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# An Exploration of Actions to Explore Public Entrepreneurship in the Implementation of the Expanded Public Works Programme in the Eastern Cape

Quinton Mageza

# AN EXPLORATION OF ACTIONS TO EXPLORE PUBLIC ENTREPRENEURSHIP IN THE IMPLEMENTATION OF THE EXPANDED PUBLIC WORKS PROGRAMME IN THE EASTERN CAPE

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## Abstract

The dissertation begins by outlining the history and objectives of the Expanded Public Works Programme (EPWP) as one of the key government interventions to address poverty and unemployment. The paper moves on to analyse the Vukuzakhe programme, which is an initiative of the Eastern Cape Department of Roads and Public Works within the infrastructure sector of the EPWP. This analysis looks at policy assumptions in respect of institutional arrangements that informed the development and implementation of the Vukuzakhe Programme. The study goes on to identify and assess the outcomes of public entrepreneurship with the context of the Vukuzakhe programme. The hypotheses made are that: A: "The success of the Vukuzakhe programme was as the result of effective acts of public entrepreneurship." B: "The successful and effective acts of public entrepreneurship were demonstrated in the way in which change was orchestrated and directed, through the building of internal capacity and ability to marshal support from diverse stakeholders."

**Key words:** Expanded Public Works Programme, Eastern Cape, Public Entrepreneurship

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## CHAPTER 1: INTRODUCTION

### 1.1 Background

This study looks at attempts to forge public entrepreneurship in the implementation of the Household Contractor Programme (commonly known as the Vukuzakhe programme[1]) which has been implemented by the Eastern Cape Department of Roads and Public Works under its Expanded Public Works Programme (EPWP) since 2002. The Household Contractor Programme is essentially a public employment intervention, which seeks to address poverty and unemployment through routine and minor road infrastructure maintenance particularly in rural areas. According to the evaluation conducted in 2004, the Vukuzakhe Programme was modelled on the KwaZulu-Natal Department of Transport's Zibambele Roads for Rural Development Programme which aimed at achieving the following:

- Reverse the legacy of separate development planning.
- Renew beneficiary communities through the creation of a wide range of employment, enterprise development and supply opportunities.
- Strengthen the democratic process in resource poor communities by assisting the rural poor to organise to engage government and to take advantage of new policy environments and programmes designed to improve their quality of life. (Department of Roads and Public Works, 2004: 4).

In 2008, the Department of Roads and Public Works published Household Contractor Guidelines, which refocused the objectives of Vukuzakhe as follows:

- To maintain the province's rural road network by means of highly labour-intensive road maintenance techniques.
- To provide destitute rural households which have no other source of income, with regular income.
- To put people to work who would normally be unemployable because of their poverty.
- To improve their life chances and the life chances of their children through access to training, better nutrition, human dignity and further economic activities.
- To assist targeted households to organise themselves collectively into savings clubs and assist them invest savings in other productive activities. (Department of Roads and Public Works, 2008: 2).

From 2002 to 2014, the Vukuzakhe Programme had engaged 39 975 beneficiaries throughout the Province of the Eastern Cape. As reflected in the Annual Report for the Eastern Cape Department of Roads and Public Works, the Programme mainly benefitted women (60%) and young people (35%).

### 1.2 Purpose of the study

The purpose of this study is to identify and analyse acts of public entrepreneurship and bureaucratic autonomy during the implementation of the Vukuzakhe programme with the view to show how such acts helped to deal with issues of programme capture by Project Consultants and local political elites. Furthermore, an analysis will be made on how coalitions and networks were built to enhance public entrepreneurship especially in the case of marginalised groups such as people with disabilities.

### 1.3 Problem statement

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[1] Vukuzakhe is a isiXhosa word which means "wake up and build yourself"

While a number of academic studies have been conducted on the phenomenon of private sector entrepreneurship in South Africa, there has been little research conducted on public entrepreneurship in general, and how it has developed specifically within the context of the Expanded Public Works Programme in the Eastern Cape. This has led to the neglect of a potentially rich area of study in development policy, which goes beyond the principal-agent relationship in the understanding policy making.

## 1.4 Research questions

In order to achieve the purpose of this study, the following research questions are addressed:

- What are the key areas within the EPWP (infrastructure sector) that can be identified as acts of public entrepreneurship?
- What were the organisational/institutional contexts that made the exercise of public entrepreneurship necessary and possible?
- Who were the influential actors and how did they influence politics and institutions?
- How did these actors build multiple networks, coalitions and agency in the process of policy reform/change within the organisation?
- How did those identified as public entrepreneurs build their reputations in their area of work?
- How did they use public entrepreneurship to push back capture and bureaucratic inertia?
- What links did they forge with citizens?
- Was the reform agenda sustained after public entrepreneur left the public service?

## 1.5 Delineation and study limitations

In order to reach the intended conclusions, the scope of this dissertation is delineated according to the following:

- Limited to the the Vukuzakhe programme.
- The period studied is between 2002 and 2014.
- Limited to the infrastructure sector of the Expanded Public Works Programme which is implemented by the Eastern Cape Department of Roads and Transport/Public Works.
- The study does not examine the impact of the Vukuzakhe programme on poverty alleviation.

Notwithstanding the effort that has been made to ensure methodological and academic rigour of this work, certain limitations are manifest in the following areas:

- The location of the study is in one Provincial Department in the Eastern Cape, which makes it ungeneralisable.
- The reliability of the study might be affected by the fact that the author is the highest ranking official currently running the Vukuzakhe programme. As a person who is involved in the Vukuzakhe programme, the challenge is to detach myself from the events which unfolded so as not to negatively affect the objectivity of the study.

## 1.6 Chapter outline

Flowing from Chapter 1- Introduction, the study is constituted by the following chapters:

Chapter 2: An Overview of the Expanded Public Works Programme

Chapter 3: Literature Review and Methodology

Chapter 4: The Scaling Up of the Vukuzakhe Programme

## CHAPTER 2: AN OVERVIEW OF THE EXPANDED PUBLIC WORKS PROGRAMME

### 2.1 History and objectives of the Expanded Public Works Programme

Emerging from what Levy (2014) calls a dominant rule by law trajectory of political and economic development under apartheid, the new South African government led by the African National Congress (ANC) sought to undo racial oppression, segregation and poverty that were hallmarks of the apartheid regime. One of the first policy instruments invoked by the new government in 1994 to engender the democratic aspirations of the new political ruling class was the Reconstruction and Development Programme (RDP). In 1994, the RDP declared that:

> "[T]his programme must become a people-driven process. Our people, with their aspirations and collective determination, are our most important resource. The RDP is focussed on people's immediate needs and it relies, in turn, on their energies. Irrespective of race or sex, or whether they are rural or urban, rich or poor, the people of South Africa must shape their own future. Development is not about the delivery of goods to a passive citizenry. It is about active involvement and growing empowerment" (RDP, 1994: 5).

Informed by the expectations of social movements, trade unions and community-based organisations that contributed to the demise of apartheid, the RDP went on to promise that:

> "[S]tructured consultation processes at all levels of government will be introduced to ensure participation in policy-making and planning, as well as project implementation. The empowerment of institutions of civil society is a fundamental aim of Government's approach to building national consensus ... To facilitate involvement, the Government will introduce programmes that will enhance the capacity of community organisations" (RDP, 1994: 41).

To give effect to these ebullient goals, a task team made up of trade unions and liberal segments of the private sector was set up under the umbrella of the National Economic Forum[2] (NEF) to advise government on economic development strategies that would include "community-driven development". In 1994 the NEF developed a framework for the National Public Works Programme (NPWP) whose flagship intervention was the Community-Based Public Works Programme (CBPWP). Interestingly, the Development Bank of Southern Africa (DBSA) was appointed to monitor the implementation of the first tranche of CBPWP projects.

The CBPWP came into being within the context of staggering poverty and under-development of large sections of the African population. For example, the October Household Survey (OHS) data of 1995 and the Poverty and Inequality Report of 1998 had estimated unemployment levels of over 30%. Furthermore, the National Income and Expenditure Survey data in 1998 had found that the rate of poverty among black Africans was at 61% (Adato, Hoddinott and Haddad, 2005: 6).

With such poverty challenges, South African policy makers conceived of the National Public Works Programme in general, and the Community-Based Public Works Programme in particular, as instruments for promoting development, whilst at the same time fostering community participation. A complex mixture of economic development and participatory imperatives were therefore infused into the objectives of the CBPWP. These objectives were stated as follows:

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[2] The development of the National Economic Forum must be seen within the context of political conflict and violence that had characterised the apartheid regime and threatened to undermine the stability and viability of the nascent democratic order that came into being in 1994. The coming together of the erstwhile conflicting trade unions and private capital could be argued to indicate the realisation of the need to enter into some "credible commitments" by both labour and capital in order to avert the possibility of the country descending further into political and economic chaos. Furthermore, government would have realised that it lacked the capacity to drive such an ambitious programme, hence the private sector had to be brought on board.

- "To create, rehabilitate, and maintain physical assets that serve to meet the basic needs of poor communities and promote broader economic activity;
- To reduce unemployment through the creation of productive jobs;
- To educate and train those on the programme as a means of economic empowerment; and
- *To build the capacity of communities to manage their own affairs, strengthening local government and other community based institutions and generating sustainable economic development*" [Emphasis added] Community Based Public Works Programme, 1995).

Appreciating the complexity of the programme, the CBPWP was from its inception administered by different actors some of which were outside of government. For instance, the Independent Development Trust[3] (IDT) and various Non-Governmental Organisations (NGOs) were given projects to implement on behalf of government. Provincial governments and municipalities were also given space to identify and implement CBPWP projects. However, an important point to note is that policy design remained the sole responsibility of national government. When the pilot phase of the CBPWP which began in 1994 came to an end in 2004, national government took a decision to launch the Expanded Public Works Programme (EPWP) in May 2004 (Phase 1). When launching the Programme, the then President Thabo Mbeki articulated the EPWP as:

> "... a nationwide programme aimed at drawing significant numbers of the unemployed into productive employment. Through this programme, we want workers to gain skills while they are employed, and increase their capacity to continue working elsewhere once they leave the programme" (Expanded Public Works Programme Five-Year Report (2004/05 - 2008/09), 2010: 10).

This was mainly to be achieved by reinforcing the use of labour-intensive construction methods to build, upgrade and maintain social and economic infrastructure in underdeveloped rural and urban areas.

The purpose of the EPWP was stated as follows:

- "Creation of temporary work opportunities and income for at least one million unemployed people over a period of five years (2004 - 2009);
- Provision of needed public goods and services, labour intensively, at *acceptable standards, through mainly public sector resources, and public and private sector implementation capacity (Emphasis added)*; and
- Increase the potential of participants to earn a future income by providing work experience, training and information related to local work opportunities, further education and training and SMME development" (Expanded Public Works Programme Five-Year Report (2004/05 - 2008/09), 2010: 15).

Under the EPWP, a work opportunity is defined "as paid work created for an individual on a EPWP project *for any period of time*... Moreover, the same individual can be employed on different projects and each period of employment will be recorded as a work opportunity" (National Department of Public Works, 2010: 20 [Emphasis added]).

In order to understand the origins and the rationale behind the use of the term "work opportunity" as opposed to just "work" or "a job", one has to look at the evolution of public works programmes in South Africa. As stated earlier, the National Public Works Programme (NPWP) came into being in 1994 as a policy response to high levels of unemployment and low skills levels of those who are unemployed. The agreements brokered under the auspices of the National Economic Forum (NEF) were an indication of concerns by government, business and organised labour about the negative social effects of unemployment in the country. The agreements reached within the NEF were codified

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[3] The Independent Development Trust (IDT) was established by the apartheid government and was later reconfigured by the new South African government as a parastatal of the National Department Public Works whose mandate is to advise government on development practice and community based development programmes.

under the Code of Good Practice for Special Public Works Programme (SPWPs) and this Code was formerly gazetted by the Department of Labour as a Ministerial Determination on Special Public Works Programmes in 2002. According to the Ministerial Determination, work performed under the National Public Works Programme must have the following features:

- "Public Works Programme means a programme to provide public assets through a short-term, non-permanent, labour intensive programme initiated by government and funded from public resources;
- It is work that is task based and means work in which a worker is paid a fixed rate for performing a task; and
- A worker may NOT be employed for longer than 24 months in any five-year cycle on the National Public works Programme" (National Department of Public Works, 2010: 3).

This approach was reinforced during Phase 1 of the EPWP (2004 - 2009) when the target of 1 million work opportunities was announced (National Department of Public Works: 2003). A "work opportunity" was still deemed to be work performed for any duration of time. Using this method to determine employment creation, the Minister of Public Works was able to announce that "2008 was a year of celebration, one in which we had achieved the goal of providing one million work opportunities for unemployed individuals and marginalised communities through the government's Expanded Public Works Programme (EPWP) - and more importantly, a full twelve months ahead of schedule" (National Department of Public Works, 2010: vxi).

However, an evaluation report of the EPWP Phase 1 that was presented to Cabinet by the National Department of Public Works in 2008 admitted that while the EPWP Phase 1 reached the target in terms of work opportunities created under the programme, these "... were generally of a shorter duration than anticipated [and this] also meant that it [the EPWP] had a limited impact on poverty reduction. The report indicated that measures and targets for increasing the average duration of each work opportunity would have to be included in the second phase of the programme" (National Public Works Programme, 2010: 138). Other observers of the EPWP have noted a number of short-comings in relation to the EPWP employment creation efforts. For instance, Philip {2012) notes that " ... most of the employment creation effects achieved by the EPWP are tied to outputs that are not intrinsically labour intensive ... If the purpose is to take public employment to greater scale, it does not make sense to try to do so through the expanded delivery of programmes in which the labour content is low - unless such expansion is justified for other developmental reasons" (Philip, 2012: 180}. The ability of the EPWP to make a real dent on unemployment has also been compromised by the fact that "... it is often hard to target the poorest areas, where unemployment is highest. These are the areas where government delivery is typically weakest, and where the capacity to apply labour-based methods is often constrained" (Philip, 2012: 181).

This inability of public works programmes to maximise labour intensity has long been identified. Mccutcheon (1995) who is recognised as a preeminent scholar of labour-intensive methods of construction and their application to public employment interventions in South Africa, defines labour-intensive methods as:

> "a phrase in economics to describe an operation in which proportionately more labour is used than other factors of production. Labour-intensive construction may be defined as the economically efficient employment of as great a proportion of labour as it is technically feasible to produce as high a standard of construction demanded by the specification and allowed by the funding available. Labour-intensive construction is the effective substitution of labour for equipment and results in the creation of a significant increase in employment opportunities per unit of expenditure" (Mccutcheon, 1995: 332).

This is contrasted with "labour-extensive" methods which entail the mere use of large numbers of people to construct unplanned and ill-defined projects with little or no considerations for quality and value (Mccutcheon : 332).

Mccutcheon (1995) also provides a history of public works programmes in South Africa and states that during the 1920s and 1930s, public works programmes were used to deal with the so-called "poor

white" problem (Mccutcheon: 334). Furthermore, public works programmes were implemented in low volume road construction in the former Homelands of the Transkei and KwaZulu. However, according to Mccutcheon (1995), these projects were *ad hoc* as they were not integrated into regional and national institutions (Mccutcheon: 343). Citing the work of Abedian and Standish (1986), Mccutcheon gives a number of reasons for the failure of early public works programmes. These are as follows:

- "They were seldom scaled to the magnitude of national manpower needs.
- They were often introduced in a fragmented and unsystematic way.
- They used inappropriate technology.
- They were introduced on an ad hoc basis and were not linked to an overall development policy.
- They had also failed because of the lack of administrative back-up.
- There had been inadequate post-project maintenance.
- They were almost entirely dependent upon the government's commitment to the programme: if there was a lack of commitment this would be reflected in a lack of funding" (Mccutcheon: 334).

These design and institutional shortcomings lead Mccutcheon (1995) to conclude that a vast majority of public sector job creation schemes in South Africa and around the developing world did not succeed because they concentrated on "job creation" with little considerations to quality and efficiency (Mccutcheon, 1995: 335).

With the advent of EPWP phase 2 from 2009 to 2014, the National Department of Public Works devised a policy instrument through which the short-termism of work opportunities identified during Phase 1 was to be rectified. This policy instrument was in a form of a conditional grant and it was called the EPWP Incentive Grant to Provinces and Municipalities. The purpose of this incentive grant was to encourage institutions taking part in the EPWP to design and implement projects whose work opportunities were of longer duration. Whilst work opportunities as defined above were not entirely done away with, the concept of full-time equivalents (FTEs) was introduced through this grant. FTEs are defined as "one person-year of employment. One person-year is equivalent to 230 person days of work" (National Department of Public Works 2011). From this new policy dispensation, EPWP implementers who create more FTEs (that is longer duration work opportunities) are given additional funding which is meant to incentivise them to design projects that are labour intensive and therefore amenable to long-term employment duration. This shift in policy has long been propagated by renowned scholars of public employment. For instance, McCord (2004) had advised that:

> "Since unemployment is a structural and chronic problem in South Africa, long-term employment programmes would be the most appropriate response, offering sustained employment, since public works participants are unlikely to graduate into employment in the open labour market, given the limited demand for unskilled and low-skilled labour. With the high rates of poverty and the fact that the national employment rate exceeds 30% reaching 70% among the poorest), a large-scale PWP would be needed to make a significant impact on poverty and unemployment" (McCord: 9).

While these policy instruments (EPWP Incentive Grant and the resultant FTE method) were generally welcome by government departments and municipalities as potential additional income streams for job creation, they however had unintended consequences. For instance, rural municipalities felt that the odds were stacked against them as they lacked the technical capacity to design projects that would yield longer duration work opportunities. Furthermore, there is criticism that the mere fact that work opportunities last longer does not translate into better impacts on poverty. This is the case because wage rates within the EPWP had remained very low, thus diminishing the impact of the EPWP on poverty alleviation. It is however worth noting that whilst low wage rates in the EPWP projects have been highlighted as a source of unease and dissatisfaction, there are interesting findings that indicate that the EPWP beneficiaries are prepared to forgo high wage rates that come with shorter duration work opportunities in favour of low wages that come with high certainty of a longer duration of the EPWP work opportunity. This is what is referred to certainty equivalent of income (McCord, 2004: 54).

The selection of projects also reflects the evolution of thinking within government about public works programmes. As alluded to earlier, during the CBPWP era, emphasis was put on community participation in project identification, design, appointment of consultants and contractors. This was done through applications made to the National Department of Public Works. From 1994 to 1997, applications were sent directly to the National Department of Public Works by communities sometimes through NGOs. The acceptance of the use of NGOs was indicative of the fact that the legitimacy of NGOs was still high as their role in the struggle for democracy was still recognised. Moreover, as the capacity of communities to generate applications was limited, the role of NGOs became indispensable. Key features of this period (1994 - 1997) were as follows:

- Communities made applications for funding through NGOs directly to the National Department of Public Works;
- Projects were identified by communities; and
- Consultants and Contractors were paid by communities.

In 1997, the CBPWP operational model was reviewed following an evaluation done by the International Labour Organisation (ILO). Consequently, the CBPWP was realigned as follows:

- "The programme was now implemented by Provincial and Local Government and applications were no longer received directly form communities;
- Projects were now clustered on the basis of recommendations made by officials in Provincial and Local Government. This was done in the name of promoting integrated development planning;
- Appointment of support services became a pre-requisite for project funding. This included the appointment of a cluster Project Manager by Provincial Departments or Councils to prepare project business plans, oversee planning and implementation;
- Appointment of a Social Facilitator and a Technical Designer by the Project Manager;
- Appointment of a trainer by Provincial Departments or Councils and the trainer was accountable to the Project Manager; and
- Contract awards and payments to Contractors and Consultants were made by Provincial Departments and Councils" (National Department of Public Works: 2010: 16).

This process continued until 2004 when EPWP Phase 1 issued Guidelines for the implementation of EPWP projects. Key in these Guidelines was the requirement that the delivery model followed must be "designed by the employer," in which government takes the lead in developing designs to be carried out by the Contractor (National Department of Public Works: 2010: 16). These Guidelines covered the following areas:

- **Identification and selection of projects** - under these guidelines the types of projects became narrow and were prescribed by the National Department of Public Works as follows:
  - Low volume roads (carrying typically less than 500 vehicles per day); o Sidewalks and non-motorised transport infrastructure;
  - Storm water drainage; and
  - Trenching.

- **Appropriate designs for labour intensive construction** - the guidelines required that designs are done by competent persons so as to ensure that:
  - The design of the labour intensive works by Consultants is overseen by persons in their employ who have completed the necessary skills training;
  - Works contracts are administered by persons in the employ of Consultants who have completed the necessary skills training; and
  - Works contracts are awarded to Contractors who have in their employ managers who have completed the necessary skills training.

- **Rate of pay** - the guidelines state that these factors should be taken into consideration when setting the rate of pay:

- o The rate set should take into account wages paid for comparable unskilled work in the local area per sector;
- o The rate should be an appropriate wage to offer an incentive to work, to reward effort provided and to ensure a reasonable quality of work. It should not be more than the average local rate to ensure people are not recruited away from other employment and jobs with longer-term prospects; and
- o Men, women, disabled persons and the aged must receive the same pay for work of equal value.

- **The monitoring of labour intensive works** - the guidelines offer elaborate provisions as they relate to duties that must be performed by the Project Consultant. On behalf of a Government Department or Municipality, the Project Consultant is responsible for keeping monthly records which must indicate the following:
  - o Project budget;
  - o Actual project expenditure;
  - o Number of work opportunities created;
  - o Demographics of workers employed (disaggregated by women, youth and persons with disabilities);
  - o Minimum day-task wage rate earned on project;
  - o Number of person-days of employment created;
  - o Number of persons who have attended a standard EPWP ten-day accredited training course; and
  - o Furthermore, the Consultant shall certify that the works have been completed in accordance with the requirements of the Guidelines and the Contract (National Department of Public Works, 2010: 17-18).

In terms of the Guidelines, Provincial Government Departments and Municipalities were accorded the same status in terms of the areas enunciated above. The only caveat was that the review and evaluation of the projects was the prerogative of the funding institution, that is, the National Department of Public Works.

In seeking to maximise work opportunities accessed by EPWP beneficiaries, the EPWP was divided into four sectors, namely, the Infrastructure sector -  which is delivered through labour-intensive construction and maintenance methods, the environment sector – which concentrates on public environmental improvement programmes, the social sector - which focuses on public social programmes such as home-based care (HBC) and early childhood development (ECD) as vehicles for job creation and the economic sector - which uses government expenditure on goods and services to promote income-generating projects and small enterprise development (Expanded Public Works Programme Five-Year Report (2004/05 - 2008/09): 2010).

By the end of the 2008/09 financial year, Phase 1 of the EPWP reported the following gains in terms of work opportunities created in the Eastern Cape across the four sectors of the EPWP:

| 2004/5 | 2005/6 | 2006/7 | 2007/8 | 2008/9 |
|--------|--------|--------|--------|--------|
| **10205** | 16321 | 52136 | 83281 | 93741 |

*Table: 1* (Source: Expanded Public Works Programme Five-Year Report (2004/05 - 2008/09)

Phase 2 (2009 to 2014) had similar objectives to those of Phase 1 of the EPWP. The only difference was the increase in the number of work opportunities that were to be achieved by provincial government departments and municipalities implementing the EPWP. For Phase 2 of the EPWP, the national target for work opportunities was increased to 4.5 million.

As at December 2013, the following work opportunities were created under Phase 2 of the EPWP in the Eastern Cape across all EPWP sectors:

| 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/Dec* |
|---------|---------|---------|---------|-----------|
| 60637 | 68591 | 88684 | 116985 | 149867 |

**Table 2** *(Source: Eastern Cape Department of Roads and Public Works) *Available figures for the 2013/14 Financial Year figure only cover the period up to December 2013.*

## CHAPTER 3: LITERATURE REVIEW AND METHODOLOGY

### 3.1 Hypothesis

In view of the research problem and the purpose of the study elaborated earlier, the hypothesis made in this study is that:

**A:** "The success of the Vukuzakhe programme was as the result of effective acts of public entrepreneurship."

**B:** "The successful and effective acts of public entrepreneurship were demonstrated in the way in which change was orchestrated and directed, through the building of internal capacity and ability to marshal support from diverse stakeholders."

These acts of public entrepreneurship were made possible not by technical skill alone, but also by the unstinting commitment of protagonists to see the EPWP succeed in the face of inherent risks of capture of the programme by Project Consultants, politicians and local elites. Areas of success that are discussed later in the study are the exponential increase in the number of work opportunities created and improvements in the labour intensity of work performed under the Vukuzakhe programme.

As it will be demonstrated in Chapter 5, the successful acts of public entrepreneurship are distinctly at odds with the Weberian model of bureaucracy which emphasises deference to rules and hierarchical authority. Instead, public entrepreneurs shape the direction of their organisations through creative deployment of their expertise and skilful use of multiple networks and coalitions within and outside the public service. Furthermore, the study shows that the legitimacy of the goals of the Vukuzakhe programme was augmented by the successes made by the Deputy Director-General (EPWP) and the Director responsible for Community Development in orchestrating change through building internal capacity and engagement with stakeholders.

### 3.2 Literature review

The scope of the secondary literature reviewed covers the theory base for understanding public entrepreneurship and bureaucratic autonomy within the context public sector agencies and departments. The concept of entrepreneurship has not always been associated with the public sector. Weberian notions of the public sector as being overly bureaucratic, rigid and rule bound have for a long time dominated the literature on the public sector. The ideal type bureaucracy was seen as an organisation which is driven by strict hierarchy and adherence to rules. For Weber (1946), the critical elements of a bureaucracy are as follows:

> "There is [sic] the principles of fixed and official jurisdictional areas, which are generally ordered by rules, that is by laws or administrative regulations... The principles of office hierarchy and of levels of graded authority mean a firmly ordered system of super and subordination in which there is supervision of the lower offices by the higher ones ... The management of the modern office is based upon written documents ('the files'),which are preserved in their original or draught [sic] form. In general, *bureaucracy segregates official activity as something distinct from the sphere of private life* [emphasis added]. .. The management of the office follows general rules, which are more or less stable, more or less exhaustive, and which can be learned. Knowledge of these rules represents a special technical learning which the officials possess" (Weber, quoted in Diefenbach, 2011: 42).

In a Weberian bureaucracy there is no space for entrepreneurship or autonomy as civil servants are subservient to rules.However, by the late 1970s, traditional bureaucracy was viewed as unsuited for the modern state. According to Osborne and Gaebler (1992), bureaucracies " ... became bloated wasteful, ineffective. And when the world began to change, they failed to change with it" (Osborne and Gaebler, 1992: 11-12). These views ushered in the era of New Public Management (NPM), which sought to improve public management by introducing private sector and market related reforms such as performance standards, competition, parsimony in resource use, customer satisfaction, efficiency and choice. In the words of Stoker (2006), "Good new public management system gives managers the freedom to manage. Politicians exist to set goals, but then get out of the way" (Stoker, 2006: 46). For Osborne and Gaebler (1992), public management and indeed government needed to be reinvented so that it can foster entrepreneurialism[4]. Osborne and Gaebler (1992) even went as far as suggesting that young people with experience in the private and non-profit sectors should be encouraged to enter government to foster public sector entrepreneurship.

NPM has been criticised for seeing public sector through the prism of the private sector. As Kim (2010) puts it,'... the main point behind public entrepreneurship is not to make the government more business like or market savvy. Rather, the idea of public entrepreneurship is to increase opportunities to take challengeable ideas and ways to offer more public choices and benefits, providing high quality services to citizens" (Kim, 2010: 781). A similar criticism is made by Bernier and Hafsi (2007) when they argue that "…entrepreneurship in the public sector could take a somewhat different form from the type encountered in the private sector, at least because of the public sector's sprawling dimensions, its value system and its complex relationships with citizens that expect and demand more than they do, as consumers from the private enterprises they deal with" (Bernier and Hafsi, 2007: 490). Klein et al (2009) point to the inability of the NPM approach to appreciate that "public entrepreneurship ... is both enabled and constrained by a political system and institutional context" (Klein et al, 2009: 3). What is important to note here is that the public sector does not become entrepreneurial only as a result of market imperatives, there may be institutional transaction costs (North: 1990). An important point to underscore in North's theorisation is the view that performance, whether in economies or bureaucracies, is influenced by how institutions have evolved over time. Critical in this regard is the appreciation of the role played by institutions in providing structure and certainty in human relations (North, 1990: 3). North also goes on to make a distinction between formal institutions which are governed by rules, and informal institutions which are based on "conventions and codes of behaviour" (North, 1990: 4). The importance of this distinction is that it alerts us to the often encountered problem of assuming that once formal reforms have been adopted, positive change will necessarily and automatically follow. As North (1990) puts it:

> "Although formal rules may change overnight as the result of political or judicial decisions, informal constraints embodied in customs, traditions, and codes of conduct are much more impervious to deliberate policies. *These cultural constraints not only connect the past with the present and future, but provide us with a key to explaining the path to institutional change*" [Emphasis added] (North, 1990: 6).

The importance of context has also been recognised by Wilson (1989) in his work on bureaucracies. An important point that is raised by Wilson (1989) is that procedures in organisations are critical for the development of professionalism. These procedures are bolstered by standards that "... constrain the practitioners to put the client's interests ahead of their own and to engage in behavior that is most likely to produce the desired outcome" (Wilson, 1989: 163). Another key ingredient in the efficient working of organisations is the development of what Wilson (1989) refers to as "ethos and sense of duty" which are "…derived from an internalized set of professional norms" (Wilson, 1989: 167). Interestingly, Wilson (1989) cautions that organisations should not be construed as only concerned with the achievement of results. Issues of context also play an important role in determining whether or not results are achieved. As Wilson (1989) argues:

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[4] Within the context of the private sector, entrepreneurialism had long been articulated by Schum peter (1939) who referred to entrepreneurs as 'wild spirits' who engage in 'creative destruction' as they seek new innovations.

> "Public management - or at least good public management - is not so relentlessly utilitarian as to think that only results matter. One reason for this is that every public agency produces many kinds of outcomes - not just progress toward the primary goal of the agency, but also conformity to the *contextual goals and constraints in which the agency is enmeshed*" [Emphasis added] (Wilson, 1989: 168).

What is therefore important to understand is that public sector organisations innovate and become entrepreneurial not because of some private sector based performance standards, but as a response to credible threats and institutional incentives which are not driven by the pursuit of profit, but by the fear of loss imposed by existing political institutions (Ostrom: 1990).

Carpenter (2001) also elaborates on the link between the agency and politics in his seminal work on bureaucratic autonomy. Carpenter uses a historical and biographical approach to show how Gifford Pinchot, in the Division of Forestry, and Harvey Wiley in the Chemistry Division of the United States Department of Agriculture used their autonomy to show that agencies "can change the agendas and preferences of politicians and organised public" (Carpenter: 2001: 15). The following passage is worth quoting at length to illustrate Carpenter's perceptive articulation of bureaucratic autonomy during the United States Progressive Era:

> "The forging of bureaucratic autonomy in the U.S. Department of Agriculture stands as perhaps the single most impressive state-building development of the early twentieth century. Nowhere was the federal government more liberated from the strictures of local control and congressional consignment to distributive policies. Nowhere else did administrative entrepreneurs such as Harvey Wiley..., and Gifford Pinchot find themselves with the means and the mandate to launch enduring programs with stable and significant grants of leeway from Congress. Only in the Department of Agriculture did a bureaucracy command such identification with and attachment from its scientific and administrative employees. Only then - through an emerging administrative network of county agents, traveling scientists, and committed foresters and regulators - did the USDA establish a presence in urban and rural communities that only partly mediated by state and local elites. By building bureau-based reputations that were grounded in multiple networks, the department won liberation from its nineteenth-century servitude" (Carpenter, 2001: 288-289).

Key issues are instructive in Carpenter'sanalysis of bureaucratic autonomy. Firstly, bureau and division chiefs who operate below agency executives must build achievement-based reputations in order to influence the political agenda. Such capacity-based reputations were so strong at the US Department of Agriculture to the extent that "... senators and representatives bristled at Pinchot's brazen assumption of legislative power" (Carpenter, 2001: 282).

The idea of organisational reputation is further elaborated by Carpenter and Krause (2012). In their view, organisational reputation is "... a set of beliefs about an organization's capacities, intentions, history, and mission that are embedded in a network of multiple audiences" (Carpenter and Krause, 2012: 26). They go on to identify four dimensions of an agency's reputation and these are:

- "*Performance reputation* - Can the agency do the job? Can it execute charges on its responsibility in a manner that is interpreted as competent and perhaps efficient?
- *Moral reputation* - Is the agency compassionate, flexible and honest? Does it protect the interests of its clients, constituencies, and members?
- *Procedural reputation* - Does the agency follow normally accepted rules and norms, however good or bad its decisions?
- *Technical reputation* - Does the agency have the capacity and skill required for dealing in complex environments, independent of and separate from its actual performance?" (Carpenter and Krause, 2012:27).

An important point to note in this regard is that these dimensions are not always aligned and therefore agencies should decide which dimension(s) to prioritise at any given time. For example, preference for one dimension might mean disturbing another, thus causing disharmony among the agency's multiple, diverse and complex stakeholders (Carpenter and Krause, 2012). Therefore, the ability to

deal with this ambiguity determines the extent to which "... an agency's general reputation [will have] a salutary impact on its levels of discretion" (Carpenter, 2012: 30).

Secondly, the success of the US Department of Agriculture was based on building diverse networks and coalitions. To illustrate the importance of this point, Carpenter (2001), cites the example of the Pure Food and Drugs Bill in which "…Wiley brought two more forces solidly behind his bill. The first and most significant force was the two principal women's federations of the period, the Women's Christian Temperance Union and the General Federation of Women's Clubs. More than a decade before suffrage, women's federations were central organizations in Progressive social and political change" (Carpenter, 2001: 265). Thirdly, Carpenter alerts his readers to the importance of middle level officials in pushing for policy reforms. Compared to executive levels, middle level officials are more long-lasting and have horned their skills and reputations over a long period of time. However, unlike junior staffers below them, middle level officials have the necessary administrative authority to push and shape the direction of programmes within their agencies. It is precisely because of his position as Head of the Chemistry Division at the US Department of Agriculture that "Wiley maintained a ubiquitous presence in Progressive-Era America. He could whip up moral radicalism, inspire populist hopes for a renewal of Plains, conduct detailed policy discussions with members of Congress, and calmly assure business representatives that their best interests lay in regulation. In the campaign for pure food and drugs, Wiley energized [emphasis added] a bureau and founded a social movement, uniting the political and administrative energies of state building" (Carpenter, 2001: 260).

The importance of Carpenter's contribution is that it takes the analysis of public entrepreneurship beyond the NPM fads of innovation and efficiency. His work shows that forging bureaucratic autonomy and entrepreneurship is very messy and successful bureaucrats "…get their hands dirty, and they engage in coalition politics... Moving with the veneer of efficiency and neutrality, and backed by coalitions that support this reputation and the agency's program innovations, autonomous bureaucrats take command over policy. Politicians who oppose their designs are able to resist them only at great cost; rationally, they usually defer to the agency's wishes" (Carpenter, 2001b: 113). An important point in this regard is that technical capacity and efficiency alone are not enough for bureaucratic autonomy; technocratic prowess must be amplified by political astuteness. Failure to understand the political nature of Carpenter's bureaucratic autonomy has led to it being unfairly criticised as functionalist. For instance, Zelizer (2003) argues that "A functionalist outlook still guides his analysis: agencies that do their job well will succeed" (Zelizer, 2003: 62). Another criticism of Carpenter's work is that it deals superficially with the roles played by different networks in influencing policy reforms. According to Zelizer (2003), "While we see interaction between bureaucrats and different organisations in Carpenter's book, there is less about the ways in which the networks operated, their manner of communication and debate, the places where members of the network interacted and deliberated, and the divisions that existed within the networks" (Zelizer, 2003: 63).

It is also worth noting that there is no unanimity of views about the most appropriate level of an official in the bureau to be able to effect bureaucratic autonomy. For instance, Bernier and Hafsi (2007) argue that managers at the top of their organisations are indispensable to the forging of public entrepreneurship. Their argument is that:

> "Entrepreneurship does not emerge without leadership at the top that fosters it. The manager at the top is the "incubator" of entrepreneurship. Managers at the top play a key, pivotal role, setting priorities, undertaking interorganizational initiatives where appropriate, and encouraging and rewarding actors for their contributions. Managers at the top also play a significant symbolic role, defining new standards and values for innovation, proactiveness, and occasionally, reasonable risk taking" (Bernier and Hafsi, 2007: 494).

Lewis (1980) also focuses on the role played by strong top leaders such as Hyman Rickover, J. Edgar Hoover and Robert Moses in shaping public entrepreneurship. For him, the top manager or executive is "…a person who creates or profoundly elaborates a public organization so as to alter greatly the existing pattern of allocation of public resources" (Lewis, 1980: 9). However, Burgelman (1985) criticises the focus on a few top executives and argues that:

"... public entrepreneurs, like corporate entrepreneurs, are the driving force of change in their organizations. Like corporate entrepreneurs, they are usually not situated at the top but, rather, are deep in the organization where their technical prowess and opportunistic alertness provide the basis for acting in radically new and strictly autonomous ways... while still remaining embedded in their organizations" (Burgelman, 1985: 595-596).

Borins (2000) also found that the majority (48%) of those who initiated and sustained public entrepreneurship were "…career public servants below the agency head level, that is middle managers" (Borins, 2000: 500).

While it is an interesting academic exercise to determine the location of the drivers of public entrepreneurship in a bureau's perking order, other writers have suggested other ways of looking at this issue. For instance, Ostrom (1990) has argued for an approach that views public entrepreneurship as an exercise in 'collective action' rather than something that is driven by a lone person at the top. This 'collective action' is achieved by "Entities... [which] engage in extensive horizontal as well as vertical interrelationships" (Ostrom, 2005: 2).

Linked to the debate about top executives and middle managers, is the discussion about whether public entrepreneurship is mostly driven by individuals (psychological factors) or it is better understood as a systemic process that is heavily influenced by contextual and institutional factors. Bernier and Hafsi (2007) argue that individual entrepreneurship emerges when the organisation is young and small. In their view, "The emergence of individual heroic entrepreneurship is associated with the creation of a new organization or the design of new activities that are intended to provide a specific and concrete product or service to the population" (Bernier and Hafsi, 2007, 495). These new organisations thrive under an individual entrepreneur because they are stable and governed by rules and formal codes (Bernier and Hafsi, 2007). Individuals with certain psychological and behavioural traits are said to appear and lead entrepreneurship in organisations. The often cited traits are "... persuasiveness, the liberal use of rhetoric, spirit, faith, trust, intuition, judgement and character" (Mack, 2008, 235-236). However, this school of thought has been criticised as "... it fails to account for the fact that many people with similar characteristics or similar work and living settings as the entrepreneurs they identified did not become entrepreneurs" (Mack, 2008: 238). Another critique of the individual approach to public entrepreneurship is that it ignores the group process and privileges the work of a dynamic few who are at the higher echelons of an organisation (Mack, 2008). By contrast, these authors argue that "Systemic entrepreneurship is associated with weak governments facing a complex environment, as well as complex organizations. Its development is made easier by a crisis situation" (Bernier and Hafsi, 2007: 496). Complexity and crisis in organisations therefore necessitates an incremental process which is driven by multiple players. While recognising the existence of individual acts of entrepreneurship in particular contexts, Bernier and Hafsi (2007) conclude that:

> "Entrepreneurship is a systemic phenomenon that requires a high level of cooperation among specialized actors within the system. The actors at the top safeguard the operations of the system as a whole and manage all other actors' willingness to cooperate. The actors at the bottom innovate, while those in the middle reconcile manager's desire to innovate at the bottom with the orientations and concerns at the top" Bernier and Hafsi, 2007: 494).

Another important contribution to the study of public entrepreneurship is the research that seeks to bridge the often cited dichotomy between public and private sector entrepreneurship. Key in this regard is the work of Ostrom (1990) where she argues that unlocking the human potential of individuals requires an opening of both public and private sectors in order to maximise collective action and reduce free-riding. In her view, "…effective public entrepreneurship requires the co-evolution of active public enterprise system together with a vigorous private enterprise system" (Ostrom, 2005: 2). Borins (2000) also warns against the rigid separation of the public and private sectors in public entrepreneurship as successful public sector innovators use "…the private sector to achieve public purposes" {Borins, 2000: 501). According to Cahn and Clemence (2011), "For parts of the public sector, passing the risk of failure to the private sector clearly is the right way forward…" (Cahn and Clemence, 2011: 34). This is argued because the public sector tends to be too risk averse

and is likely to shy away from programmes which have a potential to fail as they fear legislative, public and media scrutiny. Referring to public entrepreneurship in the British civil service, Cahn and Clemence (2011) pose a very pointed question: "Are we asking the impossible? To borrow from Schumpeter again, Whitehall is being asked to be creative, without legitimising the necessary destruction?" (Cahn and Clemence, 2011: 12)

### 3.3 Methodology

The research design is primarily informed by the grounded theory approach, which uses insights gained from the literature reviewed above to formulate key research questions. Semi-structured questionnaires have been used to get biographical and programme information and acts of public entrepreneurship from key informants. Questionnaires were administered to the former Deputy Director-General (DDG) responsible for the Expanded Public Works Programme at the Department Roads and Public Works, the Director who worked with and was under the mentorship of the DGG and the Project Coordinator responsible for the Vukuzakhe programme.

These interviews, particularly those conducted with the DDG and the Director, are used to demonstrate how public entrepreneurship was deployed to orchestrate and direct change through the building of internal capacity and marshalling of support from different stakeholders. The works of Carpenter (2001) on bureaucratic autonomy and bureau based reputations, Ostrom (1990} on collective action and Borins (2000) on the role of middle level managers in forging public entrepreneurship are instructive in the methodological approach adopted in this study.

## CHAPTER 4: THE SCALING UP OF VUKUZENZELE

From 2002 to 2014, the Vukuzakhe Programme had 39 975 beneficiaries spread throughout the Province of the Eastern. This growth was remarkable as it was achieved by one institution, namely the Department of Roads and Public Works. The first Phase of the EPWP (2004 - 2009) is viewed as formative as the Department was still setting up and institutionalising procedures and processes for the implementation of the Vukuzakhe programme.

The scale up of the Vukuzakhe programme is shown in the table below.

| FINANCIAL YEAR | NUMBER OF WORK OPPORTUNITIES CREATED | NUMBER OF FULL-TIME EQUIVALENTS CREATED[5] |
|---|---|---|
| 2002-2003 | 1 500 | 652 |
| 2004-2005 | 2 000 | 835 |
| 2005-2006 | 1 950 | 814 |
| 2006-2007 | 2 950 | 1 231 |
| 2007-2008 | 5 000 | 2 087 |
| 2008-2009 | 11 000 | 7 898 |
| 2009-2010 | 19 468 | 6 954 |
| 2010-2011 | 23 351 | 7 241 |
| 2011-2012 | 29 666 | 7 956 |
| 2012-13 | 37086 | 9 286 |
| | | |

*Table 3: Number of work opportunities created by the Vukuzakhe programme from 2002 to 2014. (Source: Eastern Cape Department of Roads and Public Works).*

From the analysis of administrative data available and interviews conducted with EPWP (Vukuzakhe) implementers at the Department of Roads and Public Works, the pattern and trajectory of achievements from 2004 to 2008 can be explained in a number of ways. Firstly, during Phase 1 of the EPWP, Provincial Departments were given latitude to determine their own beneficiary targets based on budget allocations from the Provincial Treasury. There was no additional budget for Vukuzakhe as the buzzword at the time was "budget reorientation" meaning that EPWP interventions must be financed using existing budgets allocated for the core business of the Department such as roads and public buildings construction. According to the Project Coordinator responsible for Vukuzakhe there was " ... therefore no fiscal incentive and space to increase Vukuzakhe beneficiaries as our concern was to concentrate on funding current beneficiary liabilities." Secondly, the period from 2002 to 2008 is seen as a formative phase for Vukuzakhe as the Eastern Cape Department of Roads and Public Works had to focus on building its implementation capacity to drive Vukuzakhe. The EPWP Coordinator further stated that "Consultants were supposed to be hired for only two years from 2002 to set up the programme, and thereafter a political decision was taken by the then Member of the Executive Council (ME() responsible for Roads and Public Works to build the capacity of the Department to implement Vukuzakhe using internal human resources." (Vukuzakhe Project Coordinator: EPWP, 29 July 2015).

From the period beginning from 2008 to December 2014 (Phase 2 of the EPWP), key policy decisions and public management systems came into play. These policy decisions and public management systems influenced the performance of Vukuzakhe in the following ways. Firstly, targets for EPWP

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5  Full-time equivalents are used as a basis for calculating the duration of work opportunities created. 1 full -time equivalent is equal to 230 days of work performed over a period of 1 year. The formula used to arrive at a full-time equivalent is the total number of workdays divided by 230.

recipients were now set by the National Department of Public Works and Provinces were expected to meet or surpass these targets. Secondly, a system of incentives was introduced to encourage implementers of the EPWP to meet or exceed set targets. This system was called the EPWP Integrated Incentive Grant through which additional budget allocations were disbursed to EPWP implementing Departments based on their performance. In order to assist the understanding of this incentive system, an EPWP Incentive Grant for Provinces and Municipalities Implementation Manual was developed by the National Department of Public Works in 2010. According to this Manual:

> "[The] ... objective in establishing the EPWP Incentive Grant is to increase the amount of work created by public bodies through the EPWP. It aims to achieve this objective by rewarding those public bodies that use their existing budgets in a manner that maximises the amount of person days of work they create" (EPWP Incentive Grant Implementation Manual, 2010:10).

The Manual further states that:

> "The EPWP Incentive Grant...has an indicative incentive allocation per public body which can be accessed; however, the portion that is disbursed is entirely based on the in-year EPWP performance of a public body with regards to the amount of work created. The incentive reward that a public body can receive is not pre-determined, but will depend on the actual validated EPWP performance of the public body. The better a public body performs i.e. the more work it creates, the higher the reward" (ibid).

Thirdly, various toolkits and replication templates were issued by the National Department of Public Works and the KwaZulu-Natal Department of Transport prescribing the "best" practical and institutional arrangements for implementation. The widely known of these "best practice" documents is the one entitled Guidelines for Replicating the Zibambele Programme[6] (2009). The institutional structure recommended in the Zibambele "best practice" is as follows:

### A Programme Manager - Head Office

"Duties [of the Programme Manager] include the overall coordination, monitoring, evaluation and reporting on the programme ... The Programme Manager should be expected to establish a database that identifies all roads and road sections within the system as well as contractor[7] details (date of award, date of renewal, identity numbers, bank accounts, etc). It is recommended that preference be given to candidates who have a social science or equivalent degree and knowledge of technical requirements" (Guidelines for Replicating the Zibambe!e Programme, 2009: 23).

### Zibambele Area Manager - Reports to the Programme Manager

"Duties fof the Area Manager] include the management of Zibambele supervisors, overseeing the selection of Zibambele contractors, purchase and distribution of tools, liaison with local banks and the Department of Home Affairs and the establishment of savings clubs. The Area Manager requires strong management and administrative skills" (ibid).

### Zibambele Supervisor - Reports to Zibambele Area Manager

"Duties [of the Supervisor] include the selection of roads, setting out roads into lengths, technical training and supervision of contractors, quality control, delivery of tools and materials, maintenance planning and road safety. The Zibambele Supervisor is the interface between the contractors, community, government/municipality, traditional authorities and Head Office. The Supervisor must submit monthly performance reports, on the contractor's productivity and quality of work to the Area Manager. The Supervisor requires supervisory and technical skills..." (ibid).

The Zibambele Guidelines also went further to prescribe a Selection Process of Maintenance Contractors. The contents of the selection process are worth reproducing in full not only for the exuberant language used, but also to reveal the unfazed fixation with public management

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[6] Zibambele (Doing it for ourselves in isiZulu) is a KwaZulu-Natal labour intensive road maintenance programme similar to Vukuzakhe. Zibambele was established in 1999 and by 2005 it had 25 267 beneficiaries.
[7] Contractors in this context relate to EPWP beneficiaries.

engineering, romantic and paternalistic notions about communities. The selection process to be undertaken is stated as follows:

> "The Zibambele Area Manager must brief the local traditional authority and/or councillor who will then invite the community living in proximity to the selected road to a roadside community meeting. The Area Manager will explain the principles of the Zibambele system. The Area Manager should be sensitive to the fact that there is pervasive rural poverty and that generally everyone present will hope to benefit from the programme. In most instances people come to the meetings with mistaken expectations. It is like "broken down telephones". The message goes out as one thing but what people hear is something else. The message they hear is that government is coming to interview unemployed people for jobs. Everyone turns up expecting to be interviewed. Sometimes about 100 people arrive expecting jobs and out of these only 3 will be selected. Invariably most of those who turn up are men.

> Community meetings concerning local job opportunities are particularly difficult to steer towards a successful conclusion. It is hard work talking, explaining and hearing people's complaints. It is especially difficult to control meetings that are held in the afternoon as such meetings tend to attract more people who are inebriated. The men in particular will probably complain. They will complain that they are the head of the household and that because Zibambele programme targets women it undermines them. The Area Manager will have to diplomatically explain that there are many women who are household heads and who have been left to look after their children on their own. This is not usually the case for male heads of households. They should also explain that women will usually put their children first and that is why they have been prioritised in this programme.

> The selection process is particularly time consuming and difficult. At the beginning of the meeting all who attend will claim to be poor. The Area Manager must emphasise that the programme is designed to target those that the community themselves consider to be most destitute and that a starting point in this regard is to nominate these households without any regular source of income. The community should nominate households and, by way of discussion, identify the neediest households from the nominees. Sometimes people who are not at the meeting are nominated. They have to be found and brought to the meeting.

> In some instances households will already have been selected by the traditional authority or local councillor. The Area Manager then has to ensure that the whole community agrees that the chosen candidates are in fact the most appropriate and, if not, will have to tactfully steer the community towards candidates who are the most deserving. In most instances, the selection of Zibambele contractors is the first truly democratic process that the community will have experienced as generally decisions are taken by local leaders.

> In KwaZulu-Natal a particularly positive outcome of the selection process has been its contribution to peace initiatives. The democratic process has been reinforced as, for many, it was the first time that they participated in a programme that is transparent and where the final selection is not based on a person'sinfluence in the community and there is no bribery involved.

> The selection process will result in exposing levels of grinding poverty that truly shock. It is traumatic for everyone, including departmental staff, to have so many genuinely destitute households and so few Zibambele opportunities. Inevitably many deserving candidates do not get contracts. The Area Manager should end the selection process by outlining other government programmes that target creating opportunities for the poor" (ibid: 17-18).

After conducting a study tour to KwaZulu-Natal[8], the Zibambele institutional and operating model was in 2002 adopted by the Eastern Cape Department of Roads and Public Works when it developed the

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[8] This study tour took place before the Zibambele replication document was developed. As early as 2002, the KwaZulu-Natal Department of Transport was already regarded as a pioneer in labour intensive maintenance works as it was the first Province in South Africa to implement such programmes.

Vukuzakhe programme. The Departmental structure recommended in Zibambele was reproduced in the Eastern Cape Department of Roads and Public Works and the "community targeting" approach was also replicated. The Eastern Cape Department of Roads and Public Works developed its own "best practice" guidelines[9] which without a doubt mimicked what is contained in the Zibambele experience. Not to be outdone by the Zibambele "best practice model" Vukuzakhe added other layers of bureaucracy on its institutional arrangements. These were the Regional Programme Manager, the Regional Assistant Manager, Project Coordinators and Administrative Officers (Vukuzakhe Household Contractor Implementation Protocol, 2010: 14-16). Ostensibly, the replication was supported as it meant that the Eastern Cape did not have to reinvent the wheel and waste time devising institutional arrangements "at the expense of giving work opportunities to the poor.

While the impact of this approach to meeting targets (in terms of work opportunities created) is well documented in administrative data, the role played by various stakeholders at different levels has not been properly understood by policy makers and implementers due to assumptions made about the replicability of best practices.

### 4.1 Policy assumptions in respect of institutional arrangements that informed the development and implementation of CPBWP and the EPWP

The institutional arrangements that informed CBPWP and later the EPWP, evolved from a "complex chain of authority and delegation" (borrowing from the World Bank Report of 2004) by various stakeholders to increasing state control and direction in the implementation of the EPWP. In 1994, the RDP as a development framework of the new democratic government was instrumental in positioning participation and involvement of communities at the centre of CBPWP development programmes. This is indicated by the explicit evocation of the objective to "…build the capacity of communities to manage their own affairs, [and] strengthening of local government and other community based institutions ... " (McCord, 2003: 8). To be sure, these inclusive and "community driven development" approaches were informed by South Africa's history and context which on the whole was characterised by attempts to break away from the apartheid legacy of undemocratic decision making and outright oppression of the majority. In line with the RDP forums[10], the CBPWP set up elaborate participatory and representative structures, through which communities, assisted by the private sector and NGOs, identified and co-managed CBPWP projects. For instance, the Vukuzakhe infrastructure maintenance programme in the Eastern Cape had established elaborate community structures such as project steering committees and community project overseers with specific roles and responsibilities in the identification and management of CBPWP projects (Eastern Cape Department of Roads and Public Works, 2011). Similar structures were established in KwaZulu-Natal and these were called Rural Transport Forums which acted as advisory structures to government officials and technicians (McCord, 2003). A key feature of the CBPWP was that project funds were allocated to provincial Departments of Roads and Public Works which in turn invited applications for funding from communities. After receiving applications from communities, the provincial Departments of Roads and Public Works would then transfer funds into community bank accounts for the implementation of projects. Communities would in turn appoint project designers and trainers based on proposals deemed to be appropriate to local conditions and needs (Parliamentary Monitoring Group, May 2000). While the capacity of communities to complete funding applications and interact with project designs is questionable, the CBPWP era from 1994 to 2004, can arguably be seen to encapsulate to a large extent key features of what the World Bank Report of 2004 referred to as the "short-route" to governance and institutional development with citizen' s "voice" taking a central role in the management of CBPWP projects, albeit in close collaboration with government and private providers.

With the ushering in of the EPWP in 2004 public works programmes saw the advent of more state involvement in the implementation of projects. When the then President Mbeki launched the EPWP in

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[9] The Eastern Cape Guidelines is called Vukuzakhe Household Contractor Implementation Protocol.
[10] RDP forums were established as representative platforms in communities through which communities were expected to contribute to development planning and implementation (Adato, Hoddinott and Haddad: 2005).

2004, he made no mention of the EPWP as a "community-driven development" programme. Instead, emphasis was put on the state's role in providing public goods and services to communities. As one of the objectives of the EPWP, President Mbeki stated that the EPWP would assist in the " ... provision of needed public goods and services, labour intensively, at acceptable standards, through mainly public sector resources, and private sector implementation capacity" (Expanded Public Works Programme Five Year Report, 2010: 15). It therefore appears that "community-driven development" was by now not an end in itself, but was at best a means to achieving quality assets and job creation. To this end, providers both public and private, would take centre stage in an effort to achieve "acceptable standards" in the implementation of the newly configured EPWP. This new approach to the EPWP might also be seen to be akin to what has been referred to as the "New public management (NPM) reform efforts aimed at strengthening the results orientation of the public sector"(Levy, 2014: 136). "Community-driven development" and participatory ideals of the RDP era were seemingly jettisoned in favour of the "long-route of accountability" in development in general, and community institutional development in particular. New buzzwords in this "long-route of accountability" were "capacity building" and "training" of communities with private providers and bureaucrats deciding what skills communities required for their development. In turn, communities are expected to be inadvertent ventriloquists and mimic best practices as churned out by experts[11] and bureaucrats.

Notwithstanding the official policy pronouncements, both in favour of "community-driven development" and technocratic "best practice" approaches, one of the most germane contributions of this work would be to ascertain the extent to which these approaches were mediated and influenced by actors such as Project Consultants and local political elites. Also key in this regard is the exploration of acts of public entrepreneurship that sought to push back the capture of the Vukuzakhe programme by Project consultants and local politicians.

### 4.2 Intended EPWP beneficiaries and how they are targeted

From the onset of the CBPWP in 1994, the intended beneficiaries were stated as the poorest communities, women, youth and people with disabilities. Similarly, EPWP in 2004 pronounced that the primary targets of the EPWP were the:

- "Unemployed who were able and willing to work.
- Largely unskilled.
- People not receiving social grants.
- Poor.
- Women.
- People with disabilities.
- Youth, of which an estimated 70% were unemployed at the time (Expanded Public Works Programme" Five-Year Report (2004/05 - 2008/09), 2010: 15).

From 2004 onwards, the EPWP further allocated benchmarks for targeting EPWP beneficiaries. As per the EPWP Guidelines published by the National Department of Public Works, all EPWP projects had to have categorical targeting composed of women (55%), youth (40%) and people with disabilities (2%) (Department of Public Work, 2004).

To assist with the achievement of categorical targeting, the National Department of Public Works also advised implementers of the EPWP to use the following methods of targeting:

- **Geographical targeting** through which implementers would focus EPWP interventions in areas of high poverty and unemployment;
- **Self-selection** through which beneficiaries self-select on the basis of the wage rate offered; and
- **Community selection** through which communities identify the "most deserving" beneficiaries for the EPWP projects.

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[11] Bill Easterly calls this approach to development "the tyranny of experts" (Easterly: 2013).

### 4.3 A shift from community – driven development aspirations to a bureaucracy – driven EPWP

From the preceding discussion it is clear that Vukuzakhe took a different trajectory during a period when the National Department of Public works decided to abandon the rhetoric of "community participation" and "community involvement" in the design and implementation of the EPWP. The optimistic aspirations of the CBPWP had by mid-2000 given way to a New Public Management (NPM) discourse which privileged bureaucratic knowledge and skills over community control and agency. The thinking that came with the establishment of the EPWP of the mid-2000s onwards is in stark contrast to the rhetoric of the mid-1990s. Then, the National Department of Public Works had pronounced that:

> "The CBPWP (Community-Based Public Works Programme) believes that projects should have strong community participation. The community should control all processes leading to the ultimate establishment of the asset. This means that even before the process of institution building occurs, the total community should have adequately and actively participated in all the aspects of the second phase i.e., project conception and prioritization. Further, this means that the community through its representative community structure, should make the decisions about what should be constructed, how it should be designed and constructed, who should work on the project, as well as the rates and system of employment" (Department of Public Works, 1996: 38, [Emphasis added]).

By 2004 emphasis had shifted from flirtation with "community-driven development" to state-driven development with bureaucrats "… assisting the rural poor to organise to engage government and to take better advantage of the new policy environment and programmes designed to improve their quality of life" (Vukuzakhe Household Contractor Implementation Protocol, 2010: 9).

What is interesting to note however is that "community-driven development" epithets still remained in use, albeit at the level of rhetoric. There was a lack of concomitant initiatives to increase the participation of communities in developing, managing and implementing EPWP projects. Save for some sporadic training interventions in "life skills", any pretensions to meaningful community empowerment were at best done as lip service, and at worst jettisoned in favour of bureaucratic control of the Vukuzakhe programme. However, as it is discussed later, aspirations to assert bureaucratic control over the Vukuzakhe programme were dashed by the increasing role of Project Consultants in the programme.

Whether this shift from "community-driven development" to "bureaucracy-driven development" is indicative of an emerging confidence by the state to manage large-scale projects remains highly debatable. Issues of poor supervision of beneficiary contractors by government functionaries, the poor quality of the asset being maintained and the use of labour extensive[12] instead of labour intensive methods in maintenance continued to bedevil the Vukuzakhe maintenance programme (Findings of the Portfolio Committee on Roads and Public Works, 2010, 2011 and 2012). For the purpose of this study, an interesting development to uncover is the way in which various stakeholders navigate their way through this maze of "best practice" institutional arrangements. In other words, the "shoulds" as espoused by official documents will be tested against the reality of the capture of the programme by Project Consultants and local political elites. Furthermore, the scale up of the Vukuzakhe programme left out a critical target group, that is, people with disabilities.

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[12] Professor McCutheoun of the Wits School of Engineering who is a leading scholar of Labour based construction methods makes a distinction between labour extensive and labour intensive methods. The former refers to methods that merely use labour without due regard to the value that labour adds to the asset being maintained or constructed. By contrast, labour intensive methods ensure that there is a concomitant value added to the asset judged by the labour factor employed.

### 4.4 Assessing the outcomes of public entrepreneurship under the Vukuzakhe Programme

The efficacy of public entrepreneurship is assessed through the outcomes achieved by the Vukuzakhe programme. These outcomes relate to the pushing back of capture of the programme by Project Consultants, local political elites and measures undertaken to roll back the marginalisation of people with disabilities in the implementation of the programme. There are also intermediate outcomes which involve a significant increase in the number of work opportunities and the associated furl-time equivalents created, improvements in the labour intensity of the work performed, enhancement of internal capabilities of the Vukuzakhe staffers and advances made in augmenting the quality multi-stakeholder interactions in the Vukuzakhe programme. These outcomes are discussed in greater detail in Chapter 5.

## CHAPTER 5: PUBLIC ENTREPPRENEURSHIP IN ACTION

The areas of capture of the Vukuzakhe programme by Project Consultants, local political elites and the marginalisation of people with disabilities illustrate how public entrepreneurship was forged by the two individuals who were interviewed. The two officials are the former Deputy Director-General responsible for the Expanded Public Works Programme and the Director: Community Development, whose sub-programme deals with the planning and implementation of the Vukuzakhe programme.

### 5.1 A brief biographical account of the Deputy Director – General

The Deputy Director-General (DDG) has a long and illustrious history in the Eastern Cape Public Service. When he retired in 2013, he had served the public service for 35 years. 17 years of this service had been with the erstwhile Homeland Government of the Ciskei. The intriguing part of the DDG's life is that he had spent two years of his career as Cabinet Minister in the government of one of the most loathed homeland leaders, Brigadier Oupa Gqozo[13]. In his response to this somewhat odd career, the DDG stated that 3 years before the unbanning of the African National Congress (ANC) in 1990, the ANC had taken a decision to encourage those sympathetic to it to be part of homeland governments "with the view to destabilise the Bantustan system from within" (Interview with the DDG, 24 May 2015). He maintains that throughout his adult life he had been an active member of political formations sympathetic to the ANC such as the United Democratic Front (UDF). However, "…this was not widely known by the political leadership of the Ciskei government as he was given the cabinet post as a result of his experience and knowledge of the public service" (Interview with the DDG, 24 May 2015).

His career as a civil servant started in 1978 when he was appointed as a junior clerk at the Cape Provincial Administration (CPA) agricultural parastatal called Limoko in King Williams Town. He attributes his appointment to this position to the fact of "…the insistence to conduct his entire interview in Afrikaans to the delight of his prospective boss, the ill- educated Mr Freek van Niekerk[14] " (Interview with the DDG, 26 May, 2015). This derision of his boss may have been triggered by his sense of achievement in having obtained an Honours Degree in Public Administration from the University of Fort Hare. According to the DDG, "in those days, black Africans could only rise to be Senior Clerks in the Cape Provincial Administration" (Interview with the DDG, 23 May 2015). The DDG'scareer started to flourish when the Ciskei got its "independence" in 1983, and he was promoted to the position of Deputy Director at the Department of Agriculture. In his view, this period was marked by "chaos and possibilities" as spaces were beginning to open for black civil servants to "steer the Bantustan administration towards a professional bureaucracy" (Interview with the DOG, 23 May 2015}. When asked about what was by meant by a "professional bureaucracy" within the corridors of a homeland civil service, his answer was as acerbic as it was hopeful. "We had to work within the rotten patronage of the Bantustan regime, and to pretend that it did not exist would have been naive in the highest degree - for the few of us who understood the precariousness of the homeland system, the stark choice was between perpetuating the rot in the system or recruit young and capable civil servants who would serve the future South Africa with integrity" (Interview with the DDG, 26 May 2015). However, these nascent attempts at developing a professional bureaucracy were thwarted by "a sea of incompetent and corrupt bureaucrats whose only means of survival was their blind loyalty to the

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[13] Brigadier Gqozo is infamous for having ordered the killing of protestors in what became known as the Bhisho Massacre in 1992.

[14] The DDGs family had been affected by the forced removal laws of the Apartheid regime for suspicion of aiding internal and foreign based agitators. His family was in 1975 banished from Beaufort West (in the Western Cape) to Dimbaza in the Eastern Cape.

ruling Ciskei National Independence Party of the first Prime Minister of the Ciskei, Mr Lennox Sebe" (Interview with the DOG, 26 May 2015). According to the DOG, what kept him going was his "... desire to master the rules of the game and use his knowledge to put a semblance of sanity into the chaos that was the Ciskei bureaucracy" (Interview with the DOG, 26 May 2015).

Three years later in 1986, he was promoted to the position of Chief Director: Infrastructure Programmes at the Department of Public Works. He believes that the reason for his meteoric rise up the ranks (jumping a level of Director to that of Chief Director} was the fact that he had "…become a trusted hand in the bureaucracy due his ability to strike a balance between adherence to bureaucratic prescripts and rendering workable the insatiable desire by the Ciskei government to deliver on prestige infrastructure projects which were funded by Pretoria" (Interview with the DOG, 26 May 2015). It is this "success[15]" in managing these projects that the DOG was in 1998 appointed (to his "shock and disbelief')as Minister of Public Works in the Cabinet of Brigadier Oupa Gqozo who had a year earlier toppled Prime Minister Lennox Sebe in a coup de' tat. The DDG was dismissed from his post as a Minister in 1990 as he was suspected of being "a mole of the ANC" (Interview with the DDG, 26 May 2015).

The DDG spent the three years from 1990 to 1993 "as an open activist of the ANC and became vocal in debates about the future posture of the civil service in a democratic South Africa" (Interview with the DOG, 26 May 2015). With the advent of the democracy he was in 1995 appointed as a Chief Director: Administration at the Department of Public Works with "a clear mandate to recruit progressive cadres[16] into the senior management echelons of the Department. Noted for his experience in public administration, albeit gained through the Bantustan system, the DDG was one of senior civil servant who were sent by the new ANC government on a one year sabbatical to hone their skills in cutting edge public sector management thinking to the United Kingdom Civil Service College in Essex. The DDG remembers how "South Africans engaged in spirited debates with faculty members at the Civil Service College about inherent contradictions between meritocracy and the need to transform a racially and ethnically divided civil service in South Africa" (Interview with the DDG, 26 May 2015).

His attempts at transforming the senior management levels of the Department were frustrated by the fact that before its demise, the "Ciskei Bantustan government had promoted hundreds of unqualified and incompetent bureaucrats to senior management[17] positions " (Interview with the DDG, 26 May 2015). Eleven years later in 2006, the DDG was promoted to the position of Deputy Director-General responsible for Administration and the Expanded Public Works Programme.[18] Until his retirement in 2013, the DDG was at the centre of public entrepreneurship in the Vukuzakhe infrastructure programme, and his acts of public entrepreneurship are a subject of discussion in the sub-sections on pushing back the capture of the Vukuzakhe programme by Project Consultants and local political elites.

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[15] The DDG prefers to call his success as "self-serving deception" because while he did not believe in the viability of these grand projects, he saw them as them as a means through which he can advance his career. In his view, he was also flattered to note that he was the only black African civil servant who had the bureaucratic gravitas to deliver on the grand projects of the Ciskei government such as the Ciskei Airport of Bulembu just outside King Williams Town. The technical expertise for building this airport was provided by the Government of Israel.

[16] In the DDGs view, "progressive cadres" were those with struggle credentials and had either been in exile or engaged in ANC aligned politics internally.

[17] This is now a very well researched area of the Homeland public administration. For instance, Picard (2005) has written about the "packing [the Homeland public sector] with officials most close!y identified with the political interests of the homeland leaders, many of whom proceeded rapidly up the promotion ladder" (Picard, 2005: 299). Picard also notes that after 1994, " ... affirmative action needs were quickly met through the integration of homeland administrators into the new provincial system" (Picard, 2005: 307).

[18] The author of this study joined the Department in 2008 as the Chief Director responsible for the Expanded Public Works Programme and worked under the supervision of the DDG.

### 5.2 A brief biographical account of the Director: Community Development

The Director responsible for Community Development joined the Department of Public Works in 1997 as an Assistant Director in charge of Human Resource Development. In 1995, he had graduated from the University of Fort Hare with an Honours Degree in Development Studies. He was recruited by the Deputy Director-General and worked under the tutelage of the DDG until his retirement in 2013. From 1997 to 2005, the Director worked very closely with the DDG in the Administration branch of the Department and for the first two years the Director was "battling to get into grips with the numerous public sector laws and regulations" (Interview with the Director, 5 June 2015). With the assistance of the DDG he found himself "at the centre of efforts to develop numerous recruitment and retention policies for the Department" (Interview with the Director, 5 June 2015). As the "right hand man of the DOG", he was given enough leeway "to influence the capacitation strategies that would ensure that the Department effectively carried its mandate" (Interview with the Director, 5 June 2015). He notes that to be at the centre of policy development in the Department as a junior staffer was unheard of, "as it was the norm that only those in the ranks of Director and above were involved in such strategic matters of the Department" (Interview with the Director, 5 June 2015). He credits the DDG for having given him the support and guidance he needed as an inexperienced public servant.

When the DOG was promoted in 2006, the Director was appointed to act in the position of Deputy-Director: Community Development with the key responsibility of implementing the Vukuzakhe programme. When the position of Director was advertised, he was encouraged to put in an application and was subsequently appointed to the post in January 2007. While he had no doubt about his qualifications to do the job, he was nonetheless "terrified by the prospect of having to coordinate and implement the Vukuzakhe programme throughout the Province of the Eastern Cape" (Interview with the Director, 5 June 2015). His fear was exacerbated by the fact that there were Deputy Directors who had been implementing the Vukuzakhe programme since its inception in 2002. While the numbers of Vukuzakhe participants had steadily grown between 2002 and 2007, institutional capacity challenges within the Department had meant that "most of the work was outsourced to consultants" (Interview with the Director, 5 June 2015). His first task was to develop a capacitation plan for the implementation of the Vukuzakhe programme within the Directorate. The experience he had gained in his previous job would put him in good stead to deal with these tasks, particularly through the partnerships he was to develop (assisted by the DDG and the Chief Director) with other government agencies such as the South African Post Office and Nelson Mandela Metropolitan University. These issues are elaborated on later in the study.

### 5.3 Institutional context for public entrepreneurship

The Departments of Roads and Transport and later Roads and Public Works, to which the Vukuzakhe programme was transferred in 2010, is a massive bureaucracy employing people in excess of 5 000. Employees are not only located at Head Office in Bhisho, but also spread in six districts of the Eastern Cape[19]. The Department is highly complex with a big budget to deliver on its mandate[20]. With the advent of democracy in 1994, the disparate bureaucracies of the Cape Provincial Administration (CPA), Ciskei and Transkei Homelands were merged to form one Provincial Department of Roads and Public Works. This meant putting together administrations with divergent cultures with the CPA dominated by white bureaucrats, while the former Homeland departments were mostly led by Black African administrators. Even after the ushering of the democratic dispensation in 1994, the Department of Roads and Public Works was still characterised by a division between whites who dominated technical fields such as civil engineering, quantity surveying and architecture, whilst former Homeland bureaucrats were mostly placed in administrative support functions of the Department.

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[19] These districts are Amathole, Alfred Nzo, Chris Hani, Joe Gqabi, 0.R. Tambo and Sarah Baartman
[20] For instance, the Department of Roads and Public Works had a budget of R3.5 billion in the 2012/13 financial year.

According to the DOG, this schism meant that the leadership of the Department needed to strike a delicate balance between assuaging the "the fears of the white technical elite and the restlessness of the emerging majority of African civil servants who saw themselves as being disrespected by their white counterparts" (Interview with the DOG, 26 May 2015). This state of affairs was aggravated by the fact that "the newly appointed and inexperienced political principals (Members of the Executive Council - MECs) who form part of the Provincial Cabinet were distrustful of the white technical elite and uneasy about their commitment to the transformation agenda of the new ANC government[21]". The DOG saw himself "as a person who could be trusted and was able to build bridges between white and black administrators, whilst at the same time he could exploit those tensions to the benefit of his programmes and use the mistrust between the MECs and the white technical elite in the Department to advance his aspirations for the Vukuzakhe programme" (Interview with the DOG, 26 May 2015).

Another institutional feature of the Department was the division between what was perceived as core and non-core mandates of the Department. According to the Director: community Development, "the core mandate of the Department was seen to be functions that had to do with the construction of roads and public amenities such as schools and hospitals, and the Vukuzakhe programme was a subsidiary employment creation function" (Interview with the Director, 5 June 2015). This observation is useful as it points to the alliances built between the "technical elite" within the Department and Project Consultants who played an increasing role in the implementation of the Vukuzakhe programme. The contestation between core and non-core mandates of the Department would play itself out in the Vukuzakhe programme, and become an interesting theatre of public entrepreneurship actions to reverse the capture of the Vukuzakhe programme by Project Consultants. With these turf wars raging within the Department, the DOG realised that "the need for change came as a result of crises within and outside the Department, and dealing the crises became an immense challenge" (Interview with the DOG, 26 May 2015).

In the DDG's view, the crises presented itself in a number of ways. Firstly, "there was an internal problem which was driven by the limited capacity of the Vukuzakhe programme to optimally use available funds for the benefit of its participants due to the programme's rapid growth rate". Secondly, "there was pressure from politicians - both within and outside the Department". Within the Department, MECs became increasingly frustrated by accusations from local political elites and communities that their Departments were "sources of enrichment for Project Consultants". Thirdly, "the disability sector was increasingly becoming impatient with the programme's inability to attract sufficient numbers of people with disabilities" (Interview with the DDG, 26 May 2015). How these crises were dealt with is the subject of discussion below.

## 5.4  Shaping success through public entrepreneurship

The successes garnered through public entrepreneurship in the Vukuzakhe  programme relate to the number of work opportunities created and  improvements in the  labour intensity of work performed under the Vuukuzakhe programme.

### 5.4.1    Increase in number of work opportunities created

One of the key challenges faced by the Vukuzakhe programme was to attract significant numbers of participants into the programme whilst having limited capacity to manage the increased numbers. From 2004, the National Department of Public Works (which performs a national coordinating function

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[21] Curiously, this mistrust was also directed to former Ciskei and Transkei bureaucrats. However, the DOG claims that his "political credibility was never in doubt as he was a known activist of the Mass Democratic Movement which was aligned to the ANC" (Interview with the DOG, 26 May 2015).

in the EPWP) responded to the political call[22] for the maximisation of work opportunities by setting targets for all Departments participating in the EPWP. This was against the backdrop of consistent under-performance of the Vukuzakhe programme even by the standards it had set for itself prior 2004. For instance, in the 2004/2005 financial year, only 2 000 work opportunities were created against the target of 3 200. During the 2006/2007 financial year, the Vukuzakhe programme created 2 950 work opportunities, falling far short of the target of 4 000. The reasons for this under-achievement are attributed to the lack of internal capacity to recruit beneficiaries in sufficient numbers. While targets were set by the National Department of Public Works, "…little or no consideration was given to the fact that the Vukuzakhe programme was not capacitated to administer, manage and monitor large numbers of beneficiaries" (Interview with the Director, 30 July 2015). As it is discussed later in this Chapter, much of the recruitment and payment of beneficiary stipends was outsourced to Project Consultants,"…who pre-occupied themselves with what they termed quality of work rather than the quantity of beneficiaries" (Interview with the Director, 30 July 2015).

However, from 2007/2008 financial year, the Vukuzakhe programme started to see major increases in the number of beneficiaries taking part in the programme. During this financial year, 5 000 beneficiaries were enrolled, and these numbers increased considerably going forward - 2008/2009 (11 000), 2009/10 (19 468), 2010/11 (23 351), 2011/12 (29 666), 2012/2013 (37 086) and 2013/14 (39 975)[23]. This notable improvement in the number of work opportunities created is ascribed to the introduction of the EPWP Incentive Grant. In 2007 the National Department of Public Works signalled its intention to introduce an EPWP Incentive Grant whose intention was to encourage programmes such as Vukuzakhe to maximise their efforts at creating work opportunities through additional funding. The amount of the additional funding to be received would be based on the work opportunities created in the previous year. According to the Director: Community Development, "Through the leadership of the DDG, the programme saw this [EPWP Incentive Grant] as an opportunity to get more funding that could be used to not only to recruit more Vukuzakhe beneficiaries, but also as a long overdue opening for the programme to recruit more staff particularly at decentralised levels of the Department" (Interview with the Director, 30 July 2015).

A significant point to be made in this regard is that the DDG saw the additional resources made available by the EPWP Incentive Grant as an opportunity to build internal capacity so that programme staff could in an incremental way begin to assume the tasks that were performed by Project Consultants. Of critical importance in this regard, the DDG did not just follow "best practice" guidelines on how the Vukuzakhe programme was going to be staffed. In his words, "Having someone [referring to the Director: Community Development] who understood the dynamics of organisational development was very useful as we were able to capacitate our Regions according to the pressures that existed on the ground" (Interview with the DDG, 30 July 2015).

### 5.4.2   Improvements in the labour intensity of work performed

According to the guidelines issued by the Department of Public Works, labour intensity "refers to methods of construction and maintenance involving a mix of labour and machines without compromising on quality, where labour is the primary resource supported by plant and equipment for activities that cannot be feasibly done by labour only" (Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under the Expanded Public Works Programme, 2015: viii). In order to determine the extent of labour intensity, due consideration must be given to expenditure on wages as a percentage of the total costs of the project (ibid). The guidelines go further to recommend minimum thresholds for labour intensity in infrastructure maintenance projects such as those performed under the Vukuzakhe programme. The recommended minimum range for labour intensity for Vukuzakhe type maintenance activities is between 20% and 50% (Guidelines for the Implementation of Labour-

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[22] In 2004 the then President Thabo Mbeki had called for "…a nationwide programme aimed at drawing significant numbers of the unemployed into productive work." (Expanded Public Works Five Year report, 2010: 10).

[23] Eastern Cape Department of Roads and Public Works (2014).

Intensive Infrastructure Projects under the Expanded Public Works Programme, 2015: 29). As stated in Chapter 4 of this study, the labour intensity of work performed under the auspices of the Vukuzakhe remained very low and its height it only managed to reach a derisory 10%. A major cause of this failure to increase the labour intensity was the preference given by Project Consultants to major roads to the exclusion of minor roads, which are closer to communities. Also, Project Consultants "…chose to use more machinery in road maintenance as they believed this to be efficient (Interview with Director, 30 July 2015).

An important initiative was pioneered by the DDG where Project Consultants were required to develop labour intensive designs before maintenance work could be approved. Key in this initiative was the directive that "from 2011, all Vukuzazkhe road maintenance designs should have 30% labour intensive component and that the threshold should increase to 50% by 2013" (Interview with the DDG, 7 August 2015). The DGG however emphasised that he "could not push this agenda without the support of the ILO Technical Advisor who had been seconded to the Vukuzakhe programme" (Interview with the DDG, 7 August 2015). By the end of 2014-15 financial year, the Department of Roads and Public Works reported that 72% of the maintenance work performed under the Vukuzakhe programme was performed labour intensively (Department of Roads and Public Works Annual Report, 2015).

## 5.5 Pushing back capture by Project Consultants

One of the key theatres for stakeholder contestations played out in the interactions between policy makers in the form of the National Department of Public Works, policy implementers represented by the Eastern Cape Provincial Department of Roads and Public Works and Project Consultants. The National Department of Public Works has the overall mandate to design guidelines and oversee the implementation of programmes such as Vukuzakhe. Prior to 2004, the role of overseeing and implementing the Vukuzakhe programme was played mainly by the Independent Development Trust (IDT) which is a public entity under the auspices of the National Department of Public Works and a few Non-governmental Organisations (NGOs). The IDT used Project Consultants for most of the activities related to the implementation of the Vukuzakhe programme. As stated earlier, from 2004 came the assertion that the state through its bureaucrats, should play a leading role in the implementation of the EPWP in general, and programmes like Vukuzakhe in particular. However, realities on the ground were to put a lie to formalistic views about how the Vukuzakhe programme was to be implemented. Notwithstanding the recruitment of officials as per the Zibambele blueprint, weaknesses in the capacity of the Province to implement Vukuzakhe meant that the principal-agent governance system was diluted with Project Consultants assuming a principal role in the implementation of Vukuzakhe.

Project Consultants are mostly professional civil engineers who came from white established firms. Their association with the Eastern Cape Department of Roads and Public Works can be traced back to the pre-1994 political dispensation. When the Department was still run under by the then Ciskei Government, Project Consultants were involved in the construction and maintenance of roads. It is worth noting that their engagement by the Department as service providers was initially limited to the core mandate of the Department, that is, the construction and maintenance of provincial roads as per applicable road classification protocols.

Through their conventional[24] road construction and maintenance activities, Project Consultants increasingly gained a foothold in government as there was a shortage of qualified and experienced civil engineers within the Department. With the advent of the EPWP, with the infrastructure sector being the main focus, Project Consultants seized the opportunity as the Department did not have the requisite capacity to design and implement labour intensive works. Interestingly, the first firm of Project Consultants in the Eastern Cape infrastructure sector of the EPWP came from KwaZulu-

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[24] In this regard, conventional road construction and maintenance denotes the use of work methodologies that are not governed by labour intensive techniques as contained in EPWP Guidelines.

Natal[25].  However, with the ascendance of the purportedly "people-centred" Community-Based Public Works Programme in post-apartheid South Africa, these white firms increasingly used young black newly qualified civil engineering graduates in the implementation of the Community-Based Public Works Programme. Whether this was a cynical move on their part to present themselves as embracing transformation is a matter that will need further research. However, it suffices to say that the Project Consultants realised early on that their black professionals would be better placed to interface with black rural communities.

The ascendance of Project Consultants saw them taking key roles ranging from design, project selection, project coordination and payment of stipends to Vukuzakhe beneficiaries. These Project Consultants were in the main civil engineers who had little or no appreciation of community-driven development. Their main preoccupation was with project quality and standards, which had to be upheld in compliance with construction industry regulations. The influence of Project Consultants also took a foothold in the implementation of the Vukuzakhe programme when the National Department of Public Works in 2005 changed the guidelines governing Vukuzakhe type programmes to include a provision that 5% of total project funds should be ring-fenced for capacity development within implementing provincial Departments[26]. It is estimated that between 2004 and 2009, Project Consultants claimed 40% of the funds in the Vukuzakhe Programme (Interview with the DDG, 26 May 2015). This is despite the pronouncement made by the MEC that Project Consultants were to be engaged only for a period of two years and that their fees should not exceed 10% of project fees.

Another indication of the increasing role of Project Consultants is evident in the selection of roads to be maintained. One of the conditions set by the National Department of Public Works for the Vukuzakhe programme was that priority should be given to inaccessible access roads leading to social amenities such as schools, clinics and police stations. However, according to the End of Term Review of the Vukuzakhe Programme in 2010, only 15% of inaccessible roads maintained in in the Province were worked on by Vukuzakhe participants. This was justified by Project Consultants on the basis that the mandate of the Eastern Cape Department of Roads and Public Works is to work on provincial roads (which in reality were already better maintained) and therefore more accessible. Incidentally, most of inaccessible roads fell within the jurisdiction of municipalities and these roads are funded under the Municipal Infrastructure Grant (MIG). What this shows is that Project Consultants were able to use official road classification prescripts to by-pass the aims of the Vukuzakhe programme, thus further entrenching their interests in Vukuzakhe. Later in the discussion there will be some reflection on how the interests of Project Consultants were contested by local elites.

As alluded to before, the role of project administration and payment of beneficiaries was also assumed by Project Consultants. This is despite the fact that the Eastern Cape Department of Roads and Public Works' guidelines for Vukuzakhe had made provision for the employment of a Regional Programme Manager, a Regional Assistant Manager, Project Coordinators and Administrative Officers to perform these duties. Through this de facto arrangement, Project Consultants were allowed to generate and keep all the documentation in respect of Vukuzakhe projects and administer payments to Vukuzakhe beneficiaries through their (Project Consultant's) bank accounts. This usurping of bureaucratic functions by Project Consultants came to a head in 2011 when the Eastern Department of Roads and Public Works was admonished by the Provincial Legislature for "wasting" 40% of project funds on Project Consultants. The Portfolio Committee responsible for oversighting the Department made a finding that the 40% of project costs which had gone to Project Consultants could be understated as the Department "…shirked on its responsibility to even perform the most mundane of its responsibility to administer and disburse payments to Vukuzakhe beneficiaries." The Portfolio Committee went even further to state that the "…monies meant for the poorest of the poor in the

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[25] This again attests to the currency of the replicability of the KwaZulu-Natal "best practice" as alluded to earlier. This white owned firm was called lngwenya Consulting and to their "credit", they were among the first few engineering firms which started the fad of white companies using African names.

[26] According to the Deputy-Director General (DOG), " ... the change in the guidelines was as the result of pressure exerted to the National Department of Public Works by Project Consultants. According to the DOG, what was couched as capacity building for internal departmental staff had no discernable impact on departmental staff capacity to implement Vukuzakhe. Instead, capacity building funds were used as to

Province might have been used fruitlessly to enrich the private sector" (Findings of the Portfolio Committee on Roads and Public Works, February 2011).

Why was this situation allowed to happen in contradiction to the de jure pronouncements of the Vukuzakhe Programme? Firstly, it is clear that there was a gap between rhetoric and reality in terms of the existing capacity of the Department to implement the Vukuzakhe programme. The Department was not given time to develop its capacity to manage and implement the programme. This is indicative of what Pritchett, Woolcock and Andrews (2012) refer to as "premature load bearing" through which stresses exceed capability by pushing too hard too soon. Secondly, the National Department of Public Works, while aware of the increasing influence of Project Consultants was of the view that they (Project Consultants) could be turned into "agents for development" and be aligned to the objectives of the Vukuzakhe Programme. The instrument used to achieve this alignment was the requirement that Project Consultants should have a qualification (NQF level 7 in Labour Intensive Methodologies) and it was hoped that this qualification would in turn reorient Project Consultants who are in the main trained in conventional engineering methods, to appreciate labour intensive approaches to road maintenance. However, a damning report published by the National Department of Public Works in 2012 revealed that labour intensive works were implemented only in 6% of the projects implemented in the Eastern Cape, and where such labour intensive works were performed they did not comply fully with the EPWP guidelines such as employing local labour (Review of Phase II of the Expanded Public Works Programme, 2012). Furthermore, the prominence of Project Consultants meant that Regional EPWP Managers and Project Coordinators were reduced to organising community meetings for the recruitment of Vukuzakhe beneficiaries and everything else was left to Project Consultants.

From the analysis of Vukuzakhe documents and key informant interviews with the DDG and the Director, three critical acts of public entrepreneurship come to the fore. Firstly, the collusion between the internal "technical elites" and Project Consultants was dealt with through political means. Using his connections and credibility within the ANC, the DDG was able to persuade the MEC to endorse a service level agreement (SLA) with the South African office of the International Labour Organisation (ILO) which proposed the secondment of a Technical Advisor to the Vukuzakhe programme. According to the DDG, "this was a strategic move as it was intended to dilute the stranglehold of the internal "technical elite" on the Vukuzakhe programme" (Interview with the DDG, 26 May 2015). As the Vukuzakhe programme was staffed by non-technical personnel, "programme staff racked the technical know-how to interrogate project designs presented by Project Consultants. Key in this regard was to ensure that project designs complied with EPWP guidelines which put emphasis on labour intensive works that would yield greater job creation" (Interview with the DOG, 26 May 2015). The SLA with the ILO was eventually signed in November 2009 and the Technical Advisor assumed his duties in January 2010 with a brief to ensure that "the current level of 6% labour intensity be increased 20% by 2013" {Interview with the DDG, 26 May 2015). While the level of labour intensity has increased to 13% by 2014, the DDG is of the view that "the doubling of the level of labour intensive works would not have been achieved without the ILO" (Interview with the ODG, 26 May 2015). While the DOG concedes that the arrangement with ILO is not a long-term solution, he however believes that "it is a small but incremental step towards institutionalising a developmental technical capacity within the Vukuzakhe programme, and that Project Consultants with their internal allies were no longer given a blank cheque" (Interview with the DOG, 26 May 2015). For the MEC, this development was positive as it allowed her "to report to the Legislature that her department was cutting back on the use of consultants and that those that are used are closely monitored" (Interview with the DDG, 26 May 2015). When asked as to why he was able to have the MEC agree to this bold move, the DDG was somewhat modest and stated that "the MEC trusted me and understood that the programme was doing relatively well as it was rated the second best performing EPWP infrastructure programme in the entire country" (Interview with the DOG, 26 May 2015). From this response, one could posit that a powerful combination of political savvy, achievement based reputation and the ability to build networks were critical to this act of public entrepreneurship.

Secondly, realising the loss of credibility by the department caused by the role played by Project Consultants in the disbursement of monthly stipends to Vukuzakhe beneficiaries, the DOG, assisted

by his team[27] initiated discussions with the South African Post Office (SAPO) with the view to taking away the function of paying beneficiary stipends from Project Consultants. The DDG started this process by introducing the Vukuzakhe programme to the General Manager: Strategic Management at SAPO. They had met during their sabbatical at the Civil Service College in the United Kingdom.

Challenges faced by the programme as a result of appointing Project Consultants to administer beneficiary stipends were that payments were made late, some beneficiaries were paid incorrect amounts and others not paid at all for months. When initiating the relationship with SAPO, the DDG "realised that SAPO had a developmental role to play as it wanted to take government services closer to communities. This was exactly what we also had to do with Vukuzakhe" (interview with the DDG, 26 May 2015). By June 2012, almost half of Vukuzakhe beneficiaries were paid through SAPO and by the end of 2013 (when the DOG had retired), all beneficiary stipends were paid through the Post Office. While the move from Project Consultants to the SAPO in the payment of beneficiary stipends was by no means smooth and without challenges, the DOG and his team realised that the presence of SAPO outlets in most areas in the rural hinterland of the Eastern Cape presented the programme with a wide infrastructure footprint for the payment of beneficiary stipends at lower transaction costs through a government agency. The programme was therefore able to "find" and "fit" what the programme wanted and what the SAPO was able to provide to beneficiaries.

A key finding here is that networks that were developed over time were tapped on and provided space for rolling back of the capture of the Vukuzakhe programme by Project Consultants.

Another arena for public entrepreneurship in respect of Project Consultants relates to the establishment of roads forums. Upon noticing poor consultation of local stakeholders and communities by Project Consultants in identifying and selecting roads to be maintained, the programme faced accusations of corruption and lack of transparency in the selection of projects. According to the DDG, "when selecting roads to be maintained through the Vukuzakhe programme, Project Consultants had tended to interpret the mandate of the programme in a very narrow way by insisting on working on provincially proclaimed roads" (Interview with the DDG, 26 May 2015). While this was technically correct as per the legislated mandate of the department, it had the unintended effect of "neglecting municipal roads which were in dire need of maintenance" (Interview with the DDG, 26 May 2015). Furthermore, provincially proclaimed roads were not dose to communities, thus defeating the Vukuzakhe programme purpose of creating work opportunities in close proximity to communities. The department had earlier in 2008 realised this dilemma and entered into service level agreements with municipalities which made it possible for the department to work on municipal roads. However, despite these developments, Project Consultants supported by the departmental "technical elite", continued to ignore these service level agreements with municipalities, and continued to select most projects from provincially proclaimed roads. This had the effect of alienating local political elites and communities as they accused the programme of undermining the job creation goal of the Vukuzakhe programme.

For the DDG, "this mistrust by stakeholders of the programme needed to be addressed as it portrayed the programme as unresponsive to the needs of citizens" (Interview with the DOG, 26 May 2015). A more inclusive method of project selection needed to be developed and roads forums were therefore set up in all municipalities where the Vukuzakhe programme was operational. Roads forums were launched in 2007 as platforms for multi-stakeholder engagement. These forums have been established in all the local municipalities of the Eastern Cape and are used to share road construction and maintenance plans of the Department so as to ensure their alignment with the plans of local authorities. Key participants in roads forums are Provincial Departments, municipalities and traditional authorities. These forums met once in every three months and became useful in inculcating transparent and locally responsive ways of identifying projects. In the words of the DDG, "the Vukuzakhe programme could never work without the buy-in of local politicians and communities" (Interview with the DDG, 26 May 2015). While the DOG accepts that not all local aspirations could be met, "roads forums gave a semblance of local legitimacy to the work we did - we needed supportive

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[27] The writer of this study also played a key role in the discussions with the South African Post Office (SAPO). However, the DOG is credited for initiating the relationship with SAPO.

structures where we can share our challenges and hopefully come up with shared solutions[28]"
(Interview with the DDG, 26 May 2015).

From the preceding discussion it can be deduced that the DOG realised that complex problems that effected the reputation of the programme could not be addressed by invoking inward looking technicist solutions, but required the building of coalitions with sometimes hostile constituencies.

### 5.6 Pushing back capture by local political elites

The role played by Councillors and Traditional Leaders demonstrates other complexities of stakeholder interactions in the implementation of the Vukuzakhe programme. The blueprints published by the National Department of Public Works and the Eastern Cape Department of Roads and Public Works envisaged that Councillors and Traditional Leaders were only to be involved in the Vukuzakhe Programme during consultation processes leading to the recruitment of beneficiaries. For instance, the guidelines issued by the Eastern Cape Department of Roads and Public Works state that "At all times, the buy-in of the local leadership should be sought, but that does not mean their views about who is eligible should prevail over those of the Department and deserving beneficiaries" (Eastern Cape Department of Roads and Public Works: Revised Household Contractor Implementation Protocol: 2010: 24). While it is not fully explained what that buy-in entails, it is clear that Councillors and Traditional Leaders are expected to facilitate entry into communities, and henceforth departmental officials would drive the process of engaging with communities.

Informing this marginalisation of Councillors and Traditional Leaders is an assumption that they are predisposed to corruption and predation, and would always capture project resources and employment opportunities for their own benefit or for those closest to them personally and politically. This naive view of community leadership dynamics would be tested in a number of ways. Firstly, the "rules of the game" as enunciated by the Eastern Cape Department of Roads and-Public Works were put to the test when Councillors refused to cooperate with the Department on identified roads to be maintained in "their" communities. Councillors have on numerous occasions complained they had been by-passed by Departmental officials and Project Consultants. On the other hand, the Department and the Project Consultants were adamant that they had consulted with the Councillor and this fed to a stalemate. Invariably, when the Provincial Head Office investigated cases of this nature, it transpired that Departmental officials were caught up in local politics, which manifested itself in a number of ways. In some cases, officials got entangled in party politics at local levels[29] and in other cases, officials were caught up in the terrain of contested authority and legitimacy between traditional and party political leadership as represented by Chiefs and Councillors.

Secondly, Councillors and Traditional Leaders have demonstrated the infectiveness and limitations of a hierarchical bureaucratic model in certain settings. As indicated earlier, the National Department of Public Works sets the criteria for road selection and transfers funds to the Provincial Department. The Province selects roads to be maintained according to the set criteria and disburses funds to beneficiaries. As stated earlier, in practice this function was taken over by Project Consultants. When it became clear to Councillors and Traditional Leaders that Project Consultants were more visible in

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[28] The issue of managing multi-stakeholder interactions comes out very strongly in the literature of public entrepreneurship. For instance, Bernier and Hafsi (2007) argue that " ... entrepreneurship in the public sector could take a somewhat different form from the type encountered in the private sector, at least because of the public sector's sprawling dimensions, its value system and its complex relationships with citizens that expect and demand more than they do, as consumers, from the private enterprises they deal with" (Bernier and Hafsi, 2007: 490). Also Carpenter and Krause (2012) note that "Complex public organizations are seen "through a glass but dimly" by their manifold audiences" (Carpenter and Krause, 2012: 27).

[29] Common in the rural Eastern Cape is the rivalry between the ANC and the United Democratic Movement (UDM) which broke away from the ANC. This rivalry would often see the ruling ANC Councillors and Chiefs aligned to it block the recruitment ofVukuzakhe beneficiaries in areas controlled by opposition political parties such as the UDM.

communities than government officials, they sent petitions to MECs complaining about strained relationships between Project Consultants and members of the community. Following a number of engagements with these local elites, it became clear that they wanted the "community[30]"to assume more responsibilities in the management of the Vukuzakhe programme. Councillors and Traditional Leaders pointed out in unison that there were members of the community who could perform some of the tasks that were done by Project Consultants. Furthermore, local elites stated that some community members could also perform tasks related to the identification of roads and the monitoring of Vukuzakhe workers on site. This contestation led to another revision of Vukuzakhe guidelines in 2013 and a new layer of supervisors was included in the form of Community Overseers. These Community Overseers were appointed by the Department from a list of names endorsed by Councillors and Traditional Leaders[31].

A key learning in this regard is that those often perceived to be prone to corruption and predation are in some cases able to organise "their" communities for collective action and trump the threat of what they saw to be the predation of Project Consultants. While it is not easy to pin down the motives of these local elites, it appears at face value that they were informed by a sense of social justice which they saw as being eroded by the collusion between Departmental Officials and Project Consultants. Also interesting is that local elites were able to strengthen their collective action by making their plight known to members of the Provincial Legislature, some of whom had personal and kinship ties with members of the Legislature. In line with the thinking of Ostrom (2005), local elites in this context were able to influence rules governing eligibility and those governing the operations of the Vukuzakhe programme. Furthermore, as Levy (2014) states, threat-trumping dynamics " ... also potentially can play out in the vast spaces in the middle - the many layers between top-levels of policymaking and the service provision front-line where rule setting processes are likely to be contested, trade-offs between competing goals [are] likely to be left unresolved, and agreements reached likely to be subject to weaknesses in both monitoring and sanctions" (Levy: 2014: 150).

Thirdly, another illustration of capture at local elite level was seen in the changing roles played by focal elites at different times. A case in point is what happened during the period leading to the South African General Elections of 2014. In December 2013, the Department of Roads and Public Works decided that through the budget adjustment period, an amount of RSO million should be shifted from one budget line item to fund an increase in the number of Vukuzakhe beneficiaries. While this was applauded by many as a welcome decision to address the challenge of poverty and unemployment in the Eastern Cape, others saw it as an electioneering ploy hatched up by the ruling ANC to consolidate its support particularly in the rural areas of the Province. Through this funding, additional 5 500 Vukuzakhe beneficiaries were to be recruited between the middle of January to the end of March 2014 across the Province. This presented the Provincial Department of Roads and Public Works with a challenge as there was little time to identify suitable roads and recruit new beneficiaries through community selection within a period of two months. The issue of capacity to recruit such numbers within a short period of time would prove to be an immense challenge.

Realising this challenge, the Department decided to call for expressions of interest from Project Consultants and follow a limited bidding process[32]. On the other hand, local elites realised that they could benefit from this rush to procure and influenced the administrative Head of the Department to change tender specifications so that bidders from communities could also participate. This was also

[30] What is important to note that the view of the community should not be romanticised as composed of a homogeneous group of people whose aspirations and challenges are the same. While local elites can claim to be speaking for the "community", such claims should be treated with caution. For instance, Robert Chambers (1998) warns against The Myth of Community by arguing that "...local contexts are complex, diverse and dynamic. The reductionism of collective nouns misleads: 'community' hides many divisions and differences, with gender often hugely significant ... " (xviii).
[31] While it is conceivable to view this as an entrenchment of the power of local political elites, the appointment of Community Overseers however played a useful role in legitimising the Vukuzakhe programme as Community Overseers were seen as a local countervailing force against the dominance of Project Consultants.
[32] A limited bidding process is permissible under the procurement rules issued by National Treasury on condition that the Department can prove that the project is urgent.

justified on the grounds that the Department should pursue 'community contracting' which had become de rigueur within the ruling ANC. While officials below the Head of Department (who is a political appointee) quietly protested against this move, the 'community contracting[33]' model was approved, and tender specifications were changed in a manner that would allow the "entry of small community enterprises from communities to participate and benefit" from the additional Vukuzakhe beneficiary recruitment drive. What is not clear is whether the small community enterprises that eventually participated and won the tenders were genuine community enterprises or simply fronts for local elite interests. It is also too early to tell as to whether this example of local elite manoeuvring represented what Levy (2014) calls "…a credibility-enhancing rent-sharing arrangement" (Levy: 2014: 175). What is clear however is that the shift to community contracting shows that local elites play different roles depending on the context and timing of their actions.

Public entrepreneurship responses to this complex web of local level politics were demonstrated in two areas. The first one was the signing of a Memorandum of Understanding (MoU) with the Nelson Mandela Metropolitan University (NMMU) to train Departmental frontline staffers in Project Administration and Social Facilitation. This initiative was driven by the Director: Community Development and he drew on his past experience as a practitioner in Human Resource Develop to work with the University to develop a contextually relevant course into which the first cohort of Vukuzakhe implementers was enrolled in 2013. This relationship with the NMMU is important in a number of ways. Firstly, it resonates with what Carpenter and Krause (2012) refer to as "technical reputation" which is important for agencies when managing complex environments. A key issue in this regard is that the course in Project Administration and Social Facilitation is intended to enhance the capacity of frontline Vukuzakhe workers to deal with local level dynamics in a manner that is more nuanced than what is contained in blueprint Vukuzakhe guidelines and protocols. Secondly, the NMMU initiative was intended to address what Pritchett, Woolcock and Andrews (2012) call the capability trap "…in which the appearance of development activity masks the lack of functional development activity. Such a trap emerges when agents of development inadvertently promote and solidify isomorphic mimicry..." (Pritchett, Woolcock and Andrews: 2012: 2-3). Such interventions, it was hoped, would alert the Department to the self-defeating attempts to copy "best practices" such as those of the Zibambele programme in KwaZulu-Natal and encourage Vukuzakhe practitioners to seek home-grown solutions to context specific problems. It was also hoped that ultimately, Departmental officials would appreciate the importance of what Andrews (2013) calls 'problem driven iterative adaptation, through which "...successful change is usually motivated by a problem, not a solution; the reform content emerges through a process of experimentation and trial and error; with multiple agents playing different leadership roles; producing a mixed-form hybrid that is fitted to the peculiar context" (Andrews, 2013: 10).

Another area of public entrepreneurship in respect of pushing back capture by local political elites was the establishment of EPWP Political Committees[34] at sites of project implementation. Inspired by the DDGs roads forums, the leadership of the EPWP in the Department realised that the dichotomy between public servants and politicians was not giving the desired results. Very often, implementation challenges that arose from local level politics were dealt with in an *ad hoc* way, and most often when they had reached crises levels. It was then decided that each municipality which has a Vukuzakhe project would form an EPWP Political Committee which is comprised of the local councillors, traditional leaders and Departmental Officials. According to their terms of reference, Political Committees must address:

- "The need to unblock high level implementation challenges that cannot only be addressed at administrative level.
- The need to enhance and focus the EPWP on community development and clarify the role of politicians in this regard.
- The need to enforce vertical and horizontal accountability at political levels.

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[33] Community contracting is a form of contracting that gives preference to business entities that have been established by members of a community in which a project is to be implemented.

[34] These were formed after the retirement of the DDG in January 2014. Key players in the formation of these Political Committees were the Chief Director: EPWP and the Director: Community Development.

- The need to promote effective coordination, convergence and harmonisation within the context of EPWP." (Eastern Cape Department of Roads and Public Works: Terms of Reference for the Establishment of EPWP Political Committees, 2014).

A critical development brought in by these political committees is that they marked a shift in the thinking of the Department. Local elites were now not perceived as inherently self-serving and only to be used to gain entry into communities, importantly they were seen as key role players with sufficient local political clout to scupper the well intentioned developmental intentions of government. While it is too early to determine the success or failure of these political committees, early indications are that they have a potential to be effective arenas for identifying local problems, learning, adaptation and generation of contextually relevant solutions (Andrews, 2013). Furthermore, through stakeholder platforms such as EPWP political committees, the goals and plans of the Vukuzakhe programme could be legitimised.

### 5.7 Pushing back the marginalisation of people with disabilities

The issue of meaningful inclusion of people with disabilities in the Vukuzakhe programme has since the inception of the programme posed major challenges. Key in these challenges is the failure of the Vukuzakhe programme to meet the 2% involvement of people with disabilities in EPWP programmes and the unwillingness of the programme to meaningfully engage with formations of people disabilities. From 2002 to 2012, and despite lofty pronouncements about how the programme takes seriously the issue of disability, the Vukuzakhe programme has only managed to enrol 0.3% against the target of 2%.

Organisations of people with disabilities began to view this failure to meet the disability target as a manifestation of government insularity, which leads to the marginalisation of people with disabilities. The continued marginalisation of people with disabilities was evidenced by the fact that government officials within the Vukuzakhe programme often claimed that the work that is performed in the programme is not suited for people with disabilities. Under pressure from the disability lobby groups such as the Eastern Cape Chapter of Disabled People South Africa and the Eastern Cape Disability Economic Empowerment Trust[35] (ECDEET), the Chief Director: EPWP realised the reputational damage caused by the exclusion of people with disabilities, and sought the assistance of these formations with view to changing the hearts and minds of Vukuzakhe frontline staff on issues of disability. While the first engagements were difficult, discussions with organisations in the disability sector were instructive in a number of ways. Firstly, the programme's understanding of disability was based on welfarist model through which people with disabilities should only be given grants. This is despite the fact that EPWP guidelines are clear about the need to include people with disabilities in programmes such as Vukuzakhe. Furthermore, this indicated the inability of officials to look at disability as a human rights and developmental issue. Secondly, engagements with organisations of people with disabilities alerted the Chief Director to the programme's inadequate knowledge about what constitutes disability. Common conceptions of disability in the programme were that disabled people are unable to perform physical work, and therefore could not add value to the programme. There was no consideration given to the fact that disabilities come in different forms and what is needed is to understand the different forms of disabilities. Thirdly, the traditional way of government planning was turned on its head as people with disabilities demanded to be involved in the programme's planning sessions and partner with the programme to develop an EPWP Disability Strategy. These challenges required a form of public entrepreneurship, which recognised the possibilities for collective action with organisations of people with disabilities to steer the Vukuzakhe programme away from the bureaucratic inertia on disability towards a socially inclusive programme. As Levy argues, "Leadership can come from committed public officials - but it equally will come from civil society activists, perhaps via initiatives which function entirely outside government, perhaps working to build alliances with partners within government from outside-in" (2014: 207).

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[35] The Chief Executive Officer of the ECDEET had begun to lobby Members of the Provincial Legislature (MPLs) and listed the Vukuzakhe programme as one of the programmes that purposefully excludes people with disabilities.

In 2013, the Chief Director: EPWP entered into a partnership agreement with the CEO of ECDEET which culminated in the development of a Disability Strategy for the Vukuzakhe programme. The Disability Strategy was novel and moved the Vukuzakhe programme towards an inclusive approach to disability issues. The Disability Strategy highlighted five pillars through which to advance the inclusion of people with disabilities. The first pillar is predicated on the need to strengthen communication, advocacy and awareness raising which is meant to "… motivate, persuade and support disabled people to grasp the opportunities as presented by the Department…" (Disability Strategy, 2013: 15).The second pillar relates to issues of universal access through which people with disabilities are afforded access to job opportunities under the Vukuzakhe programme through the adaptation of the work environment which among other things involves " ... redesigning work equipment and reassignment of people with disabilities to accessible locations in the workplace" (Disability Strategy, 2013: 16). The third pillar of the strategy is linked to the issue of universal access and involves what is called reasonable accommodation of people with disabilities with the purpose "…to provide an enabling environment for people with disabilities who otherwise would not be able to perform the essential functions of their job…" (Disability Strategy, 2013: 16). The fourth pillar is premised on the need to mobilise people with disabilities through their organisations in order to ensure that they are reached and enrolled in programmes such as Vukuzakhe. The fifth and last pillar of the strategy talks to the involvement of people with disabilities in decision making structures of the Department. This is informed by the realisation that the disability sector has in the past been marginalised as there were no meaningful attempts to include the sector in decisions that affect them.

It is worth noting that the strategy was driven with such commitment by the Chief Director: EPWP and the CEO of ECDEET to the extent that the MEC and the HoD of the Department wanted it to be extended to also cover disabled employees and applicants to the Department other than just beneficiaries of the Vukuzakhe programme. This indicates that the snowflake effect of this act of public entrepreneurship was beginning to emerge. While it is too early to discern the impact of the Disability Strategy, the Vukuzakhe programme is currently using databases from ECDEET to better target people with disabilities. By the end of 2014, the number of Vukuzakhe participants with disabilities had risen from 0.3% to 0.6%.

### 5.8 Summary of key findings

Based on the research questions outlined in chapter 1 of this study, a number of key findings have emerged. First, public entrepreneurship was demonstrated in the areas of capture of the Vukuzakhe programme by Project Consultants, local political elites and partnership with an organisation representing the interests of people with disabilities. A number of intermediate variables were important in forging public entrepreneurship. In respect of the reversal of the capture of the programme by Project Consultants, the power of networks and coalitions with the ILO and SAPO was very critical. These networks were used very skilfully and resulted in the erosion of the stranglehold Project Consultants had on the Vukuzakhe programme. In this arena, the influential person was the Deputy Director-General, who used his political and administrative capabilities to great effect. Secondly, coalitions built with organisations such as the ILO were also useful in attenuating the power of the internal "technical elite" which had perpetuated the power of Project Consultants from within.

Secondly, the study has shown that public entrepreneurship is political and not just a technical exercise as suggested by the New Public Management literature. The formation of EPWP Political Committees illustrates how public entrepreneurs need to be alert to the political waves around them and be able to also engage at political levels. However, this does not mean that public entrepreneurs are "loose cannons", but what it means is that they use their political connections to advance goals and objectives of their programmes.

Thirdly, the study has revealed that for public entrepreneurs to be able to move their innovation agendas and convince sceptical audiences, they need to bring with them reputations based on competence and achievement. This was a case in point with both the DDG and the Director, whose reputations in the public service became valuable in pushing forward policy and implementation

reforms. Links with institutions of higher learning and civil society organisations such as NMMU and ECDEET went a long way towards enhancing their reputations and credibility. Fourthly, the study shows that while the DDG was the main protagonist and initiator, it became clear that within the Vukuzakhe programme, public entrepreneurship evolved from being driven by one person to involve many middle level officials, thus indicating the institutionalisation of public entrepreneurship with the programme. There was therefore a shift from individual to more systemic types of public entrepreneurship. Fifthly, the legitimacy of goals as espoused by the DDG and the Director was assisted by successes gained in increasing the number of work opportunities and by improvements in the labour intensity of maintenance work performed under the Vukuzakhe Programme.

Lastly, the study has shown that acts of public entrepreneurship did not end with the retirement of the DDG. Instead, the Chief Director and the Director continued to advance innovation in the programme, thus indicating that the work done by the DDG was sustained in the system. What assisted in this regard was deliberate decision by the Chief Director and Director to maintain links with the DDG by continuing to involve him in strategic planning sessions of the EPWP Chief Directorate.

## CHAPTER 6: CONCLUSION AND POSSIBILITIES FOR FUTURE RESEARCH

In conclusion, evidence presented in this study shows that a number of achievements were made through acts of public entrepreneurship. Firstly, the reversal of capture by Project Consultants and local political elites was made possible by building internal capacity within the Vukuzakhe programme. In building the capacity of Vukuzakhe implementers, it became necessary to forge partnerships with key stakeholders such as the JLO and institutions of higher learning such as the NMMU. Secondly, the power of local political elites was denuded by the establishment of roads forums and EPWP Political Committees. Through roads forums, the Vukuzakhe programme was able legitimise its goals by involving broader multistakeholder formations beyond the narrow interests of local political elites. Similarly, EPWP Political Committees acted as useful vehicles through which the political agenda of the MEC responsible for the Vukuzakhe programme was elevated without necessarily by-passing local political elites. By creating a platform for engaging local political elites, the MEC was able to set the tone and guard against capture by local political elites. Furthermore, and perhaps surprisingly, EPWP Political Committees were used to address the frustrations local political elites had about the dominance of Project Consultants in the implementation of the Vukuzakhe programme. Thirdly, the partnership built with the disability sector through ECDEET was crucial in setting out a road map for participatory processes through which people with disabilities could find a voice. The Disability Strategy became a platform that can be used to attract more participation of people with disabilities in the Vukuzakhe programme. However, at the time of concluding this study, the Vukuzakhe programme was still not able to meet the target of 2% in respect of people with disabilities. This remains a major under-achievement of the Vukuzakhe programme and will require close attention going forward.

Fourthly, positive outcomes were also seen in respect of improvements in the number of work opportunities and full-time equivalents created. While policy instruments such as the EPWP Incentive Grant were in part responsible for the scaling up of the Vukuzakhe programme, a key contributor to the increase in the number of work opportunities and FTEs was the ability of internal staffers led by the DDG, to plan and execute their objectives.

Fifthly, the exponential increase in the levels of labour intensity in the work performed meant that more expenditure was directed towards the wages of beneficiaries. This went a long way towards buttressing the primary goal of job creation. However, there is doubt as to whether this job creation contributed to poverty alleviation. While the issue of the impact of the Vukuzakhe programme in reducing poverty is beyond the scope of this study, the sheer numbers of beneficiaries enrolled in the Vukuzakhe programme indicates that it had become an indispensable social safety net for a significant number of poor communities in the Eastern Cape.

These developments were essential ingredients for public entrepreneurs, whose skilful use of achievement-based reputations, coalition building and political nous contributed so much to the reversal of capture by Project Consultants and local political elites. The power of networks also became vital in addressing the bureaucratic inertia that led to exclusion of people with disabilities in the Vukuzakhe programme.

Possibilities for taking this study forward do exist. For instance, one possibility relates to the methodological rigour of the study in the sense that the respondents interviewed were too few to allow for valid generalisations to be made. A study with more respondents would no doubt add value to knowledge about public sector entrepreneurship within the South African context. Another area for future research is the exploration of views and perceptions of those who entered into alliances and coalitions with Vukuzakhe public entrepreneurs. Their views on why and how coalitions and networks worked could add other dimensions to public entrepreneurship beyond the confines of the scope of this study. Furthermore, and as stated above, there is a need for an examination of the extent to which the Vukuzakhe programme has contributed to poverty alleviation. This is important because the

Vukuzakhe programme has the objective of reducing poverty by improving the life chances of its beneficiaries.

And finally, this study should provoke those interested in the field of African development policy to look beyond American "Progressive Era" studies, and dig deeper in search of praxis for African inspired actions of public sector entrepreneurship.

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Director: EPWP Community Development, Eastern Cape Department of Roads and Public Works (Interviews conducted on the 5 June and 30 July 2015).

Project Coordinator: EPWP, Eastern Cape Department of Roads and Public Works (Interview conducted on the 29 July 2015.