority

Respect is one of the cardinal guiding principles for behaviour in many African cultures (Cobbah in Heyns & Stefiszyn, 2006). In Malawi, subordinates are expected not to question instructions or decisions of their superiors directly (Odonkor, 2012). It is therefore taboo for a child to challenge an adult. The principle is that authority must be obeyed (Salifu & Agbenyega, 2012; Wilson, 1995). This is particularly important in school situations where learners are not expected to openly challenge, for example, the appropriateness of the rules and regulations.

In compliance with the African culture, a study by Odonkor (2012) shows how African children have attuned themselves to the value of respect for authority. They believe that:

“...they must respect anyone older than they are, must respect authority, must not interrupt a conversation between adults, speak when spoken to and express their opinion only when asked to, must not tell adults that they are wrong or that they are lying, and do what they are asked to do without protest” (Odonkor, 2012: 65).

The value of respect for authority can better be understood when the relationship between a teacher and a learner is viewed as that of a mentor and a mentee. Noe (in Bozeman & Feeney, 2008) defines a mentor as a senior, experienced person who serves as a role model, and provides support, direction, and feedback to the younger person. The duty of the mentee is to learn from

the mentor as much as s/he can. The relationship between the mentor and mentee also entails a defined power relationship in that the mentor is more powerful than the mentee (Miles, 2011). In this relationship, the mentees must know their limits and appreciate that they are not equals with the mentors.

Ncube (in Freeman, 2011) asserts that African culture has such expectations of the child partly because of the African perception of childhood. Ncube argues that in Africa, childhood is not perceived in terms of age, but children (young and old) will on many occasions depend on their parents and those in authority for wisdom, physiological and psychological needs. In other words, even adults remain children to their parents, uncles and others, and they are expected to respect their authority.

Respect for authority entails that learners must respect their teachers. By extension, they must do what the teacher asks them to do without question; they must not criticise or contradict the actions of their teacher because the understanding is that the teacher is a responsible person and has their best interests at heart. The value of respect for authority can be a useful tool for promoting law and order in a school.

Although there may be genuine reasons why students would not respect elders or authority, the Malawian culture provides methods for dealing with such behaviour. Some of the methods are corporal punishment, manual work and admonition. One could argue that such punishments are in the best interest of the child (Articles 4.1 and 9.2) and that this is in line with Malawian values and culture (Article 11.2c). Another would argue that these punishments violate Article 11.5 which requires that students should be treated humanely. The punishments are degrading (Article 16.1) and harmful to the normal development of the child (Article 21.1). In short, there are clear issues of incompatibility between certain provisions of the rights of the child which have their origins in the Western values and the Malawian value system. Dealing with such a contentious issue may require that stakeholders negotiate in order to arrive at an arrangement that is satisfactory to all.

Theories that could bridge the gap

Basing on the understanding that both local and universal values are important and must be promoted (Lopez-Vasquez, n.d.; UNESCO, 2014), the question is how the gap between these values could be bridged. To address this question, the study presents theories of deliberative democracy, restorative practice, transformational learning, cultural proficiency and negotiation that would bring those who have been marginalised to the centre of determining the best course of action. The theories will inform the model that will guide negotiations.

Given the tenet that all human beings are equal (United Nations Human Rights Charter, 1989), their cultures should also be equal. Unfortunately, human rights are sometimes viewed as a replacement for the local cultures. This may be one of the reasons why local communities resist the notions of human rights because they are viewed as impositions from a foreign power with a sinister agenda. Doherty (2012) believes that *deliberative democracy* may help in co-constructing acceptable values to all the stakeholders.

Deliberation is a practice of inviting everyone affected by an issue to participate as an equal in deepening the understanding of the problem in order to craft a solution. Deliberative democracy therefore minimises the superior/inferior structure and encourages intercultural knowledge and mutual respect (Samuelsson, 2006; Doherty, 2012).

It can be implied that the promotion of the rights of the child may have hurt some local communities in terms of infringing on their values. Such possibility calls for a way of restoring fairness. Ashley and Burke (2009) propose *restorative practice* as an approach that can bring about justice and tolerance. Restorative practice gives people a chance to speak and listen to one another as equals. The restorative approach aims at repairing harm and restoring relationships.

Cooper (2009) suggests *transformational learning* as an approach worth considering, that would benefit stakeholders. According to Mezirow (1991), one of the proponents of the theory, transformational learning is the process of enhancing

“...assessment of alternative perspectives, a decision to negate an old perspective in favour of a new one or make a synthesis of old and new, an ability to take action based upon the new perspective and a desire to fit the new perspective into the broader context of one’s life” (Mezirow, 1991:161).

The definition entails that stakeholders who experience transformative learning would be able to understand themselves and their relationship with others; understand relations of power in structures of race, class and gender; envision alternative approaches and possibilities of social justice; and experience a shift of consciousness that gives them a new identity in the world (O’Sullivan, Morrell & O’Connor, 2002). Transformational learning would therefore develop stakeholders who can look at issues in broad social contexts, think critically and consider multiple viewpoints, and also view social life through a lens of diversity and social justice (Nagda, Gurin & Lopez, 2003).

Working alongside transformational learning is the principle of *cultural proficiency*. Cultural proficiency is “...having the capacity to teach and to learn about differences in ways that acknowledge and honour all the people and the groups they represent, holding culture in high esteem” (Lindsey, Robins & Terrell, 2003). Cultural proficiency can be viewed as a tool for promoting pro-activeness as a way of preparing stakeholders, particularly learners, for future opportunities (Lindsey *et al*, 2003).

Since stakeholders will be dealing with a contentious matter, a process of *negotiation* may help them find solutions. There are many definitions of the term ‘negotiation’. This study adopts the meaning of ‘good faith bargaining’. In good faith bargaining, parties meet with the intent to settle a dispute. It does not mean that either side must concede to anything but it means that both sides must tell the truth so that each side can appreciate the other’s viewpoint (Grand Valley State University, n.d.). It is hoped that when parties appreciate each other’s situation, they will then be able to make concessions in order to reach agreement. In this regard, the approach that is recommended is *integrative negotiation*. This approach aims at finding solutions that best meet the needs of all or most of the stakeholders. In other words, it will be necessary that stakeholders compromise between satisfying their own needs and the needs of the other stakeholders. To achieve meaningful compromise, some form of full, open and truthful exchange (FOTE) is necessary (Raleigh, 2005). Open exchange among stakeholders spurs creativity in finding solutions.

Discussion

In the context of educational institutions in Malawi, it becomes problematic for school authorities to wholly espouse the universalist understanding of children’s rights. Advancing such views may not succeed because they are founded on the presumption that the local communities will leave their cultural practices, including their forms of maintaining discipline in schools. Abandoning long held practices may be difficult in the short term. The polarisation of the two philosophies sums up the incompatibility of the universalist world view of the rights of the child, and the local cultural values as demonstrated in ways of maintaining discipline in schools (Kaime, 2009). For example, in practical terms, the universalist view is that no teacher is allowed to inflict physical or mental pain on a learner (see Article 16.1) whilst the relativist views (local culture in which the teacher may have grown up) allows a teacher to use corporal punishment. Such situations create a dilemma for teachers as to which of the two expectations they should align their practice. For fear of being found guilty of siding with one view, some teachers have resorted to overlooking or turning a blind eye to learners’ acts of indiscipline in order to avoid trouble

(Wilson, 1995). One of the effects of the dilemma is that wrong signals are sent to the learners, namely that they can misbehave without negative consequences.

Another challenge lies in defining some of the terms in the articles. For example, who is to determine whether a practice is harmful (see Article 21.1)? It may well be that school authorities in Malawi may not view punishment that causes bodily pain as inhuman, degrading and torturous (see Articles 16.1 and 11.5). For instance, in a study in 40 schools, involving interviews with 800 students and 288 teachers, 68.5 per cent of students reported having been whipped (20.5% in the home, 48% in school) (DevTech Systems, Inc. and Centre for Educational Research and Training, 2007). According to a 2014 survey, 42.9 per cent of 1 to 14 year olds were subjected to physical punishment during the month preceding the survey in the home and at school, with 6.4 per cent subjected to severe physical punishment (National Statistical Office, 2015). One can argue that corporal punishment in schools is not ending because the Education Act (2012) is silent on the issue of corporal punishment. Furthermore, the Child Care, Protection and Justice Act (2010) is not explicit in prohibiting corporal punishment in the home. Put together, the two Acts implicitly condone corporal punishment in the home and school. The two Acts are in line with the local forms of instilling discipline in the children. In other words, the parents and teachers believe that they are doing it in the best interest of the child (see Articles 4.1 and 9.2) and to remind learners that their rights are not absolute. The learners must recognise that the exercise of their individual rights in certain circumstances might infringe the rights of other individuals or community (Mutua, in Heyns & Stefiszyn, 2006). These are the types of challenges teachers and school authorities in Malawi face, and this may be the reason that punishments that cause bodily pain continue to be practised.

It is clear that the Malawian culture and the African Children's Charter have vested interests in ensuring that a child is raised in a manner that will make him/her a responsible citizen. The dilemma is that the school authorities have difficulties in satisfying the expectations of the local cultures which primarily promote communal rights as well as those of the African Children's Charter which prioritise individual rights in how discipline is promoted.

Since the African Children's Charter and the local cultural values cannot be wished away, school authorities need to engage in a culturally responsive approach (Berryman, *et al*, 2013) to find ways how the school system can benefit from both systems. Pollis and Schwab (Heyns & Stefiszyn, 2006) support such an approach because not only will it consider the child's rights, but it will also scrutinise the local cultural values that may have a bearing on school discipline. Sycara (1988) advises that taking such a stand may entail that the school authorities, traditional leaders, learners and NGO representatives should negotiate how promoting discipline in schools can be more effective, bearing in mind the rights of the child and the local cultural values.

When the stakeholders negotiate, it is hoped that more areas of agreement would be established. In such a forum they would be able to deal with concepts with multiple meanings, such as "the best interest of the child" (see Articles 4.1 and 9.2) and "positive African values" (see Article 11.2c), to mention a few. From such agreements, it may then be necessary to recraft the school rules and regulations so that they reflect the co-constructed values. By extension, this should make it easier for the school authorities to enforce discipline because the new school rules and regulations would have received support from key stakeholders. Through negotiation, the rights of the child and the local cultural values would not only have been made compatible with each other, but also made needs-responsive (Cardenas & Cardenas, 1977) and culturally responsive (Berryman *et al*, 2013). Through negotiation, the teachers would not only be made more accountable, but their authority would be more recognised by the stakeholders. The following paragraph presents a model that can guide negotiations in integrating local and universal values.

Integrating the rights of the child with the local values

The process of integrating local and universal values assumes that (i) the Malawian Ministry of Education will permit the negotiations to take place; and (ii) all the stakeholders will have adequate knowledge and skills to engage in meaningful negotiations as equal partners.

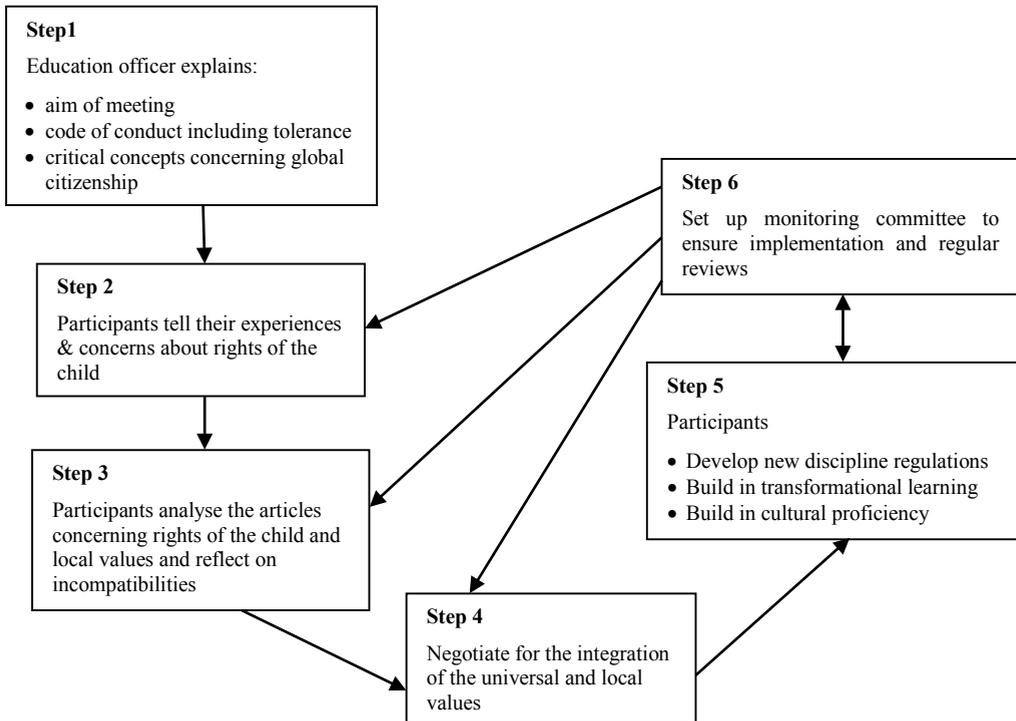
Education in Malawi has been decentralised to division and district levels. A division covers several districts. In Malawi, issues of local culture and values can be so fragmented that a district may have several communities of distinct cultures. The challenge may be that if officers at the division office are tasked to convene stakeholder meetings at local levels, the officers may be overstretched. The study proposes that officers from a district office convene such meetings.

The district officer will invite representatives of the teaching staff, community/traditional leaders, students and non-governmental organisations (NGOs) that advocate for the rights of the child.

The district officer is the right person to convene the meeting because by virtue of his or her position, people would feel obliged to attend the meetings. It is assumed that the officer would have understood his or her duties well. In these meetings, the officer will play the role of moderator so that his or her personal opinions do not interfere with the process. Meetings could be held at a school because they are usually centrally placed and a classroom would be ideal.

The purpose of these meetings would be to negotiate for a set of new values that reflect local values as well. The model can act as a platform for a well-reasoned discourse that is guided by the desire to understand the values and experiences of others (Doherty, 2012). The model has the capacity to make the local communities and teachers appreciate the notion of rights of the child. Furthermore, it can make NGOs appreciate the local values.

Figure 1: Integrating local and universal values through negotiation



Step 1:

The officer will introduce the agenda of the meeting, namely that it is about building new understanding of the local and universal values through the framework of culturally responsive methodology (Berryman *et al*, 2013). She or he will encourage participants (teachers, learners, community leaders and NGOs) to feel free to express themselves and emphasise that they should treat one another as equals (Kidde & Alfred, 2011). In this regard, each opinion matters. The officer should explain that diversity should be viewed as an asset (Freeman, 2011; Lopez-Vasquez, n.d.). The officer will also stress the need to be prepared to repair harm and restore relationships if people had wronged one another (Ashley & Burke, 2009).

The officer will spell out restorative peace guidelines as follows (Nuri-Robins, Lindsay, Terrell & Lindsay, 2007; Kidde & Alfred, 2011):

- Respect: everyone should respect others by listening to other opinions and valuing them;
- Responsibility: everyone should accept responsibility for their own actions; and
- Repair: everyone should endeavour to find solutions to whatever damage their actions caused and ensure that such behaviour is not repeated.

The officer will also provide some insights into the ideas of global culture, global citizenship (UNESCO, 2014) and the need for communities and schools to be moving in the direction of building a multicultural society. By taking participants through the above steps, the officer would have put them in the right frame of mind to participate in the deliberations in a meaningful manner.

Step 2:

The teachers will begin to explain the challenges they face in promoting the rights of the child and the local values. The community leaders will follow, explaining why local cultural values are important for society. The learners will explain how they are caught in the middle and that this confuses them. The NGOs will explain why it is important to abide by what the rights of the child stipulate. A free-flow deliberation will follow with the aim of allowing participants to express themselves freely (FOTE) (Raleigh, 2005). Apart from hearing each other's opinions, this phase will act as an opportunity for deliberative democracy (Samuelsson, 2006; Doherty, 2012) and a restorative process in that the participants will feel they have spoken their minds, someone has heard their concerns and needs and that solutions will be worked out (Nuri-Robins *et al*, 2007; Kidde & Alfred, 2011). The importance of this step is that it brings those who have been marginalised to the centre of determining the best course of action (Berryman *et al*, 2013). Incompatibility between local and universal values is expected to surface at this point. Many benefits can accrue from centring on the marginalised, in that we would be promoting equality, repairing harm and restoring relationships as people feel good about their concerns being addressed (Kidde & Alfred, 2011; Ashley & Burke, 2009). It is possible that new challenges could arise that may necessitate the monitoring team (see Step 6) to revisit the situation.

Step 3:

The meeting will discuss the appropriateness of some Articles relating to the rights of the child, for example, what is meant by "in the best interest of a child" (Articles 4.1 and 9.2); "positive African values" (Article 11.2c); "to be treated with humanity and with respect" (Article 11.5); "protect the child from all forms of torture, inhuman or degrading treatment" (article 16.1); and "harmful social and cultural practices affecting the welfare, dignity, normal growth and development of the child" (Article 21.1). Since students are the beneficiaries of these Articles, they should be encouraged to speak their minds so that a different perspective informs the debate. This is a critical step in that it examines the incompatibility of the Articles with regard to the local values (Cardenas & Cardenas, 1977).

It is expected that the NGOs will have a different understanding of the Articles from those of the other stakeholders. This will be a transformational learning process for all the stakeholders in that they will have an opportunity to assess alternative perspectives and be able to take action based upon the new perspectives. They will be able to understand their relationships with others, look at issues in a broad social context, and view social life from a perspective of diversity and social justice (O'Sullivan *et al*, 2002; Nagda *et al*, 2003; Mezirow, 1991). With increasing globalisation, the understanding of these articles may change. This may justify the monitoring team's (see Step 6) re-looking at the situation.

Step 4:

Guided by the culturally responsive methodology that tries to bring the marginalised groups to the centre of attention (Berryman *et al*, 2013), the moderator will steer the debate to select the key issues from both the rights of the child and local values that will be integrated in the upcoming disciplinary guidelines. At this stage, stakeholders will have to negotiate why their values should be integrated into the new guidelines. The negotiation should also consider that every culture should be respected as an independent and unique entity and that it should not be judged by the standards of another culture (Nsamanang, 2008). Taking the participants through such a contentious issue could help them appreciate that they need to compromise if they have to make progress. They may have to surrender certain values previously held important. Realising that many values are social constructs and therefore not cast in stone may perhaps be a very important revelation in bridging the gap between global and local values. The theory of deliberative democracy comes into play in that stakeholders will have to treat each other respectfully if the negotiations are to succeed (Samuelsson, 2006; Doherty, 2012). There is need for all the stakeholders to move from their extreme positions to a win-win position (Raleigh, 2005). In this regard, good faith bargaining and full, open, and truthful exchange and compromise can achieve the desired results.

Transformational learning theory also features in that stakeholders will have to assess alternative perspectives and take action based on the new perspectives (Mezirow, 1991). An important expectation at this stage is that teachers should prepare learners for a multicultural future. The theory of cultural proficiency emphasises that schools should help learners to develop the capacity to appreciate social/cultural differences in ways that acknowledge and honour other cultural groups (Lindsey *et al*, 2003). With the passage of time key issues could change so much that there may be a need for the monitoring committee (see Step 6) to examine the situation.

Step 5:

The stakeholders will:

- develop school regulations that reflect the universal and local values (Freeman, 2011; Nsamanang, 2008; Kaime, 2009);
- build in the school curriculum elements of transformational learning such as advancing diversity and social justice (Mezirow, 1991); and
- include in the school curriculum elements of cultural proficiency such as appreciation of other cultures, trends in global citizenship, and being of service to others (Lindsay *et al*, 2003).

Because culture is dynamic, new practices could necessitate the monitoring committee (see Step 6) to examine what that would mean for the education system.

Step 6:

A monitoring mechanism would be set up to ensure that the integrated structure of the rights of the child and the local values are being implemented and reviewed once at the end of an academic year. Depending on the issues that may arise, the review procedure may take the process to other steps. In other words, the process is cyclical (see Figure 1).

Implications for school discipline

The expectation is that discipline in primary and secondary schools would improve because there would be fewer areas of incompatibility between the local and universal values. Implementing the model (Figure 1) would help to bridge the gap between the local and universal values in the following ways:

- The learners have been involved in the process of deciding what is acceptable or not, and in integrating local with universal values (Berryman *et al*, 2013). It is hoped that the learners will take greater ownership of the values which should have a positive impact on the school discipline;
- Through involvement in the negotiations of diverse interests, learners would have been assisted to appreciate that diversity does not mean enmity but strength (Freeman, 2011; Lopez-Vasquez, n.d.). The fact that the views of the students who were victims of the incompatibility between local and universal values were sought conjures up a sense of social justice where the victim was allowed to contribute to the construction of the new values;
- The stakeholders would be transformed because they would appreciate how some of the practices they used to justify were retrogressive;
- Involving the stakeholders in deliberating in an open-minded fashion can be a healing process for the stakeholders for having hurt one another over the issue of values (Hamilton, 2010); and
- Curriculum content will be built into the primary and secondary school that can prepare students for cultural proficiency and global citizenship.

The changed mindsets of the students, teachers, traditional leaders and NGOs would form a synergy of common purpose regarding what is indeed in the best interest of the students in and after school.

RECOMMENDATIONS AND CAUTION

The model is recommended for secondary and primary schools. It can be replicated in different cultural settings. The district education officer must pay particular care not to include cultural values that do not advance the welfare of the child, antagonise other cultures or undermine national interests. It is hoped that the officer will be sufficiently tactful to be able to convince participants why certain practices are not helpful to the future of the students.

Resistance to the ideas of universal values can be expected because humans are usually suspicious of new ideas (Internet Encyclopaedia of Philosophy, n.d.). Schools are better placed to address such resistance among the students by incorporating aspects of local and universal values into subject content. Through forums of parent-teacher associations (PTAs), school authorities can educate parents and community leaders about the importance of espousing universal values.

CONCLUSION

The study examined how the local values contained in the Malawian traditional culture can be integrated with the universal values reflected in the rights of the child. A six-step model was developed as a platform for a well-reasoned discourse where key stakeholders are involved in addressing areas of incompatibility between the local and universal values in primary and secondary schools in Malawi. The model would also reform the stakeholders into people who appreciate diversity, social justice, and are culturally proficient. By bridging the gap between the local and universal values and reforming the stakeholders into citizens who subscribe to the ideals of multiculturalism, it is hoped that there will be greater acceptance of the values of other cultures and continued objective analysis of their own values which should translate to improved school discipline.

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WORKPLACE ERGONOMICS AND EMPLOYEES' PERFORMANCE IN BANKS IN NIGERIA

I.A. Ayandele¹ and A.P. Akpan²

ABSTRACT

A major concern of managers worldwide is how to arrange the work environment in such a way that it fits the employee and his or her task and brings about optimal performance. Therefore, this study was designed to examine the relationship between workplace ergonomics and employees' performance in selected banks in Akwa Ibom State, Nigeria. Five key workplace ergonomics variables were chosen for the study and data were collected from 112 respondents. Descriptive and inferential statistics provided the basis for the analysis. The findings of this study agree with the findings of earlier studies, reinforcing the opinion that there is a significant relationship between workplace ergonomics and employees' performance.

Keywords: Ergonomics; workplace; employees' performance; occupational health; work-related stress.

INTRODUCTION

The question of how office workers are affected by features of the physical environment in which they work have preoccupied managers as well as researchers. Improving workers' productivity and occupational health and safety are major concerns in organisations, especially in developing countries. Some of the common problems are improper workplace design, ill-structured jobs, a mismatch between worker abilities and job demands, adverse environment, poor human-machine system design and inappropriate management programmes. This leads to workplace hazards, poor workers' health, mechanical equipment injuries, disabilities, and these in turn reduce worker productivity and product/work quality, and increase cost. In an organisation, an optimal physical environment design is where the workstation environment supports the needs of the workers and where a worker operates in an environment conducive to the individual's abilities (Makhbul, Idrus & Rani, 2007: 209). This can be materialized if organizations are able to match the work processes with the individual who performs the tasks. This is the goal of ergonomics.

According to Makhbul *et al* (2007: 208), ergonomics is a science that is concerned with the 'fit' between people and their work. It puts people first, taking into account their capabilities and limitations, and aims to make sure that tasks, equipment, information and the environment suit each worker. Workstations designed from an ergonomics perspective can effectively enhance productivity and minimize stress through the interaction between the various system components (Dempsey, 2004: 311).

People are an essential part of every business process and critical to delivering quality products and services. Employees who report discomfort and stress at work will have their productivity affected, because being too hot, too cold, too draughty, or harassed through distractions or a lack of privacy will affect their ability to perform their work properly and optimally (Leaman, 2005: 15). These conditions lead to workplace hazards, poor workers' health, disabilities, and a reduction in workers' productivity and product quality. Furthermore, work injuries have been suggested to be associated with psychological distress, and decreased participation in daily living activities as well as having negative effects on family well-being (Kirsh & McKee, 2003: 223).

¹Dr I.A. Ayandele, Department of Business Management, University of Uyo, Uyo, Nigeria.

²Dr A.P. Akpan, Department of Business Management, University of Uyo, Uyo, Nigeria.

It is especially costly when a person becomes injured or ill as a result of work-related stress, given both the direct costs and the loss of the valuable services provided by the person. According to Fernandez (2011: 26), the single largest class of injury claims in the office are work-related musculoskeletal disorders (WMSDs), and recently there is an observed rise in the reported cases of WMSDs, mostly in the developing countries. Ergonomics is a tool which business owners and managers use to help prevent these injuries in the office in the developed nations (Das, 2007: Das & Sengupta, 2005: 159; Das & Shikdar, 2008: 422; Ryan, 2010: 362). It reduces the risk of injury by adapting the work to fit the person instead of forcing the person to adapt to the work. In addition to injury prevention, ergonomics is also concerned with enhancing work performance by removing the barriers that exist in many workplaces that prevent employees from performing to the best of their abilities. This study is an attempt to examine ergonomic factors that contribute to the outcomes of work stress.

REVIEW OF RELATED LITERATURE

Derived from the Greek words *ergo* (work) and *nomos* (natural laws), ergonomics literally means 'the laws of work'. According to Rowan and Wright (2005: 20), ergonomics refers to the complex relationship between workers and their work that permeates every aspect of the workplace. Ergonomics as defined by Fernandez (2011: 22) is the design of the workplace, equipment, machine, tool, product, environment, and system, taking into consideration the human's physical, biomechanical, and psychological capabilities, and optimizing the effectiveness and productivity of work systems while assuring the safety, health, and well-being of the workers. Wilson (1995: 334) simplifies the definition by saying that ergonomics is the practice of learning about human characteristics and then using that understanding to improve people's interaction with the environment. In a nutshell, ergonomics encompasses the relationship between humans, machines systems, job design and the work environment. By approaching work practices (stretching, reaching, or sitting) from an ergonomically correct point of view, a worker actually becomes stronger, healthier and more productive. If management does not address ergonomics discomfort, a worker will act on a subconscious level, adapting his or her behaviour to lighten the pain. When someone adapts behaviour to avoid pain, it generally becomes both a performance and a safety issue.

Most of the researchers agree that work stress is caused by the work design and workplace environment. Smith (2004: 57) stated stress is what happens when the body does not adjust to some new or additional internal or external stimulus. Ket de Vries (2009: 6) pointed out that stress is a result of the imbalance between the demands of the environment and the ability of the individual to adapt. The nature and effects of stress might be best understood by saying that some environmental variables (stressors), when interpreted by the individual (cognitive interpretation), may lead to stress (Dua, 1994: 63). Whatever interpretations given by the scholars or researchers, the experience of stress in the workplace has undesirable consequences, both for the health and safety of individuals and the well-being of their organizations. Work stress can affect workers in many ways; from lowering resistance to illnesses and depriving them of sleep, to interfering with their concentration so that more injuries and accidents occur (Adeyemi, 2013: 302). Measures of distress can be psychological (anxiety, depression, irritability), physiological (high blood pressure, high muscle tension levels), or behavioural (poor work performance, accidents, sleep disturbances, substance abuse).

Based on the discussions above, stress is a workplace problem that cannot be ignored. The interaction between work environment and workstation design will contribute to the work stress outcomes. According to De Croon (2005: 121), the workstation design may directly or indirectly result in physiological and psychological reactions such as crowding stress (psychological state of inadequacy of space), occupationally induced fatigue, job satisfaction decrement and increased levels of blood pressure. In addition, the long-term reactions include decreased performance and

negative health outcomes, such as psychosomatic health complaints such as chronic fatigue, burnout and musculoskeletal disorders (Kirsh & McKee 2003: 226). The ignorance of the stress outcomes in organizations will have negative effects on workers' quality and productivity. This has attracted researchers to find alternatives to reduce work stress outcomes in organizations. Many researchers have shown positive effects in reducing work stress by applying ergonomic principles in workplaces, machine design, job design, environment, and facilities design (Ryan 2010: 361).

WORKPLACE ERGONOMICS AND FACTORS AFFECTING EMPLOYEE PERFORMANCE

The ultimate aim of workplace ergonomics is to generally ensure employee safety and enhance performance. Beyond these objectives, many other benefits are known to accrue to an organization when management commits to the development and maintenance of ergonomics in the workplace. These benefits, according to McSmith (2014: 3), include increased productivity, increased work quality, reduced turnover, reduced absenteeism, and increased morale. From a safety perspective, Gyekye (2006: 25) emphasizes that environmental conditions affect employee safety perceptions which impacts upon employee commitment. Similarly, extensive scientific research conducted by Roelofsen (2002: 81) has also yielded indications suggesting that improving key ergonomics factors in the working environment results in a reduction in the number of complaints and absenteeism, and an increase in productivity.

Al-Anzi (2009: 19) suggests that the key ergonomics factors that affect employee productivity and performance are office furniture, workspace design, noise/vibration, light intensity, and ventilation/humidity.

Office furniture

The physical problems associated with the prolonged use of office furniture such as seats and tables do not end with the odd twinge of discomfort. However, they can easily extend to repetitive strain injury (RSI), causing chronic or permanent damage (Fernandez, 2011: 23). In terms of everyday office use, an ergonomic chair is one which not only allows the user to complete tasks, but also actively facilitates the tasks. The work chair should be stable and allow the operator or user to move easily and sit in a comfortable position. Furthermore, the seat should be adjustable in height and tilt. To maximize comfort when leaning backwards, the seat should remain stationary and the feet remain flat on the floor so as not to inhibit circulation (Fernandez, 2011: 24). For a chair to be ergonomic, it has at least to be vertically adjustable. The ergonomic chair will affect the workers' performance through the minimization of fatigue and stress (Das & Shikdar, 2008: 420).

Workspace design

Taking ergonomics' concern for workspace design seriously will decrease the problems of work stress (Das & Sengupta 2005: 161). Das and Sengupta, (2005: 161) pointed out that if the organization does not provide a good working environment to employees, such as buying the best-fitting apparatus, furniture and tools, the risk of becoming ill related to the workplaces will increase. Epidemiological studies proved that an ergonomically designed workspace, such as the improvement of the work area, will minimize the outcomes of work stress (McDonald, 2009: 39).

Noise/Vibrations

Exposure to occupational noise/vibrations, that is, unwanted sound, has been linked to a variety of adverse effects upon the well-being and has an obvious relationship with hearing loss (Das & Sengupta, 2005: 160). Noise exposure has been found to be associated with a range of work stress outcomes such as cardiac problems, sickness-related absenteeism, self-reported fatigue and psychological distress (McDonald, 2009: 42). Most of the researchers agreed that the sources of

noise/vibration in the organizations come from telephone ringing, piped-in background music, office machines, and the like.

Lighting intensity

There is a significant relationship between the lighting systems and work stress outcomes in organizations (Sutton & Rafaeli, 1987: 264). Workplace lighting contributes to a decrease in workers' productivity and increases fatigue (Wojcikiewicz, 2003: 45). This premise has been supported by Dempsey (2004: 341) and Das (2007: 234). They stated that an improper level of lighting will cause eye strain and increase work stress. It is, however, difficult to make specific statements about the best levels of lighting since their appropriateness depends heavily on the nature of a task (Sutton & Rafaeli, 1987: 262). However, there is agreement among scholars that a high level of glare, lack of natural light, and levels of lighting that are too low for a given task can have negative effects on work stress outcomes (Sutton & Rafaeli, 1987: 262). A negative relationship between low illumination and employees' reactions, including job satisfaction and well-being, has been found by Oldham and Rotchford (2003: 269).

Ventilation/Humidity

Air quality is a very important factor determining organizational comfort level. Indoor air quality has a direct impact on health problems and leads to uncomfortable workplace environments (Czubaj, 2002: 318; Shiao-Fen Ferng, 2002: 16; Wilson, 2001: 25). Good ventilation that allows for good indoor air quality will improve production quality and help to minimize the outcomes of work stress, thereby increasing productivity (Martin 2009: 56). Research in the field of ergonomics has demonstrated the negative effects of extreme temperature and humidity on work performance (Ellis, 2002: 589) while others have linked air quality to fatigue and moods (Dempsey, 2004: 339). Griffith (2000: 241) also stated that uncomfortable temperature or air quality has a significant effect on the outcomes of work stress.

HYPOTHESES FORMULATION

From the above literature review, the following null hypotheses were formulated for this study:

- i. There is no significant relationship between office furniture and employee performance.
- ii. There is no significant relationship between workspace design and employee performance
- iii. There is no significant relationship between noise/vibrations and employee performance
- iv. There is no significant relationship between lighting intensity and employee performance
- v. There is no significant relationship between ventilation/humidity and employee performance

METHODOLOGY

This study adopted the survey research design. The study was carried out in six (6) selected banks in Akwa Ibom State, in the Niger Delta region of Nigeria. The population of the study was made up of all the employees of the selected banks from the rank of trainee banking officer (TBO) to senior manager (SM). The selected banks were Access Bank, Ecobank, First Bank, Heritage Bank, UBA, and Zenith Bank. A total sample size of 120 respondents was selected for the study by drawing 20 employees from each of the six (6) banks.

Data for this study were collected using a structured questionnaire. Ergonomics variables were measured by means of the Ergonomics Survey Questionnaire (ESQ) as developed by Miles (2000: 58) and modified by Ekman dan Ehrenberg (2002: 79). Items in the ESQ are divided into five segments, namely office furniture, workspace design, noise/vibrations, lighting intensity, and ventilation/humidity. Previous research has shown that the ESQ has a satisfactory level of validity and an overall average reliability coefficient of 0.82 for the five segments mentioned above. Therefore, since its administration is uncomplicated and it is specifically designed to assess ergonomics in the workplace, the ESQ was the instrument of choice for this study.

Copies of the questionnaire were administered to the respondents at their respective branches of the banks during official hours. This was done by the researcher with the help of a research assistant. A total of 112 copies of the questionnaire representing 93.3 per cent were completed and returned. Descriptive statistics (simple percentages and frequencies) were used to analyse the data, while regression analysis was used to test the hypotheses formulated.

RESULT AND ANALYSIS

Table 1: Respondents' profile

S/N	Sample characteristics	Number of respondents	Respondents (%)
1	Gender		
	Male	68	60.7
	Female	44	39.3
2	Age		
	21-30	13	11.6
	31-40	62	55.4
	41-50	28	25.0
	Above 50	9	8.0
3	Job position		
	TBO	7	6.3
	BO	12	10.7
	SBO	38	33.9
	AM	21	18.8
	DM	16	14.3
	M	9	8.0
	SM	9	8.0

Source: Field survey 2015

From the results of the analysis in Table 1, male and female respondents constituted 60.7 per cent and 39.3 per cent respectively; 11.6 per cent were aged between 21 and 30 years, 55.4 per cent of the respondents were aged between 31 and 40 years, 25.0 per cent were aged between 41 and 50 and 8.0 per cent were above 50 years of age. In terms of job position, 6.3 per cent were TBOs (trainee banking officers), 10.7 per cent were BOs (banking officers), 33.9 per cent were SBOs (senior banking officers) and 18.8 per cent were AMs (assistant managers). Also, 14.3 per cent were DMs (deputy managers), while 8.0 per cent each were managers and SMs (senior managers) respectively.

H₀₁: There is no significant relationship between office furniture and employee performance.

Table 2: Correlation between office furniture and employee performance

			Employee performance	Office furniture
Pearson's r	Employee performance	Correlation coefficient	1.000	.549**
		Sig. (2 tailed)	.	.000
		N	112	112
	Office furniture	Correlation coefficient	.549**	1.000
		Sig. (2 tailed)	.000	.
		N	112	112

**correlation is significant at 0.05 level (2 tailed)

From Table 2, the correlation (r) value of 0.549 indicates that there is a strong relationship between office furniture (x) and employee performance (y). Also, since the p -value (0.000) is less than the level of significance ($\alpha = 0.05$), we therefore, reject the H_{01} and conclude that there is a significant relationship between office furniture and employee performance.

H₀₂: There is no significant relationship between workspace design and employee performance.

Table 3: Correlation between office workspace design and employee performance

			Employee performance	Workspace design
Pearson's r	Employee performance	Correlation coefficient	1.000	.546**
		Sig. (2 tailed)	.	.000
		N	112	112
	Workspace design	Correlation coefficient	.546**	1.000
		Sig. (2 tailed)	.000	.
		N	112	112

**correlation is significant at 0.05 level (2 tailed)

From Table 3, the correlation (r) value of 0.546 indicates that there is a strong relationship between workspace design (x) and employee performance (y). Also, since the p -value (0.000) is less than the level of significance ($\alpha = 0.05$), we therefore reject the H_{02} and conclude that there is a significant relationship between workspace design and employee performance.

H₀₃: There is no significant relationship between noise/vibrations and employee performance.

Table 4: Correlation between office noise/vibrations and employee performance

			Employee performance	Noise/vibrations
Pearson's r	Employee performance	Correlation coefficient	1.000	.331**
		Sig. (2 tailed)	.	.000
		N	112	112
	Noise/vibrations	Correlation coefficient	.331**	1.000
		Sig. (2 tailed)	.000	.
		N	112	112

**correlation is significant at 0.05 level (2 tailed)

From Table 4, the correlation (r) value of 0.331 indicates that there is a strong relationship between noise/vibrations (x) and employee performance (y). Also, since the p -value (0.000) is less than the level of significance ($\alpha = 0.05$), we therefore, reject the H_{03} and conclude that there is a significant relationship between noise/vibrations and employee performance.

H₀₄: There is no significant relationship between lighting intensity and employee performance.

Table 5: Correlation between office lighting intensity and employee performance

			Employee performance	Lighting intensity
Pearson's r	Employee performance	Correlation coefficient	1.000	.498**
		Sig. (2 tailed)	.	.000
		N	112	112
	Lighting intensity	Correlation coefficient	.498**	1.000
		Sig. (2 tailed)	.000	.
		N	112	112

**correlation is significant at 0.05 level (2 tailed)

From Table 5, the correlation (r) value of 0.498 indicates that there is a strong relationship between lighting intensity (x) and employee performance (y). Also, since the p -value (0.000) is less than the level of significance ($\alpha = 0.05$), we therefore, reject the H_{04} and conclude that there is a significant relationship between lighting intensity and employee performance.

H_{05} : There is no significant relationship between ventilation/humidity and employee performance.

Table 6: Correlation between office ventilation/humidity and employee performance

			Employee performance	Ventilation/humidity
Pearson's r	Employee performance	Correlation coefficient	1.000	.521**
		Sig. (2 tailed)	.	.000
		N	112	112
	Ventilation/humidity	Correlation coefficient	.521**	1.000
		Sig. (2 tailed)	.000	.
		N	112	112

**correlation is significant at 0.05 level (2 tailed)

From Table 6, the correlation (r) value of 0.521 indicates that there is a strong relationship between ventilation/humidity (x) and employee performance (y). Also, since the p -value (0.000) is less than the level of significance ($\alpha = 0.05$), we therefore, reject the H_{05} and conclude that there is a significant relationship between ventilation/humidity and employee performance.

RECOMMENDATIONS

This study recommends that awareness about the significance of workplace ergonomics should be created amongst the Nigerian workforce. It will improve the health and performance of workers and lead to higher organizational productivity. This study suggests that organizations should pay more attention to key ergonomic factors, namely office furniture, workplace design and ventilation/humidity. These factors were found to have a stronger relationship with employee performance. Ergonomic issues will continue in even the best designed job environments if employees ignore proper handling of equipment or do not possess ergonomic-related knowledge. Improving ergonomics factors should be regarded as an investment and an office should provide a happy and conducive environment for work.

LIMITATIONS

This research finding is restricted to the Nigerian workplace environment. This is because the awareness of workplace ergonomics is still low in Nigeria. Therefore, the findings of this study may not be generalized. Also, the results of this study might be different if the sample size were increased and different industries were involved.

DISCUSSION AND CONCLUSION

This study confirms the significant relationship between workplace ergonomics and employee performance. Results from Tables 2, 3, 4, 5 and 6 show significant correlation between the key workplace ergonomic factors (i.e. office furniture, workspace design, noise/vibration, light intensity, and ventilation/humidity) and employees' performance. A further look at the result of analysis of this study reveals that office furniture, workspace design and ventilation/humidity have the strongest relationship with employees' performance. This suggests that of all the key ergonomics factors studied, office furniture, workspace design and ventilation/humidity are considered more important by employees. The findings of this study agree with earlier studies including those of McSmith (2014: 4), Gyekye (2006: 26), Roelofsen (2002: 84), Al-Anzi (2009:

83), Wojcikiewicz (2003: 45) and Oldham & Rotchford, (2003: 282). These studies all agreed that the studied ergonomics factors are positively correlated with employees' performance.

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PERCEIVED FACTORS THAT INFLUENCE THE ADOPTION OF ICT AMONG SMEs IN NIGERIA

E.E. Daferighe¹ and I.E. Asogwa²

ABSTRACT

Business entities are mostly influenced by organisational behaviour and business environment. Information and communications technology (ICT) is the answer to the growth of SMEs. This study was conducted to examine the perceived factors that influence the adoption of ICT among SMEs in Nigeria using the structural equation modelling (SEM) technique. The model revealed that only perceived cost largely influenced SMEs behaviour towards ICT adoption in Nigeria with a critical ratio (CR) of 18.39 at a 5 per cent level of significance, while other factors such as perceived benefit, ICT knowledge and skills, external pressure and government support showed a CR of less than one (1) each. This suggests that they do not have a significant influence on ICT adoption among SMEs in Nigeria. It also explains the slow growth of SMEs in Nigeria and the seeming inability to revive the economy through job creation and increased performance. It was recommended that for Nigerian SMEs to join global players, they need to be competitively driven and enjoy a range of innovation via alternative service delivery and growth-oriented platforms. In addition, they should be more inclined towards the overwhelming benefits of ICT adoption with attendant government support.

Keywords: Information and communications technology (ICT); structural equation modelling (SEM); small and medium enterprises (SMEs); perceived costs; factors; government support.

INTRODUCTION

Information and communication technology (ICT) is panacea to the growth of small and medium enterprises (SMEs). However, today's business world has proven that SMEs contribute significantly to the economic development of any nation. The importance of SMEs in any nation, especially a developing country such as Nigeria, cannot be over-emphasized. It is indeed critical, especially at the moment when the level of unemployment is high and still increasing. Porter and Miller (1985) and Nicol (2003) describe ICT as a technology with a range of hardware, software, application devices, and telecommunication and information management technology used to perform, create, transmit, distribute, and process information in electronic and digital form such as email, the Internet, websites, and networking, including all forms of wireless communication devices.

ICT enhances competition in business and provides a number of opportunities for SMEs to compete with large-scale organisations (Alberto & Fernando, 2007). In today's business world, it is extremely important for SMEs to have a competitive edge and build a global network of product markets as well as establishing a wider international presence through information technology, increased networking, efficiency, and quality service delivery. Generally, because of the small capital requirement for SME start up, it is most popular for young and aspiring entrepreneurs and also be seen as the backbone for the economic development of any nation. Currently, ICT caters for over 75 per cent of employment opportunities in developed economies such as those of the United States and United Kingdom.

¹Dr E.E. Daferighe, Department of Accounting, Faculty of Business Administration, University of Uyo, Nigeria.

²Mr I.E. Asogwa, Department of Accounting, Faculty of Business Administration, University of Uyo, Nigeria.

The growth of ICT has increased business integration, reduced business barriers extensively, enhanced global business opportunities, and developed the drive for a competitive local and international business market environment. Mutula and Brakel (2006) argue that developments in ICT have resulted in more improved global business and created opportunities for SMEs to thrive. Mutsaers, Van der Zee and Giertz (1998) conclude that ICT should be seen as an important approach for businesses to attain a competitive advantage in the global market environment.

SMEs and ICT could be said to be mutually exclusive here and since ICT is at the core of employment opportunities in any economy, the perceived factors affecting the adoption of ICT by SMEs is the crux of this paper. While scholars have written extensively on the adoption of ICT by SMEs, this paper examines the causal relationship between these factors and SMEs' overall ICT adoption in Nigeria using the SEM technique. The factors to be examined here include perceived costs, perceived benefits, ICT knowledge and skills, external pressures, and government support.

CONCEPTUAL FRAMEWORK

Several studies in the past have been developed to explore ICT usage, growth, and adoption in both developed and developing countries alike. Rogers (1983) adopted a framework known as Rogers DOI; Fishbein and Ajzen (1975) adopted the theory of reasoned action; Ajzen (1985) and Davis (1989) used the theory of planned behaviour while the latter adopted the technology acceptance model (TAM) using the qualities of innovation to access the diffusion process and its impact on firm performance. However, this study is in line with that of Alam and Noor (2009), using the structural equation model (SEM) to analyse the causal relationships which give theoretical support to the study following other previous research in this field. The use of SEM in this study will help to analyse each of the independent variables which constitute the factors under investigation, namely perceived costs, perceived benefits, perceived ICT knowledge and skills, perceived external pressure, and perceived government support.

Perceived costs

SMEs generally frown at any new idea that is capital intensive in nature. If the cost of adoption is high, which in most cases it is, management will be sceptical about implementing it. Davis (1989) and Sakai (2002) both aver that innovative ICT ideas that are costly, are generally slow to implement; that is, if they are implemented at all. Also, when the conceived idea of ICT is seen to be of significantly low cost, the rate of implementation will be higher and vice versa, but this is rare in real life because ICT infrastructures are generally not cheap to buy and implement. It sometimes even requires training and retraining of the staff who will carry out the implementation.

The cost of adopting and using ICT in any organisation is a very important consideration, otherwise the implementation will be compromised. Therefore, the perceived cost is very important for SMEs in determining whether to adopt ICT (Okwuonu, 2013). Reynolds, Savage and Williams (1994), Poon and Swatman (1996) and Onugu (2005) assessed the ability of SMEs to have access to funds and concluded that their access to borrowed funds is limited. Moreover, the inability of the enterprise to see the inherent potential in ICT poses another difficulty in its adoption.

Perceived benefit

According to Lymer (1997), ICT implementation that involves SMEs is more cost effective and has a high propensity to improve productivity and reduce associated costs to minimal level. The motivation to fast track transactions, improve communication and information sharing, including participation in online real time transactions, will definitely increase the desire to adopt ICT. The more the organisations are able to perceive some benefits arising from ICT use, the more chances

of its acceptance and consequent adoption (Buhalis, 2003). ICT provides a number of possibilities and opens up an equal opportunity to SMEs (Giovanni & Mario, 2003) through innovation, proffering alternative, improved, and quality service delivery.

The benefits far outweigh the cost – at least in the long run. ICT increases knowledge base/sharing and closes communication gaps between a business entity and the customer. It affords a platform to reach a global audience and provides an unhindered service delivery, competitive market structure, and global business connectivity while creating a global business network point. The Internet also provides a useful tool for reaching a global audience through advertising and sales. SMEs with good manpower, skills, ideas, and technology can use ICT to ensure a profit (Sakai, 2002) and for business expansion. However, ICT skills and technical ability are significant impediments to its adoption (Duncombe & Heeks, 2001).

ICT knowledge and skills

A dearth of requisite ICT knowledge and skills needed in the industry is another factor hindering the growth of ICT in Nigeria. Personnel sometimes need extensive training on basic ICT usage, as highlighted earlier. SMEs shy away from ICT if it proves to be technical and requires complex skills to operate (MacGregor, 1996; Adebayo, Balogun & Kareem, 2013). This is common not only because of the cost implication but because of the absence of the technological know-how in the country with respect to the use of new technology and ICT in general. Lack of ICT skills commonly affects its adoption (Duan *et al*, 2002), especially in a developing country where there are a limited number of people with the requisite knowledge among the labour force. Adoption of ICT in SMEs depends largely on the size of the SME (Alam & Noor, 2009). A newly formed SME may not be able to adopt a full ICT-compliant business environment, not only because of the cost, but because of the required skill and technical abilities to run an ICT-compliant business organisation. However, there is an increasing awareness by students and businessmen in Nigeria of the necessity to acquire some basic IT knowledge, especially among the ‘big SMEs’, owing to its attention via business growth and competition which is a leap from what it used to be.

External pressures

External forces such as competition, civilisation and industrialisation are other major factors in ICT adoption. No competitor wants to be left behind in ICT usage (Sajuyigbe & Alabi, 2012): when industry players and SMEs begin to adopt ICT, the resultant effect is for other competitors to adopt the idea or be left out of growth or competition. For instance, an SME in a particular sector where competitors adopt ICT will likely lose its business dealings to its competitors if it does not comply with the new system such as the computerisation of invoices, electronic payment systems, supply, and receipt. This is common with e-commerce and the creation of foreign branches and allied companies. Technology is generally pushing the world to the stage where we can hardly do anything without the knowledge or use of ICT. It is gradually becoming a social culture and the time will come when human labour will be entirely replaced with affordable technology with increased pressure to learn and know more. In some cases, the government plays a role in this effort in a bid to assist the SMEs.

Government support

ICT infrastructures are capital intensive in nature and require the support of the government to put the basic infrastructure in place or at least subsidize the cost. The government of Nigeria can support ICT growth and development through import waivers, tax incentives (Alam & Noor, 2009), and the provision of soft loans with attractive repayment systems to encourage start-up businesses in ICT and attract investors, both locally and internationally. The government of Nigeria took a giant step in this regard in 2001 with the liberalisation and entry of the mobile phone network market into the Nigerian economy. The Nigerian economy requires a good ICT infrastructure to be able to take full advantage of the information age and participate actively in

the global digital economy. The government has a greater responsibility of repositioning the economy through investment opportunities and creating an enabling environment for SMEs to thrive unhindered because they constitute the highest employer of labour in any economy. The desire of the country to achieve “Vision 2020”, which includes becoming the largest economy in Africa and among the best in the world, will definitely end up as a dream without ICT development and support via the government. ICT provides an important platform to becoming a global player in any business globally.

SMEs and ICT usage in Nigeria

As a developing nation, Nigeria has not fully adopted the use of ICT. The use of ICT is still growing among the SMEs and the benefits are not fully harnessed in Nigeria; its usefulness and potential in global business is yet untapped. ICT has presented Nigerians with numerous opportunities. The growth of ICT is rapidly affecting the way economic and social activities are being conducted in Nigeria, thus advancing the course of business activities. ICT has enhanced the productivity of organisations and the competitive edge in the market place, improved the learning rate, enhanced skills and governance, and also led to improved competition and quality of service delivery among the SMEs. A number of indications prove that progress had been made in ICT in Nigeria since the inception of democracy. The increased awareness of its potential to transform the economy through SMEs is widespread among the organised private sector leaders and policy makers. SMEs in Nigeria are advancing the use of ICT despite some notable challenges, among which are the use of computers, access to the Internet, inability to access and use ICT tools and notably, erratic power supply, illiteracy, and the like. This is worse in the rural areas where the supply of these technologies and infrastructures is more limited.

Usefulness of ICT for enhanced business operation in Nigeria

ICT helps SMEs to boost management capacity, cut down cost, build a competitive infrastructure, and improve service delivery, new business models, and market structures. It helps provide access to market and competitive advantages to SMEs (Minton, 2003). SMEs start by using basic ICTs such as radio, fixed lines, and the common telephone and gradually migrate to a more advanced technology such as e-mails, data and information processing, and e-business (UNDP, 2003). According to Irefin, Adul-Aziz and Tijani (2012), ICT is integral to the survival of SMEs because it helps businesses create opportunities and position themselves for pressures from external competitors. As was earlier identified, ICT helps organisations to take cost-saving decisions, build internal processes, assist product development, and enhance both internal and external communications. ICT also helps organisations in Nigeria to build their business name, provide the means to reach wider audiences, promote marketing, and also increase online real-time transactions.

The advancement of ICT is affecting the economic and social activities and their attendant development in most countries. ICT has strengthened institutions and markets and made them more productive and competitive; positioned them for improving learning, boosting growth and enhancing skills, including access to services and quality service delivery. The prospect for social change and life style of any society depends largely on its access to ICT. Martin (1995) maintains that the life of any society, including the economic development, depends on the use of and skill in ICT. This goes a long way to influencing living standards, work patterns, societal trends, communication style and even the education system. ICT awareness, skills, and adaptation virtually change any society, its culture, and life pattern in general.

The technological changes in society have had the greatest impact in the lives of humans in recent years (Ogbomo & Ogbomo, 2008). Annan (2002) suggests that ICT serves a form of capacity building in humans via increased access to technology and information. It helps to sustain a liberal society, capacity building, and economic emancipation. It also offers a unique opportunity by connecting the remotest with the nearest, the poorest with the richest, and so on.

ICT generally integrates and expands the world through media, social networking, and trade. Over time, ICT has provided cover for SMEs over competitors in terms of access to markets (Ladokun, Osunwole & Olaoye, 2013). Duan *et al* (2002) also aver that ICT has reduced transaction costs significantly and enhanced cross-border businesses and geographic boundaries.

Relevance of SMEs in Nigerian economy

SMEs are a tool for economic emancipation. As stated earlier, SMEs are integral forces for wealth creation and generation of employment opportunities for Nigeria's teeming youths. If carefully harnessed, SMEs could cater for the provision of over 70 per cent of jobs in Nigeria, all things being equal. The relevance of SMEs cannot be over-emphasized in a growing economy such as that of Nigeria: apart from its contribution to economic development in the area of wealth and job creation, SMEs have the capacity to alleviate poverty through innovation and use of local resources, bridge the gap in the balance of payment deficit through improved exportation, address the income disparity issues in Nigeria, and generally improve people's living standards through an enhanced gross domestic product (GDP).

SMEs are competitively driven and are renowned for sourcing materials locally. They also provide a training opportunity for entrepreneurs as human capacity is developed and leadership skills are acquired (Ogbomo & Ogbomo, 2008). SMEs also enjoy a comparative advantage over larger business entities owing to their flexibility and easy start-up capital (Davis, 1989). As a result of these numerous opportunities that SMEs offer, many countries prefer their economic development to be hinged on SMEs. Nigerian is one of the countries that seem to have identified this potential and has formulated some policies such as "Vision 20:2020".

Despite these, the contribution of SMEs to Nigeria's GDP is not more than 10 per cent (Okwuonu, 2013). SMEs have the potentials to turn the current deplorable economic situation of Nigeria around, just as in western countries such as the US, UK and Australia. The biggest challenges in Nigeria today are insecurity and youth unemployment. However, insecurity in Nigeria is associated with massive youth unemployment; hence, the development of SMEs has the potential to address this.

ICT usage behaviour and its implications among SMEs

The acceptability and usage of ICT are divergent among organisations in Nigeria. SMEs are the universally acclaimed engine of economic growth (Duan *et al*, 2002). However, for a developing economy such as that of Nigeria, it becomes imperative. While ICT usage behaviour could be better explained through the questionnaire administered in the course of this research, some previous researchers found contending issues affecting the usage such as susceptibility to failure (Mutsaers *et al*, 1998), ineffective record keeping systems (Sakai, 2002), low market share, and lack of environmental control (Arendt, 2008). Other studies that threw light on the usage behaviour were conducted by Chau (1997) and Mutula and Brakel, (2006) who averred that some SMEs shy away from sophisticated technologies and applications. This phobia limits the capacity of business enterprises, hinders innovation, and limits growth. Generally, there is a dearth of adequately skilled manpower in the area of ICT in Nigeria: however, ICT training and knowledge is increasing yearly in Nigeria as more youths and businesses strive to key into the trend of the ICT world.

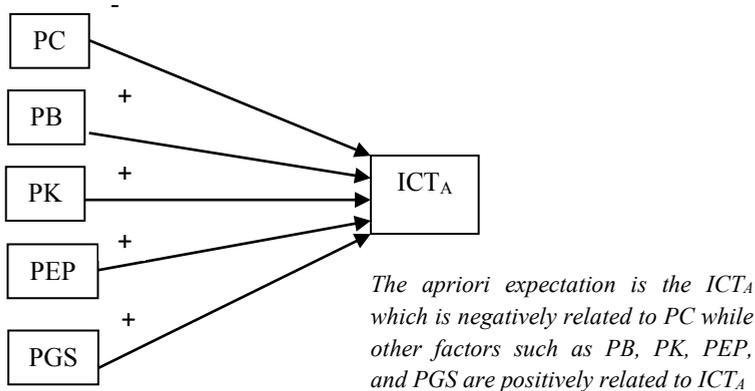
Research method

The research design is the survey method. A survey of some select SMEs in Akwa-Ibom State, Nigeria, was undertaken with 100 copies of a questionnaire administered to different operators of SMEs in the State. The questionnaire was designed on a Likert scale of five where the strongest degree of the measurement is assigned a weight of five (5), and the weakest degree of measurement is assigned one (1). It was divided in two sections: Section A contains the nature of business and the length of operation and Section B contains questions on the independent

variables. The dependent variable is ICT while the independent variables are perceived cost (PC), perceived benefit (PB), perceived knowledge (PK), perceived external pressure (PEP) and perceived government support (PGS). SEM was used to analyse the data with the help of SPSS. The conceptual model is depicted below:

Figure 1: Conceptual framework for ICT adoption

$$ICT_A = \alpha_0 + \alpha_1PC + \alpha_2PB + \alpha_3Pk + \alpha_4PEP + \alpha_5PGS + e$$



Source: Authors’ conceptualisation

Data presentation and result of analysis

One hundred (100) copies of the questionnaire were administered to the respondents while ninety-two (92) copies were returned, representing a 92 per cent response rate. Data were analysed using the SEM technique which answers a set of interrelated research questions in a single systematic and comprehensive analysis.

Table 1: Summary of result of regression model

Variables	Coefficient	Standard Error	p- Values
Constant	4.548	0.847	0.00
PC	0.745	0.041	0.00
PB	-0.029	0.047	0.535
PK	0.011	0.045	0.810
PEP	-0.021	0.040	0.599
PGS	-0.073	0.043	0.094

Adjusted R² = 0.808, Durbin-Watson (DW) = 1.639, level of significance is 5%

Source: Authors’ computation

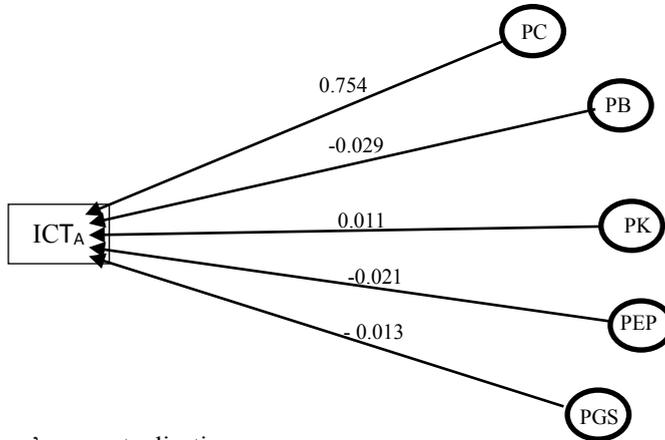
The estimated multiple regression model is:

$$ICT_A = 4.548 + 0.745PC - 0.029PB + 0.011PK - 0.021PEP - 0.073PGS + e$$

The adjusted R² = 0.808 which implies that the independent variables accounted for 80.8 per cent of the variations in the dependent variable. The absence of multi-collinearity among the independent variables is verified by the values in the correlation matrix, which shows the relationship between the variables (they are all less than the critical value of 0.8). The DW value of 1.639 indicates that there is no evidence of auto-correlation among the independent variables. This is further confirmed by the tolerance value which is close to 1 and the variance inflation factor (VIF) that is less than 10. Hence, the estimates are statistically significant.

SEM differs from the regression model which analyses only one layer of linkage between the independent and the dependent variables at a time. The structural or path coefficient with the respective arrows on a diagram specifying the model is displayed below:

Figure 2: Path diagram showing the path coefficient



Source: Authors’ conceptualisation

The critical ratios (CR) for the independent variables in the model are presented below:

Table 2: Critical ratio (CR) of the perceived factors

Variables	CR
PC	18.39
PB	-0.617
PK	0.244
PEP	-0.525
PG	-1.698

Source: Authors’ computation

The critical factor is derived by dividing the coefficient by the standard error term for each of the variables. However, when the critical ratio is greater than 1.96 for a regression weight, that path is significant at the 5 per cent level (the statistical path parameter is significant). Hence PC is the only significant path parameter. This is further confirmed by a 0.898 correlation between PC and the dependent variable and the *p*- value of $0.000 < 0.05$, unlike the regression model which shows an overall 80.8 per cent impact of the independent variables on the dependent variable.

Discussion of the findings

The critical ratio table (Table 2) above suggests that the only factor that significantly influences ICT adoption in Nigeria is the perceived cost attributable to it. The CR for the perceived cost (PC) is 18.39 (which far outweighs other ratios) which shows that the PC is a significant causal effect in the adoption of the ICT by SMEs in Nigeria. This result validates the assertions by Davis (1979) and Sakai (2002) that the high cost of ICT affects its implementation and that the higher the cost, the lower the rate of adoption. This idea is also supported by Okwuonu (2013) who opined that the relative cost of ICT determines its adoption or non-adoption.

The PB has a CR of -0.617 which suggests that SMEs in Nigeria are unaware of the benefits of ICT adoption. Moreover, its adoption or non-adoption has nothing to do with its PB. This is in contrast with the view of Buhalis (2003) who concluded that the more corporations are able to see the benefits of ICT to the business, the more likely they are to adopt it. This study, however,

discovered that ICT adoption in Nigeria does not depend on the perceived benefit, but rather on the cost associated with it.

The CR of 0.244 for the PK is below the acceptable bench mark of 1.96 which suggests that perceived ICT knowledge and skills do not have a significant influence in its adoption by SMEs in Nigeria. Again, the perceived external pressure shows a CR of -0.525 which suggests that pressure from competitors has no effect in ICT adoption among the SMEs. Finally, the perceived government support which shows a CR of -1.698 suggests that perceived government support for SMEs is not a significant factor in the adoption of ICT by the SMEs.

Duan *et al* (2002) argue that lack of ICT skill affects ICT adoption negatively: while it may be agreed that ICT skills and knowledge are necessary prerequisites for its adoption, it was discovered from the result of the analysis of data that this is not exactly the case in Nigeria. Similarly, PEP has not proven to be a major factor limiting ICT adoption among the SMEs in Nigeria as asserted by Sajuyigbe and Alabi, (2012). However, this study could not establish whether the size of SMEs influence its ICT adoption, as argued by Alam and Noor (2009).

RECOMMENDATIONS AND CONCLUSION

From the foregoing, it can be concluded that the major factor limiting ICT adoption among SMEs in Nigeria is the perceived cost. This includes all the associated costs for the adoption. While we share the sentiments of the previous researchers in this area, our result shows that the business environment in Nigeria is more concerned about cost than the benefit, knowledge, external pressure, or other factors. No variable showed a critical ratio (CR) of up to 1 except the PC with a high CR of 18.39. This claim is further confirmed by the Cronbach's alpha of 73.5 per cent for PC (representing the highest percentage for all the variables) which suggests that the degree of internal consistency in the answer presented in the questionnaire is high, indicating that respondents who tended to select a high score for one item also tended to select a high score for the other line of items under the variable and vice versa. As indicated earlier, ICT is critical for any business to become a global player, and have a fair platform to reach global audience, with a range of alternative service delivery. While cost is an essential consideration for ICT adoption, it would be more important for SMEs to place more emphasis on the yet untapped benefits and a wide range of potential benefits that ICT offers to the business environment in Nigeria rather than just the cost.

The following are some recommendations that could lead to increased adoption of ICT among SMEs which will ultimately result in the growth and development of that sector in Nigeria:

- i. There should be increased enlightenment among operators of SMEs regarding the untapped benefits from the adoption of ICT in their business;
- ii. The emphasis on perceived cost should be de-emphasized by bringing to fore the wide range of potential benefits that ICT offers to business in Nigeria; and
- iii. Government on its part should put in place the necessary infrastructure which should be apparent to SMEs in order to encourage them to adopt ICT.

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Appendix

1. Descriptive Statistics

	Mean	Std. Deviation	N
ICT _A	12.8696	1.81094	92
PC	12.7174	2.23521	92
PB	12.5652	1.96287	92
PK	10.7826	2.18801	92
PEP	11.5217	2.28458	92
PGS	10.6087	2.48493	92

2. Correlations

		ICT _A	PC	PB	PK	PEP	PGS
Pearson Correlation	ICT _A	1.000	.898	-.127	-.065	-.036	.211
	PC	.898	1.000	-.063	-.022	.016	.344
	PB	-.127	-.063	1.000	.162	.301	.307
	PK	-.065	-.022	.162	1.000	.296	.453
	PEP	-.036	.016	.301	.296	1.000	.195
	PGS	.211	.344	.307	.453	.195	1.000

3. Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.905 ^a	.818	.808	.79389	.818	77.502	5	86	.000	1.639

a. Predictors: (Constant), PGS, PEP, PC, PB, PK

b. Dependent Variable: ICT_A

4. ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	244.232	5	48.846	77.502	.000 ^a
Residual	54.202	86	.630		
Total	298.435	91			

a. Predictors: (Constant), PGS, PEP, PC, PB, PK

b. Dependent Variable: ICT_A

5. Coefficients^a

Model	Unstandardised Coefficients		Standardised Coefficients	T	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	4.548	.847		5.369	.000	2.864	6.232					
PC	.754	.041	.931	18.236	.000	.672	.836	.898	.891	.838	.811	1.234
PB	-.029	.047	-.032	-.623	.535	-.123	.064	-.127	-.067	-.029	.813	1.231
PK	.011	.045	.013	.242	.810	-.079	.100	-.065	.026	.011	.714	1.400
PEP	-.021	.040	-.026	-.528	.599	-.100	.058	-.036	-.057	-.024	.845	1.183
PGS	-.073	.043	-.100	-1.695	.094	-.159	.013	.211	-.180	-.078	.602	1.660

a. Dependent Variable: ICT_A

COMMUNITY INVOLVEMENT IN AN OLD AGE PENSION SCHEME: A CASE OF SELECTED AREAS IN LESOTHO

N. Sejanamane¹ and M.S. Bayat²

ABSTRACT

The study concerns the participation of community stakeholders in the delivery of old age pensions in selected areas in Lesotho. Owing to low investment in the administrative capacity of social pensions in Lesotho, the implementing agency had to rely on community agents in many respects for the distribution of the pensions. Community agents identified and selected prospective pensioners, verified information about social pensions' applicants, helped in the delivery of cash transfer to them in some cases, collected data and addressed grievances. The study focused on how the community participation may have facilitated or constrained the delivery of the old age pensions.

Keywords: Old age pension scheme; administrative capacity; implementing agency; proxy; pay points.

INTRODUCTION

One of the greatest and on-going problems facing many developing countries, in particular sub-Saharan African countries inclusive of Lesotho, is poverty among the elderly people. On noting that the elderly people, more than any age group, were in a chronic state of poverty, the government of Lesotho, through the Department of Pensions, introduced a universal old age pension scheme in 2004 despite being one of the poorest countries by then (Barrientos, 2009: 76). Lesotho and Nepal were the first and only least developed countries to provide old age pensions in the world (Pelham, 2007: 4; Samson, 2009: 23). The pension scheme was housed in the Department of Pensions, under the direction of the Commissioner of Pensions, in the Ministry of Finance. The pension grant was available to all Lesotho citizens from the age of 70 (Nino-Zarazua, Barrientos, Hickey & Hulme, 2012: 11; Tanga, 2015:569) and who did not earn other government financial benefits (Barrientos, 2009: 76). The pension scheme started with a monthly transfer of US\$25 (Barrientos, 2009: 75) which was increased progressively until the amount was US\$40 in 2016 (Interviews with management of Department of Pension, June 2016).

Although the social pension intervention was an incredible step towards social security at old age, it emerged that the scheme had numerous loopholes that left the way open for corruption (Guyen & Leite, 2016). Owing to administrative incapacity of the state in general and the implementing agency (the Department of Pensions) in particular, the scheme suffered from poor administrative structures to implement it. Owing to a lack of transport facilities, poor road networks and the physical vulnerability of the elderly, some pensioners also had problems in accessing the pensions. To address these deficiencies, community members had to lend their efforts in the distribution chain of the pensions. The aim of this paper is explore to the nature of challenges and consequences of community involvement in a social protection programme, with particular reference to the Lesotho old age pension scheme. The study demonstrates the ways in

¹Mr N. Sejanamane, Office of the Auditor-General, Lesotho.

²Professor M.S. Bayat, Adjunct Professor - University of Fort Hare, South Africa and University of Lusaka, Zambia.

which community involvement facilitated or constrained the effectiveness and efficiency in the distribution of social pensions as found in literature and proven by empirical research.

The issue of a high level of community involvement in the old age pension scheme surfaced as one of the prominent challenges in 2016 when the authors conducted a research study on the challenges in the distribution of old age pensions in Lesotho. The study was inspired by the view of Garcia, Moore and Moore (2012: 217), namely that although cash transfer programmes around the world required communities to support them, cash transfers programmes in sub-Saharan African (including Lesotho) relied on communities in ways beyond those found in other parts of the world.

METHODOLOGY

The target population for the study was the management of the Department of Pensions and of Lesotho post banks or offices, 281 pay points, eight chiefs, six councillors and a variable number of proxies³. The sample of the study included eleven managers from the Pensions Department and Post Banks/Offices, and 90 proxies (delegates or caretakers) for the elderly pensioners who could not reach the pay points by themselves in the six selected pay points. The six case study pay points were the Bobete Office of the District Administrator; the Morija Post Office; the Matsieng Office of the principal chief; the Likhoele Office of the principal chief; the ThabaTseka Post Office, and Qacha's Nek: Ha Ramahlale Primary School. The six pay points were selected for the following reasons: Botha-Bothe Post Office, Mofoka Post Office and the office of the principal chief in Matsieng are located in the lowlands and therefore easily accessible, while Ramahlale Primary School, Semenanyane Clinic and the Bobete District Administration Office pay points were selected because they are located in the remote and not easily accessible mountainous areas of the country.

Purposive sampling was used to select the six pay points and managers from the Department of the Pensions, chiefs and councillors. The selection of the managers was based on their rich knowledge and experience in old age pension schemes. The starting point of identifying the research participants was to ask the key figure of the organisation, such as the Director, for preliminary advice on which units or sections dealt directly with the distribution of the old age pension. Then members who were regarded as well-informed and experienced were included in the pool of respondents. Another sampling method employed was convenience sampling to select a representation of proxies of the pensioners. Convenience sampling was deemed appropriate in this regard because proxies were volunteers and their number was highly variable and therefore unpredictable. For the same reason, it was also difficult to schedule interviews with them. Moreover, the population of the proxies was unknown as being a proxy was valid for the collection of that pay only. There was no guarantee that the same proxy would come again for the following pension pay round. The researcher identified the proxies through the assistance of other proxies and the paying officers.

Semi-structured interviews were used to collect data from participants. The study was conducted by the researcher and one trained research assistant who had conducted similar assignments before. The administration of the interviews took 15 days. The questions were asked in Sesotho language and later translated to English by the researcher and his assistant. Research ethical

³A proxy is a delegate who receives the pension on behalf of the pensioner who could not reach the pay point in person. Proxies are endorsed by local chiefs and carry booklets with their identity photos and an endorsement letter from the local chief ascertaining that they have been permitted by the rightful pensioner to receive the pension. The letter should also assure that the represented pensioner was still alive and not in prison. In other words, proxies are care-takers of the pensioners in far as receiving pensions is concerned (Deduced from interviews with Management of Pensions, June 2016).

issues such as privacy, confidentiality and anonymity were observed throughout the study. Moreover, voluntary informed consent to participate in the study was gained before conducting the study.

FACTORS THAT ENCOURAGED HIGH COMMUNITY INVOLVEMENT IN LESOTHO OLD AGE PENSIONS

Government-related factors

A hasty approach to establishing old age pension scheme

The process of establishing an old age pension scheme demands certain skills and therefore requires special attention. For instance, when South Africa instituted an old age pension scheme in 1928, three bodies, namely the Pienaar Commission, the Social Security Commission and the Lund Committee, were tasked to assess the feasibility of the envisaged old age pension scheme (Pelham, 2007: 24). It was after rigorous and meticulous assessments that lasted for about two years that a South African universal means-tested pension scheme was established. Contrary to the South African approach of establishing an old age pension scheme, the Lesotho pension scheme was established hastily, without adequate time to consult with all the stakeholders. The pension scheme was born out of the budget speech of the Minister of Finance, who was asked by the Prime Minister to include the issue of old age pensions only three days before reading the speech in parliament (Pelham, 2007: 25). No prior ground work had been done to publicise the idea, or hold public or parliamentary discussions on it. Even the implementing body, the Department of Pensions' staff, did not know that the old age pensions scheme was being introduced and was intended to be run by it (Winnberg, 2012: 72; Pelham, 2007: 25). The donor community and the International Monetary Fund also first knew about it from the budget speech. In other words, the old age pensions in Lesotho came into being as a result of an impulsive move by the then Prime Minister of Lesotho. It was his personal style of running the government that afforded him to make critical decisions without having scrutinised their administrative feasibility (Pelham, 2007: 25). The complexity of social pensions demanded substantial preparation before establishing a scheme in order to assess demand, use and implementation. Even the way the Pension Bill was rushed through the parliament compromised its transparency and credibility in design. For instance, instead of taking the Pension Bill through three readings and committee stages in two parliamentary houses over about two months, the process was shortened to three days (Winnberg, 2012: 72; Pelham, 2007: 25), thus compromising the addressing of such issues as security matters of the pension delivery, potential fraudulent claims, undefined administrative structure, unclear complaints strategy and failure to consult with national and external players in the field of cash transfer programmes in social protection interventions (Sejanamane, 2016: 78). In other words, no attempt was made to assess the feasibility of the pension scheme (Winnberg, 2012: 74).

Poor civil registration

Another issue that invited the involvement of the community in the old age pension scheme in Lesotho was the low official identification and age verification coverage of the target group. Very few eligible pensioners had identity or birth documents (Interviews with Pensions Department Management, June 2016). Besides a lack of identity and birth documents, not all eligible applicants knew their birth dates (Guvén & Leite, 2016: 16). According to Guvén and Leite (2016), the problem of people not knowing their exact age is compounded in that society's values that do not regard age as important, hence the tendency of some people to report their age as younger. To resolve this issue, the councillors, some members of the community and the local chief conducted a participatory approach to estimate the age of the pensioners by what events or occurrences they could remember (Winnberg, 2012: 75). Another factor that complicated age estimation was that, in the rural areas, owing to early marriage, poor nutrition, subsistence

farming, and a lack of adequate medical services, respondents wear out faster, making them look older than their actual age (Abanyam, 2013). After a rigorous and nerve-wrecking process of estimating the age of those pensioners who did not know their age, it was then decided whether they qualified to apply for social pensions. This potentially leads to errors in implementation, as it means people will be included who may be younger than the eligibility age, and people will be excluded if they meet the eligibility criteria but cannot prove their age with a formal identification document (Guyen & Leite, 2016: 16).

Prior to 2012, the Lesotho civil registry was recorded on paper only and it was therefore difficult to link it to other databases in order to track deceased people. For that reason, the Department of Pensions depended solely on the beneficiary's members of the family to report deaths of the pensioners. Failure by the deceased pensioner's members of the family to report the death meant that the Department of Pensions was at risk of disbursing the pension to untitled individuals, especially surviving relatives (Guyen & Leite, 2016: 18). For instance, as presented in Table 1 below, names of deceased and transferred pensioners were used to siphon off pension funds amounting to approximately US\$30,000 in four of the six sampled pay points. However, it was not clear whether the funds were stolen by the relatives of the deceased or transferred pensioners, or by the officers. What was surprising about discovery of these missing funds was that the Pensions Department became aware of them as far back as 2012. But up until June 2016, nothing had been done to reclaim the funds from the suspects. This reluctance to recover the missing funds, even when the suspects were obvious, confirmed that in sub-Saharan Africa, soft conditions are used to address non-compliance with social cash transfers rules (Garcia *et al*, 2012: 6). According to Garcia *et al*, even in cases where the regulations are applied, they target families or people who are adjudged to be capable of paying back.

Table⁴1: Number of names of deceased and transferred pensioners who still appeared on the dispatch list and the amount of pensions paid to them

Period	Place	Number of names of deceased pensioners	Number of names of transferred pensioners	Total amount (M) paid
Dec 2012	Bobete Office of the DA	400	17	128 300
Dec 2013	Moriija Post Office	134	26	16,800.00
Mar 2014	Matsieng Office of the Principal Chief	322	58	96,600.00
April 2015	ThabaTseka Post Office	457	64	138,000.00
Total		1313	165	379, 700.00

Source: Extracts from 2014 and 2015 Reports by Monitoring Team⁵. Calculations were done by the researcher

Lastly, if the civil registry of Lesotho was efficient, it would have assisted the Department of Pensions with the data of people who had reached the eligibility age for the social pension and

⁴In this table, the information was available only for four of the six selected pay points for the case study

⁵Monitoring Team was comprised of Internal Auditors and Police Officers deployed to the Pensions Department. They conduct random spot checks across the pay points nationwide.

those who had exited it through death. In other words, the registry would have made the job easier to update the payrolls by adding those who had reached the eligibility age and removing the deceased ones.

Factors related to the Department of Pensions

Design of the pension scheme

The social pensions in Lesotho were delivered through a 'pull' payment system. As the name denotes, the pull payment mechanism entailed assembling pension recipients at a specific pay point on a pre-announced date and time. The recipients were thus paid pensions manually. The pull method of payment was emulated from the African Pioneer Corps Pensions Scheme. Before the inception of the establishment of the old age pension scheme, the Department of Pensions was already administering an African Pioneer Corps Pensions scheme (popularly known as War Veterans' Pension), which had about 5000 beneficiaries in 2004 when the old age pension scheme was introduced (Pelham, 2007:23). The old age pension started with about 69 000 of elderly registrants out of the 74 000 population of the people aged 70 and above at that time (Lesotho Census, 2006). However, when the old age pension was housed at the Department of Pensions, the administrative capacity of the department was not extended, despite the fact that it then had a thirteen-fold increase in the number of the people to be served.

At the time of conducting this study (June 2016), the number of old age pensioners stood at around 83000, but the number of the staff members serving them had hardly increased since the inception of pensions in 2004 (Interviews with the management of Department of Pensions). Inevitably, a huge burden of work was imposed on the administrative capacity of the department. The surprise arrival of the old age pensions also found the post office pay centres unprepared to welcome a bigger influx of pension recipients. Without appeal structures to address the pension problems at the district level, pensioners had no option but to travel long distances to the headquarters of Department of Pensions in Maseru to air their queries. This was in line with the observation of Garcia *et al* (2012) that, in sub-Saharan Africa, social protection programmes are hosted by weak government institutions which were established during the colonial era and which generally showed little or no concern for social protection issues.

Another area of concern about the design of the old age pension scheme in Lesotho was the use of community-based targeting to identify and endorse eligible pensioners for recruitment. In the first place, while it was an undeniable fact that using community leaders (chiefs and councillors) to identify and endorse eligible pensioners was relatively inexpensive, the Department of Pensions failed to consider the fact that it also had opportunity costs or social and political costs for those who implemented it at community level. As it was witnessed in Malawi and Zambia, communities that were involved in monitoring cash transfers for the vulnerable groups appreciated a small cash or in-kind remuneration for the work they carried out in order to make up for the costs incurred to do the job (Miller *et al*, 2010). Other forms of costs may come in the form of nepotism or other types of favouritism, leading to the inclusion of ineligible people and the potential of excluding eligible ones. Moreover, the fact that the Department of Pensions was not represented in the communities left room for communities to misinterpret the application of the rules of pensions.

Miscellaneous factors

Dependency burden caused by poverty and HIV/AIDS

In 2004 when the old age pension scheme was established, there were reports that Lesotho had the third highest HIV adult prevalence rate in the world at 23 per cent, after Swaziland with 25.9 per cent and Botswana with 24.8 per cent (MHSW & UNAIDS, 2010: 81). In fact, part of the reason for establishing the old age pension was to reduce the impact of HIV/AIDS on the elderly people, since, at the time of establishing the scheme, it was not uncommon to find them,

especially female elderly people, looking after four to five orphaned or vulnerable children. Hence 60 per cent of the beneficiaries of Lesotho old age pensions are women (Nino-Zarazua *et al.*, 2012: 66, Samson, 2009: 23). Beside this adverse impact of HIV/AIDS, the establishment of the old age pension scheme coincided with the time when the level of poverty was outrageous in the country. For instance, Samson (2009:23) claimed that 56 per cent of the population was living below the poverty line. The claim further stated that food insecurity was also prevalent, causing the poor to spend more than half of their earnings on food.

Owing to high levels of poverty and HIV/AIDS, the recipients of old age pensions in Lesotho became important income-earners, not only in their households but also in their local communities⁶and even nationally⁷. Their pensions became crucial in meeting health, nutrition and clothing needs for other household members. The fact that the pension grant went beyond the direct beneficiaries to spill over to other members of the household sparked keen interest in those members to play an active role to ensure that the pensioners received it. This was in line with Barrientos's (2009) and Samson's (2009: 24) observation that in developing countries, social pensions are used to address household, not individual, poverty. Some family members acted as delegates of the pensioners in cases where the pensioners could not fetch the pension in person.

DIMENSIONS AND CONSEQUENCES OF COMMUNITY INVOLVEMENT

High presence of proxies at the pay points

By virtue of using the pull method of disbursing funds, pension recipients had to assemble at the pay points on the pre-announced day and venue. Owing to a lack of public transport and road infrastructure in the rural areas (Tanga, Monaheng, Matobo & Sumbulu, 2014: 210), coupled with their physical vulnerability and ill-health, not all pensioners were able to be physically present to receive their pensions in person. To receive their pensions, the pensioners who could not reach the pay points by themselves had to nominate proxies to receive the pensions on their behalf. The proxies had to obtain a letter from the local chief authorising them to receive the pension. However, the study revealed that the opportunity to nominate a proxy had flaws that made it vulnerable to abuse. The first form of abuse inherent in the nomination of proxies was fraudulent behaviour associated with unlimited frequency of nominations to which the proxies were entitled. As was revealed by the 90 proxies interviewed at the six pay points studied, 68 per cent of them had received the grant between six and ten consecutive months between April 2015 and May 2016, while 11 per cent of them claimed to have received the pension grant for ten months and more. Failure to limit the number of proxies at the pay points was associated with fraudulent behaviour of pension funds. This claim was backed up by the internal reports of the monitoring team that proxies were responsible for illegal claims of M81 036 000 between 2011 and 2014, and during the same time the number of proxies had soared from 10, 942 to 17, 658.

Another issue regarding the presence of proxies at the pay points was the social network they had formed. Because they were allowed to claim pensions for more than one pensioner, there was a strong tendency for proxies to represent quite a number of pensioners, sometimes ranging from two to five pensioners. Of the 90 proxies sampled, 41 per cent of them came to collect pensions for more than pensioners. The researchers viewed the issue of forming social network of proxies as encouraging people to make careers out of being proxies or middlemen between the elderly and the Pensions Department. The problem with that kind of arrangement was that it was unsafe

⁶Tanga (2015:574) stated that the pension was also used to create employment for community members. For instance, there community members who were employed by the pensioners to wash their clothes, collect water for them, do gardening work and paint their houses.

⁷For instance, awarding of social pensions to women promoted gender equality (Vincent & Cull, 2009:6)

for the elderly as it was not guided by well established procedures and regulations. It was likely to pose fiduciary challenges for the elderly. On the other hand, the Pensions Department did not approve of one proxy representing several pensioners but reasoned that they had no control over it as it infringed on the rights of the elderly. For instance, according to the Management of the Department of Pensions, limiting the frequency and quantity of pensions collected by proxies would mean denying pensioners the right to work with caretakers they trusted. Moreover, it would be worse in cases where there was one caretaker for the elderly pensioner: limiting the frequency of the same proxy in such cases would lead to pensioners failing to get their pension at all.

Faulty targeting

According to Blank, Mistiaen and Braithwaite (2012: 89), no targeting method is perfect, and they all result in some eligible people being erroneously excluded (exclusion errors) and some ineligible people being erroneously included (inclusion errors). An analysis of internal reports of the Monitoring Team (May, 2015) revealed that there were exclusion and inclusion errors in pensions grant. According to Barrientos (2009: 75), the proportion of people receiving old age pensions in Lesotho stood at 93 per cent of the target group, thereby implying that the exclusion error was 7 per cent. However, the latest reports estimated an overall inclusion error of between 21 and 30 per cent in the pension scheme (Guvén & Leite, 2016: 18). The problem with inclusion errors was that they added to the costs of the pension programme and delivered benefits to people who did not really need them (Smith, Mistiaen, Guvén & Morojele, 2013: 102). There were different reasons for the errors. According to the management of the Department of Pensions, exclusion error was found in the remote areas mainly due to a lack of information regarding how to apply for the social pension, self-excluding wealthy and those people who lived in the remote and inaccessible places where collecting the transfer was difficult and costly. On the other hand, inclusion error was caused by two reasons:

Use of multiple documents for identity and age verification: Owing to the fact that official identification coverage was low among the target group, the Department of Pensions allowed the applicants to use passports, birth certificates, driving licenses and sworn affidavits to identify themselves, and that left room for some applicants to overstate their age in order to qualify for pensions. In fact, it was discovered during the study there were 16 cases of applicants who had registered for the old age pension fraudulently by using tampered or several identity documents. The use of multiple identity and age verification documents caused havoc in the Swaziland old age pension scheme as well. For instance, Dlamini (2007: 2-22) noted that the use of multiple documents resulted in the number of beneficiaries swelling from 43, 830 in 2005 to approximately 60,000 in 2006/07. The number increased even beyond the eligible pensioners across the country.

Failure to supervise community agents: According to 78 per cent of the proxies interviewed, there was a mistaken perception that the old age pension was to be received by the relatives of the deceased pensioner up to three months after the death of the concerned pensioner in order to recover the funeral costs. This was partly due to the fact that the communities which were implementing the targeting were not trained or did not meet regularly in order to erase the misinterpretations and misconceptions about the application of the rules of the pension. For instance, it was established that the last time the Department of Pensions held community stakeholders meeting was in 2006 when the then Director of the programme retired. Before then, the meetings used to be held monthly between the Department of Pensions and the DA, chiefs and community councillors to address issues in the pension scheme.

Social networks: According to Garcia *et al* (2012: 87), another reason for inclusion error may emanate from community agents who are not able or not confident enough to navigate local political dynamics and the strong tradition of extended families responsibilities.

Participation of community leaders and their properties (premises) in the pensions scheme

Another area of contention was use of chiefs' and councillors' premises as pay points for old age pensions. The old age pension was mainly distributed through the network of post offices, following the advice given by Smith and Subbarao (2003) (Winnberg, 2012: 71). With the inception of old age pension scheme, the capacity of local post office payment centres did not increase to cope with thousands of pensioners. In an effort to accommodate the 83 000 pensioners across the country, community and public premises such as churches, schools, chiefs' offices and government offices (especially local government offices) were used to supplement the post office network. Of the 291 pay points, chiefs' premises constituted 35 per cent while the local government offices comprised 21 per cent. Unlike the postbank/postal offices which were compensated with M3.00 for every old age pension transaction completed, the community and public premises were used free of charge. The fact that the chiefs and the councillors were involved in selecting the eligible applicants for old age pension and that their premises were used to disburse the same pensions where space was short, was perceived as providing opportunity for patronage, clientelism and an increase of power for local elites (Barrientos, 2009: 77). It appeared as if the pensioners were receiving the pensions at the mercy of the community leaders involved. As politicians, there was an urge for councillors to see the pension scheme as an electoral pledge. Using the local community centres worked for them to establish their political pledges in community. In fact, studies showed that the pension was used as bait by political parties to win voters for the 2007 national elections (Deverux & Lund, 2010: 166; Nini-Zarazua, Barrietos & Hume, 2010: 169).

Chiefs threatened by emergence of local government councillors elite

Before the colonial era, chiefs in Lesotho were regarded as agents of administration in their communities (Moses, 2015:15) with authority over all aspects of life, including social welfare functions (LGNP, 2009:9). However, the authority of the chiefs was later compromised by changes brought about by the government. For instance, LGNSP (2015:9) and Kapa (2013: 121-137) argued that the powers of the chiefs had steadily been eroded away since the beginning of the colonial period and later by educated people and democratic governance⁸, continuing into the present following the introduction of decentralised system of government in Lesotho in 2005. Since the threats by colonial changes, chiefs have always been in protective mode against any forces that did not consider them (chiefs) as serious agents of progress. In this regard, the chiefs and local authorities used the old age pension scheme to win the confidence and faith of the community for their respective power systems⁹. The result of the tug-of-war between the two rival community leaders (chiefs and councillors) resulted in a high number of inclusion errors in the pension scheme. According to Moses (2015: 19), society fears that the political struggle between chieftaincy and local authorities may escalate.

⁸Democracy emphasises election of all forms of leadership, the idea which conflicts with the nature of chieftaincy

⁹For instance, Devereux (2010:71) shows that old age pension scheme was a political campaign issue of the Lesotho general elections of 2007. A post-election survey revealed that many voters elected political parties based on their commitment to old age pension scheme if they came into power.

However, the government of Lesotho was blamed for failing to learn from its past experience of involving the chiefs in old age pension scheme. According to Winnberg (2012: 71), the attempt to run the old age pension scheme through community-based targeting was first made in 1993, but could not materialise owing to administrative reasons. Winnberg argued that the pension scheme failed because the chiefs, who were responsible for registering beneficiaries, were accused of exploiting the scheme to benefit their own relatives or taking bribes to register unqualified people. Yet when it was re-instated 11 years later in 2004, the Lesotho old age pension scheme incorporated community leaders in its design again.

CONCLUDING REMARKS

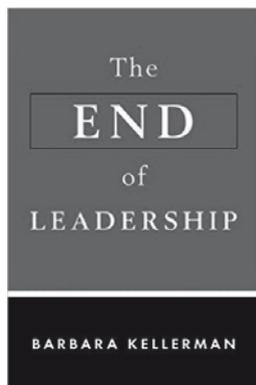
If it had been managed properly, community involvement in the pension scheme would have been beneficial to the implementation of the scheme. One of the advantages of community involvement would have been lower costs of administration, simply because community agents, by virtue of typically living in low-cost rural areas, did not need to be paid as much as the educated officials. The involvement of the community stakeholders would have resulted in better screening, monitoring and accountability because the community leaders were better informed about the dynamics of the demographics of the elderly population (e.g. who is dead or has moved away). However, these advantages of community-targeting were not realised in the Lesotho old age pension scheme mainly because of administrative incapacity by the state and the implementing agency. However, on noting the inception of the electronic civil registry in 2012 and the on-going negotiations between the Department of Pensions and mobile money firms in Lesotho¹⁰, some hope is ignited that some of the challenges in the distribution of old age pensions in Lesotho will be overcome. It is hoped that the two factors will reduce the extensive involvement of the community in the pension scheme.

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¹⁰Interviews with respondents from Vodacom Lesotho revealed that negotiations had started between the government of Lesotho and Vodacom Lesotho to distribute the pensions fund through mobile phone money transfer facility (interviews conducted in June 2016).

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BOOK REVIEW

by V.Y. Mgomozulu, Mzuzu University, Mzuzu 2, Malawi.

Barbara Kellerman, 2012. *The End of Leadership*.

Harper Collins Publishers, New York. Pages 256. ISBN 9780062069177

Kellerman raises the point that leadership has been the subject of many discussions, studies, research and initiatives by individuals, corporations and non-profit organisations for several decades and yet symptoms and consequences of poor leadership abound. The author charts a historical account of the development of leadership over centuries and analyses practices in the corporate and non-profit organisations. She contends that the notion of leadership has transformed over time.

The author has been quite courageous in challenging the age-old practice of focusing training on leadership and ignoring followership. Major contributions of the book are the highlighting of the fact that the notion of leadership has evolved from tyrannical leadership to servant leadership, and that leadership so far has been leader-centric and situational-specific to the exclusion of the followers and the broader socio-political context. The author proposes that good leadership must take leadership, followership and socio-political context into account.

The End of Leadership is in three parts which draw from literature sources and the author's personal experience as an actor in the corporate world.

Part 1 presents a historical trajectory of how leadership has evolved from the period of Confucius and Plato (approximately 400 to 500 BC) when the business of leading was vested in one person, the leader, to the period of democracy (20th to 21st century). Focus on the leader was the modus operandi until around 1215 when King John of England signed the Magna Carta which introduced what Kellerman refers to as a paradigm shift in leadership. King John accepted that his authority was not absolute and his will could not be arbitrarily exercised. The author highlights the significance of the Magna Carta in that tyrannical leaders were now compelled to capitulate to the demands of the followers.

Kellerman credits Hobbes and Machiavelli (around the early 1500s) for introducing the idea of a 'social contract' between a leader and followers; that the followers would grant power to a leader on condition that s/he would give them protection and a life well lived in exchange. Popularisation of the idea made the followers more powerful and they started to demand more of their leaders. The author relates the advent of communication technologies in the last 35 years to increased follower empowerment to the extent that they can now depose their leaders if they violate the social contract.

Part 2 of the book elaborates on the notion of social contract. Kellerman agrees with the fact that since humans live in groups, they will always need someone to lead. But she argues that given the developments that have taken place around the old conception of leadership, there is a need to revisit the rules of engagement between the leader and the followers. She believes that the old justifications of an all-powerful leader are no longer persuasive because people now think of themselves as more important and are therefore more demanding. In line with the principles of social contract, the author opines that the followers will judge a leader based on the two criteria of ethics and effectiveness. When a leader is unethical and/or ineffective, s/he breaks the social contract.

Kellerman observes that because leadership has been viewed as critical to the growth of any organisation, corporations in the USA and elsewhere have developed numerous short-term leadership training courses. Unlike in the 19th and 20th centuries when leadership courses took several years and included content such as philosophy and fine arts that was not even directly related to leadership, leadership courses in recent years can take a few days. The old approach provided the leader with a wide socio-political understanding to deal with issues in a more holistic fashion. The author contends that the fact that short-term courses tend to be limited in scope may be the reason why leaders of organisations are not performing as well as they should. Broadening the scope would allow a leader to understand the socio-political context as well as the followers and therefore be better placed to lead effectively. Kellerman raises a pertinent question: Given that leaders nearly everywhere are less effective than before - and that followers are more demanding than before - how has the leadership industry adapted to the rules of a social contract? By implication, the author is placing the blame on the leadership industry for not having adapted to the idea of a social contract.

In Part 3, Kellerman observes that the 21st century is awash with leadership books, probably because the authors believe that anyone can learn leadership skills. Considering that there is limited attention paid to writing books about followership implies that leadership is more important than followership. The author explains how leadership schools such as the Harvard Center for Public Leadership have fallen into the trap of ignoring followership and provided leader-specific and situation-specific training. Their graduates have not demonstrated the leadership acumen in organisations they lead. She argues that this constricted conception of leadership development tends to address only the context of obvious consequences to the exclusion of the true context which must include the socio-political context.

The author succeeds in awakening the reader to the fact that, on the one hand, the world is changing faster and more than before, that tyrannical leadership is doomed and the leader is now weaker. On the other hand, the follower is becoming more powerful and the context is more complex. It is therefore critical that both leaders and followers be educated about what good leadership and followership entail.

One concern I have with the book is the implied assertion that organisations cited in the book failed because of poor leadership. Poor leadership may not be the only reason every time a corporation fails. There could be developments over which a leader may have little control, perhaps because they happen so fast or are so powerful, such as the financial meltdown in the USA (2008-9), and the stock market crash in China (August, 2015), that a leader has little time or resources to minimise the impact. By extension, another assertion is that the leaders did not factor the followership and the socio-political context into their leadership exercise. There is no clear evidence supplied to support the assertion.

Notwithstanding my concern, *The End of Leadership* is a highly insightful book and a significant scholarly contribution to the discipline of leadership. It should be useful to researchers, leaders and followers alike.

JDL JOURNAL POLICIES

Aims and scope

The Journal for Development and Leadership (JDL) is a double peer-reviewed journal of the Faculty of Business and Economic Sciences at the Nelson Mandela Metropolitan University in Port Elizabeth, South Africa. This journal is aimed at providing practical guidance and empirical evidence to researchers and practitioners specialising in Business and Economics and related fields.

The journal provides a communication forum to advance entrepreneurship, innovation, small business management and various disciplines in Business and Economics, as well as the application of the disciplines in practice. Its aim is the improvement and further development of these fields and it is designed to appeal to academics, researchers and practitioners.

A double-blind review process is followed, supported by a national and international Editorial Associate Editors Peer Review Board.

Full academic accreditation will be applied for at the DoHE when the set requirements have been met.

The mission of the Journal for Development and Leadership (JDL) is to be a dynamic and internationally-recognised academic journal of excellence that will stimulate sustainable development and leadership by generating and disseminating of cutting-edge knowledge and understanding.

It is envisaged that the JDL will serve as a platform for presenting information central to the concerns of academics, researchers and practitioners. In this manner, research will grow and simultaneously shape theories for future application in the relevant societal contexts.

The journal is published bi-annually, in June and December by the Faculty of Business and Economic Sciences of the Nelson Mandel a Metropolitan University.

The views expressed in the journal are those of the respective authors.

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