



EXPLORING THE PERMANENT APPOINTMENT OF SENIOR MANAGERS IN SOUTH AFRICAN MUNICIPALITIES

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AIM OF THE STUDY

- ❑ To explore the permanent appointment of SMs in SA municipalities

OBJECTIVES

- ❑ To examine theoretical perspectives
- ❑ To establish perceptions of MMs and SMs towards fixed-term contracts
- ❑ To establish what MMs and SMs would recommend
- ❑ To recommend measures to deal with poor performance



PSYCHOLOGICAL CONTRACT

Transactional

- Short-term
- Monetary based
- Limited emotional attachment
- Direct exchange
- Identifiable compensation

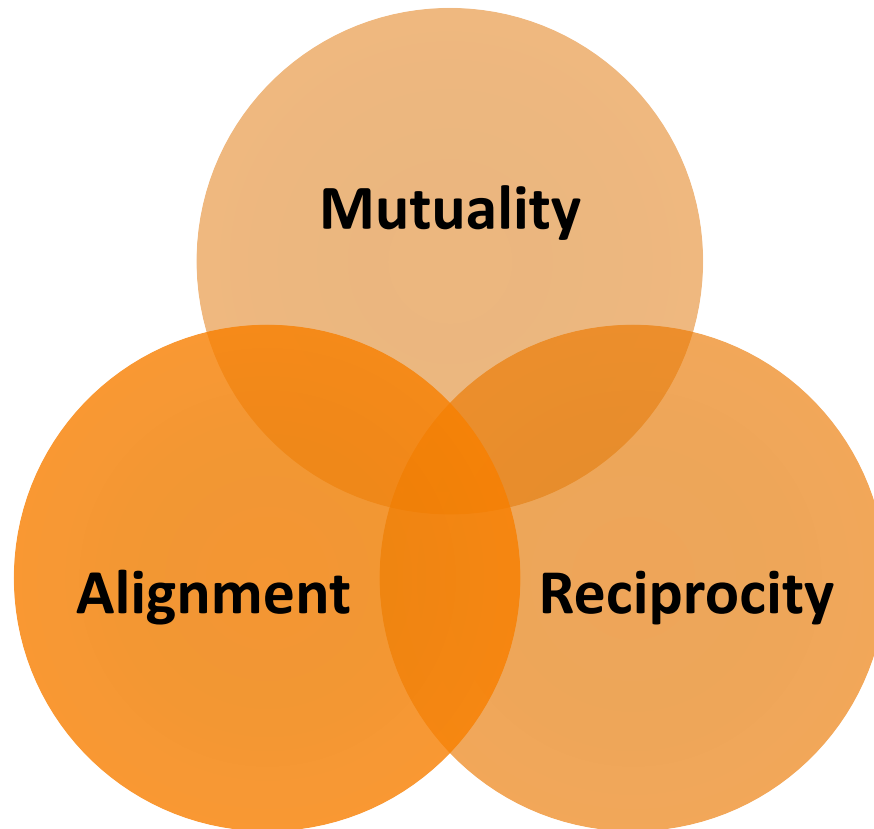
Relational

- Long-term
- Strong emotional attachment
- Opportunities for advancement
- Increased benefits

Source: Rousseau (1998)



CONTRACT FULFILMENT



Source: Rousseau (2011)



REASONS FOR FIXED-TERM CONTRACTS (FTCs)



Main Reasons for Fixed-Term Contracts

- Project Life Span
- External Funding
- Temporal Replacement
- Major Transformation

Source: Rousseau (1998)



BEST CITIES IN THE WORLD

Common: Developing, retaining talent and innovation





MUNICIPALITIES WITH CLEAN AUDITS IN SA

Common: All have Permanent Senior Managers

West Coast

9

**Consecutive
Clean Audits**

Overstrand

7

**Consecutive
Clean Audits**

Swartland

7

**Consecutive
Clean Audits**

Hessequa

6

**Consecutive
Clean Audits**

**Cape
Winelands**

6

**Consecutive
Clean Audits**



FINDINGS – ADVANTAGES FOR PERMANENCY

- ❖ **Comparability with government departments**
- ❖ **Improve innovation and productivity since SMs will have enough time to understand operations**
- ❖ **Encourage continuity and institutional memory and discourage job hopping**
- ❖ **Encourage long-term capacity building**
- ❖ **Improve security of tenure leading to improved performance**
- ❖ **Improve clean governance**



Cont.

- ❖ Retention of highly experienced and qualified SMs
- ❖ Increased motivation and aspiration by middle managers
- ❖ Reduction of corruption- no manipulation
- ❖ Eliminate high vacancy rate
- ❖ Improved stability in administration
- ❖ More accountability and improved Consequence Management
- ❖ Improved long-term planning
- ❖ Smaller municipalities will be able to attract skills



CONCLUSIONS

- ❖ **Global trends are that SMs are permanent**
- ❖ **FTCs are discouraged globally**
- ❖ **MMs and SMs FTCs do not conform to the international standards**
- ❖ **Correlation between permanency of s56 and Clean Audit**
- ❖ **MMs and SMs prefer permanency of SMs**



RECOMMENDATIONS

- ❖ All SMs to be appointed permanently
- ❖ MMs appointment regime to be reviewed
- ❖ MMs to be appointed by an external body
- ❖ Legislation to be promulgated to the above effect
- ❖ Poor performance to be disassociated with permanency



THANK YOU

QUESTIONS