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## DEVELOPING AND IMPLEMENTING AN EFFECTIVE FRAMEWORK FOR COOPERATIVE GOVERNANCE AND LOCAL ECONOMIC DEVELOPMENT (LED) IN SOUTH AFRICAN LOCAL GOVERNMENT\*\*

**Abstract:** *The lack of a comprehensive institutional framework to promote joint participation in the development of local economies has hampered grassroots development efforts in South African communities. The majority of the South African local government authorities struggle to fulfil their developmental mandate. Notably, there're certain collaborative governance factors that tend to enhance the effectiveness and control of localised development. These factors are not captured in the integrated conceptual model that articulately depicts the relationships between these variables and their impacts on the perceived outcome of LED. This negatively impacts the municipality's ability to manage localised development well in collaboration with relevant stakeholders. A complete understanding of the relationships and dynamics of these variables is required to make recommendations for improving management and response to socio-economic concerns within the community through improved LED governance. Data were collected in six municipalities in the Western Cape, South Africa, to address these challenges. A qualitative study design paradigm based on interpretive philosophy was employed. The instruments used to collect the data were document reviews, interviews, and focus group discussions. The study analyses and evaluates the design and implementation of collaborative governance policies and initiatives in selected local governments in the Western Cape, South Africa. A normative, collaborative governance framework was developed in the study. This captures not only the enhancing and limiting factors of LED but also the relationship between these factors that can hinder the success of the collaboration between local governments and other key stakeholders. This integrated framework/model can inform future design, implementation, and evaluation of LED co-governance in small towns and future policies for improving co-governance and LED in small towns.*

**Keywords:** *Cooperative governance; policy and legal framework; institutional arrangements; intergovernmental relations; LED*

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## 1. INTRODUCTION

The emergence of LED presents a unique opportunity for the government, private sector and the community to work together in addressing the developmental and socio-economic concerns in their communities. This offers special possibilities for societies to become aware of their endowed assets and utilise them optimally to the mutual benefits of their localities. This would help them to improve their local economy rather than relying on external financial support.<sup>1</sup> There is widespread adoption of the concepts of public participation and engagement across all spectrums in South Africa. The public participation and engagement policy of South Africa<sup>2</sup> promotes greater public involvement of all stakeholders, *government, private sector and civil society* in making decisions that matters within their localities and holding government accountable for failing to deliver on their commitments. In a continued effort to institutionalise public participation in South Africa, a national LED framework of 2018 - 2018 was adopted in 2017.<sup>3</sup> The framework aims at re-imagining the role of the state and non-state in generating prosperity through local economies. It seeks to galvanise the vitality of effective intergovernmental coordination between the government and non-governmental sectors as a means to an end. Promoting inclusive representation and participation of all relevant stakeholders provides a viable and complementary alternative to the traditional bureaucratic governance mechanism.<sup>4</sup>

The collaboration of multiple stakeholder organizations has proven to be overwhelming, but the situation to ensure the effectiveness of this partnership is very difficult.<sup>5,6</sup> According to Huxham & Hibbert<sup>7</sup> “Collaboration is notori-

<sup>1</sup> ILO, 2008. Local Economic Development Outlook 2008. Geneva. In: C. Rogerson, ed. Local economic development in Africa: Global context and research directions. Development Southern Africa, pp. 465-480.

<sup>2</sup> Department of Provincial and Local Government (DPLG). (2007). National Policy framework on Public Participation. Pretoria: Government printer

<sup>3</sup> Department of CoGTA, 2017. The National Framework for Local Economic Development: Creating Innovation-driven Local Economies, Pretoria: Government printer.

<sup>4</sup> Agbodzakey, J. K., 2015. Quantitative Evidence of Collaborative Governance of Broward and Palm Beach Counties HIV Health Services Planning Councils in Two Different Legislative Cycles. International Journal of Current Advanced Research, 4(12), pp. 520-530.

<sup>5</sup> Kaiser, F. M., 2011. Interagency collaborative arrangements and activities: Types, rationales, considerations: Arthur D. Simons Center for the Study of Interagency Cooperation

<sup>6</sup> Fedorowicz, J., Gogan, J. L. & Williams, C. B., 2007. A Collaborative Network for First Responders: Lessons from the CapWIN Case. Government Information Quarterly, 24(4), pp. 785-807.

<sup>7</sup> Huxham, C. & Hibbert, P., 2008. Hit or myth? stories of collaborative success. In: ANZSOG, ed. Collaborative governance: a new era of public policy in Australia? Australia: University Printing Services, ANU, pp. 45-50

ously hard; success rates are frequently quoted to be as low as 20 percent". Based on their experience, Huxham and Hibbert argue that positive results have never been easy. Individuals need to have a realistic understanding of the costs and trade-offs required to succeed in a partnership. Daley argues that there is insufficient systematic evidence to document the conditions for effective collaboration between organizations. This paper highlights a knowledge gap as per the specific factors that can improve the efficacy of collaboration and cooperatives for LED in local government.

Some extant collaboration scholarships had attempted to propose the deterministic factors for effective collaboration using various models. Several scholars have proposed different models in their various attempts to articulate the deterministic factors for effective collaboration. While these studies were informative, they failed to draw out specific factors to consider when designing and implementing collaborative governance of LED initiatives, especially in small towns. The question remains unanswered as to the characteristics of dynamic design and implementation of strategies, policies, systems, and processes that facilitate collaborations aimed at improving systems management and local government response to socio-economic concerns within the community? These realities underpin the rationale for the research. This paper discusses the importance of LED and collaborative governance in the community space, followed by the design and determinants of effective governance of collaboration. The paper articulately presents the methodology used in this study, the key findings of the study, and the emanated model from the study are all explicitly stated in this paper. In addition, this paper describes the shortcomings of the study. Finally, the study ends with recommendations for future studies.

## 2. LITERATURE REVIEW

There is no unified conceptualisation of the term "cooperative governance". The term has been defined in many ways but has the same connotation. Borrowing this term from the World Bank,<sup>8</sup> collaborative governance brings together diverse stakeholders across public, private and civil society to address common concerns for better sustainable outcomes. Simply put, it can be described as a stakeholder's initiative and practice. Key stakeholders come together in the hope of facilitating collaboration and exchange thoughts while meaningfully negotiating shared ideas and values concerns. Contextually, collaborative governance goes beyond the perceived relationship within the government. It also encompasses the relationship between government, private sector and civil society. Given the above definition, one can deduce that the principal aim of collabo-

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<sup>8</sup> World Bank, 2014. Increasing the effectiveness of multi-stakeholder initiatives through active collaboration. In *Governance Working Paper WPI1314*, Washington, D.C: World Bank.

rative governance is to create a collaborative spirit based on mutual trust and understanding. Tan & Selvarani<sup>9</sup>, argue that the comprehensive structure of collaborative governance is rooted in the concept of independence and collaboration, where actors within the system have equal rights, obligations, and responsibilities and agree to manage the system collectively.

Cloete et al.<sup>10</sup> argue in favour of collaborative governance for South Africa as an emerging liberal democracy. The scholar's contest is that collaborative governance will be a crucial catalyst tool to promote cooperation between government sectors and between the government, private sector and civil society.

Given the constitution of the Republic of South Africa makes it constitutionally mandatory for local government to promote the active involvement of relevant stakeholders in making decisions regarding development issues within their communities. This provision aimed at conferring on the non-state (business sector and civil society) the actual responsibilities for the outcome of the policy. It inferred that states and non-states are encouraged to work together for social concerns and take responsibility for their actions.

### ***2.1. Design of Cooperative Governance***

Designing and managing collaboration is a complex initiative built around challenges such as shared approaches, work processes, commitments, accountability, and mutual trust. Previous literature on collaboration has emphasized that the lack of these ingredients affects the outcome of cooperation. This paper seeks to promote collaborative governance through the voluntary participation and cooperation of governments, the private sector, and civil society organizations working towards common goals to address local concerns. The knowledge regarding the specific factors to be considered in the design of collaborative governance and processes to achieve perceived outcomes is rudimentary.

Kim<sup>11</sup> articulates that the governance structures and work process of collaborative governance are different from the mainstream bureaucratic governance system. Kim explains that the differences between the two types of governance can be found in their structures and working methods. The governance structures in collaboration are more horizontal than traditional bureaucratic governance structures, including function and outcome, and have a flexible focus on solving com-

<sup>9</sup> Tan, C. C. & Selvarani, P., 2008. Coping with Cooperatives. In M. Z. Munshid Bin Harun & R. Bin Mahmood, eds. *The relationship between group Cohesiveness and Performance: An empirical studies of the cooperative movement in Malaysia*. Malaysia: International Journal of Cooperative Studies, 1(1), pp. 15-20

<sup>10</sup> Cloete, F., Rabie, B. & De Coning, C., 2014. *Evaluation management in South Africa and Africa*. 1st edn. ed. Stellenbosch: African Sun Media.

<sup>11</sup> Kim, H., 2008. An application of collaborative governance model in the radioactive waste siting processes in Buan. *The Study of Korean Public Administration*, 20(1), pp. 47- 76.

mon interest problems. The focus in most municipalities tends to be on compliance rather than whether the resulting output addresses community and social issues.

As Eun<sup>12</sup> clearly illustrates, collaborative governance promotes an outward rather than an inward relationship. As opposed to the egocentricity of bureaucracy, collaborative governance respects the environment, human rights, freedom, and peace. It is not a formal position of authority, but rather a combination of knowledge, information, and problem-solving skills.

In contrast to the egocentricity of the bureaucratic structure, collaborative governance respects the environment, human rights, freedom, and equality. It is notable that perceived success of collaborative governance is heavily dependent on leadership. The types of leadership established by collaboration entities emphasize mutual trust and respect based on integrity. Leadership must create a supportive and credible culture for collaboration to succeed.<sup>13, 14</sup>

According to Eun, the collaboration process is closely monitored through interview and communication protocols to ensure stakeholders' responsibilities are validated based on performance, not compliance or post-assessment. Bureaucratic governance is characterised primarily by opportunistic attitudes, competition, and conflict, as opposed to a collaborative governance structure based on the principles of long-term relationships based on shared vision and trust. Notably, however, collaborative governance is not immune from pockets of conflicts of interest among the role-players. The Collaborative structures should be designed effectively to minimise conflict of interest and instil mutual trust among role-players to enhance shared goals and values among themselves. Importantly a conflict resolution plan is a component of an effective design of collaborative governance.

Some scholars contend in favour of a hybrid type of governance arrangement for collaboration, a mixed of horizontal and top-down approaches.<sup>15, 16, 17</sup> Given this orientation, role-players in collaboration seek to engage vertically through top-down approach to set priorities and push through a collective agenda. However, collabora-

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<sup>12</sup> Eun, J., 2010. Public accountability in collaborative governance: Lessons from Korean community centers. [http://sspace.snu.ac.kr/bitstream/10371/68990/1/09\\_Jaeho\\_Eun.pdf](http://sspace.snu.ac.kr/bitstream/10371/68990/1/09_Jaeho_Eun.pdf). [Accessed on 26th November 2019]

<sup>13</sup> Buick, F., 2013. The culture solution? Culture and common purpose in Australia. In: *Crossing Boundaries in Public Management and Policy*. Routledge, pp. 98-111.

<sup>14</sup> O'Flynn, J., Buick, F., Blackman, . D. & Halligan, J., 2011. You Win Some, You Lose Some: Experiments with Joined-up Government. *International Journal of Public Administration*, 34(4), pp. 244-254

<sup>15</sup> Keast, R., 2011. Joined-up governance in Australia: how the past can inform the future. *International Journal of Public Administration*, 34(4), pp. 221-231

<sup>16</sup> Ling, T., 2002. Delivering joined-up government in the UK: dimensions, issues and problems. *Public administration*, 80(4), pp. 615-642.

<sup>17</sup> Matheson, C., 2000. Policy formulation in Australian government: Vertical and horizontal axes. *Australian Journal of Public Administration*, 59(2), pp. 44-55

tive relations (horizontal) are required to enhance the collective values of collaboration. Keast proposes both top-down and bottom-up joint initiatives, especially when involved in a policy network consisting of resilient leaders at multiple levels is required.

In addition, the work process clearly distinguishes collaborative governance from bureaucratic governance. Work process describes the processes through which diverse stakeholders in a collaborative initiatives dialogue make decisions. In a collaborative initiative dialogue, the work process describes the processes of bargaining and negotiating that conclude decisions.

As a result of its distinctive nature, this process differs from traditional bureaucratic routines in that it emphasizes management skills of enablement required to engage independently with stakeholders arrayed horizontally, rather than from traditional hierarchical command and control regimes.

Several collaborative initiatives are entrenched in the ideology of consensus as a decision norm; in no majority but based on unanimity where a single person can veto an agreement on the concerns under negotiation. Stakeholders collaborate to achieve mutual goals, in contrast with bureaucratic routine, where, diverse units compete to achieve their respective goals. In a bureaucratic routine, public managers focus more on how to comply with the rule within the scope of their delegated authority and responsibility. Emphasis is on compliance with the rule of the game, rather than the performance

## *2.2. Determinants of Collaborative Governance*

Several antecedent frameworks and empirical research were pragmatically reviewed in the study to identify the critical factors that determine the efficacy of collaboration or cooperative governance for LED. Though these were evolved and based on the diverse context, the guidelines and recommendations from the study could be applied to the cooperative governance for LED aimed at improving responsiveness and system management of socio-economic concerns within the municipalities. It is maintained that organisations collaborate for a variety of reasons, including the need to address complex problems, to gain legitimacy, to be more efficient in their delivery, and attract resources.<sup>18</sup>

Collaborative governance aimed to build collective and resilient capacity<sup>19</sup> through an inclusive, deliberative process<sup>20,21</sup> and principled by multi-stakehold-

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<sup>18</sup> Provan, K. G. & Kenis, P., 2008. Modes of Network Governance: Structure, Management, and Effectiveness. *Journal of Public Administration Research and Theory*, 18(2), pp. 229-252

<sup>19</sup> Agranoff, R., 2006. Inside collaborative networks: Ten lessons for public managers. *Public administration review*, Volume 66, pp. 56-65.

<sup>20</sup> Fishkin, J., 2009. *When the People Speak. Deliberative Democracy and Public Consultation*, New York: Oxford University Press.

<sup>21</sup> Innes, J. E. & Booher, D. E., 2010. *Planning with Complexity: An Introduction to Collaborative Rationality for Public Policy*, London and New York: Routledge.

ers, amongst other things, government, parastatals, private and the civil society to render and implement collective<sup>22</sup> and multi-jurisdictional decisions to address a shared problem which could not be solved by unilateral actions<sup>23</sup>, all for the communal good of the society in question.<sup>24, 25, 26, 27</sup>

In the past decade different scholars have proposed several alternative theoretical frameworks for collaboration, such as: Communicative Framework of value in cross-sector partnerships;<sup>28</sup> an integrative framework for collaborative governance (Emerson, et al., 2012); collaborating to manage;<sup>29</sup> modes of network governance (Provan & Kenis, 2008); collaborative governance;<sup>30</sup> managing within networks;<sup>31</sup> collaboration processes;<sup>32</sup> and Design and Implementation of Cross-Sector Collaborations (Bryson, et al., 2006). Even though these frameworks may differ in certain ramifications, they have much in common in their endeavours to articulate various contextual elements presents in a collaborative environment, tending to influence the outcomes of collaboration.<sup>33, 34</sup>

Given the scholarship of Emerson, et al. (2012) as contained in the integrative framework of collaborative governance, certain contextual issues established in the environment of collaboration, influence collaborative outcomes. Those

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<sup>22</sup> Fisher, R., Ury, W. & Patton, B., 2011. *Getting to Yes: Negotiating Agreement Without Giving In* 2nd Edition. MA: Random House Business Book.

<sup>23</sup> Emerson, K., Nabatchi, T. & Balogh, S., 2012. An integrative framework for collaborative governance. *Journal of public administration research and theory*, 22(1), pp. 1-29.

<sup>24</sup> Bingham, L. B. & O'Leary, R., 2008. *Big ideas in collaborative public management*, Armonk, NY: M.E. Sharpe

<sup>25</sup> Edigheji, O., 2010. *Constructing a Developmental State in South Africa: Potentials and Challenges*, Pretoria: HSRC Press, Inc.

<sup>26</sup> Zurba, M., 2014. Levelling the playing field: Fostering collaborative governance towards on-going reconciliation. *Environmental Policy and Governance*, 24(2), pp. 134-146.

<sup>27</sup> Emerson, K. & Nabatchi, T., 2015. Evaluating the productivity of collaborative governance regimes: A performance matrix. *Public Performance & Management Review*, 38(4), pp. 717-747

<sup>28</sup> Koschmann, M. A., Kuhn, T. R. & Pfarrer, M. D., 2012. A communicative framework of value in cross-sector partnerships. *Academy of Management Review*, 37(3), pp. 332-354

<sup>29</sup> Agranoff, R., 2012. *Collaborating to manage: A primer for the public sector*. Georgetown University Press

<sup>30</sup> Ansell, C. & Gash, A., 2008. Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory*, Volume 18, p. 543-571

<sup>31</sup> Agranoff, R., 2007. *Managing within networks: Adding value to public organizations*, s.l.: Georgetown University Press

<sup>32</sup> Thomson, A. M. & Perry, J., 2006. Collaboration processes: Inside the black box. *Public Administration Review*, Volume 66, pp. 20-32

<sup>33</sup> Bryson, J. M., Crosby, B. C. & Stone, M. M., 2015. Designing and implementing cross-sector collaborations: Needed and challenging. *Public Administration Review*, 75(5), pp. 647-663

<sup>34</sup> Kamara, R. D., 2017. Creating enhanced capacity for local economic development through collaborative governance in South Africa. *Socio Economic Challenges*, 1(3), pp. 98-115.

factors are: Procedural and operational arrangements regarding the processes and organisational structures needed to govern the collaboration processes; The leadership roles required, either at the beginning of the collaboration or during the collaboration process, to guide the implementation of the collaboration (Bryson, et al., 2006)<sup>35</sup>; the knowledge and capacity acquired through the resource leverage. Agranoff<sup>36</sup> therefore maintains the term ‘knowledge’ in this context concerning the social capital of shared knowledge, weighed, processed and integrated with the values and judgements of all participants.

Challenges exist to obtain stakeholders to participate in local government matters. As emphasised by Davies,<sup>37</sup> the enabling policies and legislation and the public participation structures established by the municipalities to encourage and promote public participation at local government is not doing enough to woe the interest of the community (private and civil society) to participate meaningfully in developmental concerns of their municipalities. The crux of Davies’s argument was on the existence of some certain barriers which hinders the communities from engaging fruitfully in local government issues. These barriers range from power relations, participative skills, political wills, a lack of trust, a lack of accessibility, consultative structure, and insufficient financial resources at the local level, historical factors, and community disillusionment with political government ineffectiveness.

As noted by Davies, some examples mentioned above are from other countries but are still relevant to South Africa. Provided these barriers, the question is, “What are the specific determining factors for effective cooperative governance for LED, especially in small towns”? In the study, several antecedents and extant models and frameworks on the determinants of successful collaborative governance were reviewed, starting from the study of Austin<sup>38</sup>, *The Collaboration Challenge: How Non-profits and Businesses Succeed Through Strategic Alliances*, which contained a set of guidelines tagged: “Seven C’s of Strategic Collaboration”—for use in designing and assessing inter-organisational alliances. The seven C’s are: Connection with purpose and people; Clarity of purpose; Congruency of mission, strategy and values; Creation of Value; communication between partners; continual learning and commitment to partnership.

<sup>35</sup> Bryson, J. M., Crosby, B. C. & Stone, M. M., 2006. The design and implementation of Cross-Sector collaborations: Propositions from the literature. *Public administration review*, Volume 66, pp. 44-55.

<sup>36</sup> Agranoff, R., 2008. Collaboration for knowledge: Learning from public management. In: L. B. Bingham & R. O’Leary, eds. In *Big Ideas in Collaborative Public Management*. Armonk, NY: M.E. Sharpe, pp. 162-194

<sup>37</sup> Davies, B., 2005. Communities of practice: Legitimacy not choice. *Journal of Sociolinguistics*, 9(4), pp. 557-581

<sup>38</sup> Austin, J. E., 2000. Strategic collaboration between non-profits and businesses. *Non-profit and voluntary sector quarterly*, 29((1\_suppl)), pp. 69-97



Amongst numerous collaborative models and framework reviewed are: Mattessich & Monsey<sup>39</sup> on *factors influencing success of collaborations*; Casey<sup>40</sup> *Success factors in inter-organisational relationships*; Chen<sup>41</sup> *Determinants of perceived effectiveness of inter-organisational*; Ales, et al.<sup>42</sup> *Developing and Implementing an effective framework for Collaboration*; Bryson, et al. (2015) *Designing and implementing cross-sector collaborations*; Olson, et al.<sup>43</sup> *Factors contributing to successful inter-organisational collaboration*; Franco (2011) on *Factors in the success of the strategic alliance* and Emerson, et al. (2012) scholarship on *Integrative framework on collaborative governance*

Additional extant studies reviewed were that of O'Leary & Vij<sup>44</sup> on the most important issues, concepts, and ideas in collaborative public management research and practice today; Kożuch & Sienkiewicz-Małyjurek<sup>45</sup> *Factors for effective inter-organisational collaboration*; Ysa, et al.<sup>46</sup> *Determinants of network outcomes* and the study of Roberts, et al.<sup>47</sup> on the valid measurement of collaboration within organisations as defined by Thomson, et al.<sup>48</sup> The various propositions contained in these literatures were synthesised to establish their commonalities and the discerning concerns between them. Those with similar ideas were group together to form the basis for the empirical study.

<sup>39</sup> Mattessich, P. W. & Monsey, B. R., 1992. Collaboration: what makes it work. A review of research literature on factors influencing successful collaboration, 919 Lafond, St. Paul, MN 55104.: Amherst H. Wilder Foundation

<sup>40</sup> Casey, M., 2008. Partnership—success factors of interorganizational relationships. *Journal of nursing management*, 16(1), pp. 72-83

<sup>41</sup> Chen, B., 2010. Antecedents or processes? Determinants of perceived effectiveness of inter-organizational collaborations for public service delivery. *International Public Management Journal*, 13(4), pp. 381-407

<sup>42</sup> Ales, M. W., Rodrigues, S. B., Snyder, R. & Conklin, M., 2011. Developing and implementing an effective framework for collaboration: The experience of the CS2day collaborative. *Journal of Continuing Education in the Health Professions*, 31(S1), pp. S13-S20.

<sup>43</sup> Olson, C. A., Balmer, J. T. & Mejicano, G. C., 2011. Factors contributing to successful inter-organizational collaboration: The case of CS2day. *Journal of Continuing Education in the Health Professions*, Volume 31, pp. S3-S12

<sup>44</sup> O'Leary, R. & Vij, N., 2012. Collaborative Public Management: Where Have We Been and Where Are We Going? *The American Review of Public Administration*, 42(5), pp. 507-522

<sup>45</sup> Sienkiewicz, M. W., 2014. Municipal development strategy as an instrument of local economic development policy. *Socialiniai tyrimai/ social research*, 3(36), pp. 13- 15

<sup>46</sup> Ysa, T., Sierra, V. & Esteve, M., 2014. Determinants of network outcomes: The impact of management strategies. *Public administration*, 93(3), pp. 636-655.

<sup>47</sup> Roberts, D., Van Wyk, R. & Dhanpat, N., 2017. Validation of the Thomson, Perry and Miller (2007) collaboration instrument in the South African context. *SA Journal of Human Resource Management*, 15(1), pp. 1-11

<sup>48</sup> Thomson, A. M., Perry, J. K. & Miller, T. K., 2008. Linking collaboration processes and outcomes: foundations for advancing empirical theory. In G. Bingham & R. O'Leary, eds. *Big ideas in collaborative public management*. Armonk, NY: M. E., pp. 97-120

### 3. RESEARCH DESIGN AND METHODS

An interpretive research design, specifically a case study approach, was used to analyse the specific aspects involved in designing, implementing, and evaluating LED-based cooperative governance. The study is located within the constructivist/interpretive paradigm, which reflects on definitions and pursues to understand the context, using a range of qualitative approaches<sup>49</sup>. Employing interpretive research design assists the researchers to understand the dynamics of policies and legal frameworks and as well as its implementation in promoting cooperative governance, that informs and fosters local economic development in selected six municipalities in Western Cape in their natural settings, and construct meanings that individual attached to their experiences<sup>50, 51, 52</sup>.

These municipalities are Hessequa, Kannaland, Oudtshoorn, Mossel Bay, Swellendam and Theewaterskloof Municipalities. A mixed of factors were taken into consideration that assisted in an informed decision on the choice of municipalities suitable for comparative study. It can be maintained that there is no significant difference in the local economies of the six selected municipalities characterised by informal small businesses. The latter was another concern in the study, relating to concerns of inclusive participation of the private, civil society and government in the local governance and system management of LED within a municipality. The need to be able to match economic similarities between these comparing cases was another impetus for the selected municipalities.

The data collection instruments used for the investigation are key informant interviews, focus group discussions and documentary analysis. Semi-structured interviews were conducted with 24 key informants drawn from the six municipalities; District offices (Eden and Garden route); Western Cape Department of Economic Development and Tourism (DEDAT); Department of Cooperative governance and Traditional Affairs (CoGTA); NGOs/CBOs and business chambers in the District Municipalities. Specifically, the participants were: Executive Mayors and Councillors; Local Economic Development (LED) and Integrated Development Planning (IDP) staff; Officials of DEDAT, CoGTA and South African Local Government Association (SALGA); and Representatives of business and civil society.

Focus group discussions were facilitated with sixteen (16) participants which mostly involved the participation of the Mayors and the Mayoral committees of

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<sup>49</sup> Mouton, J. (2011). *How to succeed in your masters & doctoral studies: A South African guide and resource book*. Pretoria: Van Schaik.

<sup>50</sup> Denzin, N. K., & Lincoln, Y. S. (2005). Introduction: The discipline and practice of qualitative research. In N. K. Denzin, & Y. S. Lincoln (Eds.), *The sage handbook of qualitative research*. Thousand Oaks, CA: Sage.

<sup>51</sup> Esterberg, K. G. (2002). *Qualitative Methods in Social Research*. Boston: McGraw-Hill.

<sup>52</sup> Jones, S. (2002). (Re)writing the word: Methodological strategies and issues in qualitative research. *Journal of College Student Development*, 43(4), 461-473.

Hessequa and Theewaterskloof municipalities, and IDP staff of Garden Route (Eden) district municipality in George. Twenty (20) documents were analysed in the study to systematically assess the policy and legal framework that informs cooperative governance for LED in the selected six municipalities in the Western Cape. These were a mixture of relevant policy documents and implementation strategy documents retrieved from the public domain of the municipality, government department and public agencies. The predominant numbers of these documents were the municipality's IDP and the municipality's LED strategy and implementation plan. These were a mixture of relevant policy documents and implementation strategy documents.

The method of analysis chosen for this study to analyse the transcripts and organisational documents was a data-driven inductive approach of qualitative methods of thematic analysis aimed to identify patterns in the data employing thematic codes. Atlas.ti8.4.14™ software package was employed to extract, compare, explore, and aggregate the data to delineate the relationships amongst emerging themes.<sup>53</sup>

#### 4. RESULTS AND DISCUSSIONS

This section of the paper presents discussions on the key findings of the study. The key findings emanating from this study fall into the following thematic areas, namely, policy and legal framework; specific LED challenges; Institutional arrangements; Intergovernmental relations (IGRs); and Monitoring and Evaluation (M&E). These themes and its associated sub-themes are presented in table 1 below. Each of these themes is further discussed below in detail

**Table 1:** *Synthesised findings for further discussions*

S/NO	MAIN THEMES	SUB-THEMES
1	Policy and legal framework	Policy design issues Policy implementation
2	Specific LED challenges	Resources/capacity challenges of LED Issues of implementation Level of trust
3	Institutional arrangements	Understanding roles and responsibilities Role-players' involvement/participation Silos approach Resources/capacity constraints Collaboration structure/governance Role-players' willingness and commitment Level of trust

<sup>53</sup> Friese, S. (2019). ATLAS.ti 8.4 Windows Quick Tour update. Berlin, Germany:: Atlas. ti Scientific Software Development.

S/NO	MAIN THEMES	SUB-THEMES
3	Institutional arrangements	Implementation plan Mechanism for dispute resolution Mechanism to promote accountability Attainment of perceived benefits
4	Intergovernmental Relations (IGRs)	Unattained perceived support Poor monitoring and reporting Issues of implementation Undefined roles and responsibilities
5	Monitoring and Evaluation (M&E)	Poor coordination

Author's own (2021)

#### 4.1. Policy and Legal Framework

The relevant policy documents and the legal framework reserve a place for public participation in the system of local governance where municipalities are required to build partnerships between the private sector, civil society and local government. Imperatively, the normative and legislative framework where collaboration operates exogenously influence the performance of the collaboration as it regulates the set-up and functioning of control agencies external to the network.<sup>54, 55, 56</sup> The White Paper on local government (WPLG)<sup>57</sup> reflects this idea and envisioned for local government as a developmental sub-national government, committed to work for and with the local community.

The study findings revealed that the policy and legal framework for LED and its associated framework fail to articulate the specific roles and responsibilities of the key role-players, especially that of the business sector and the civil society. Arguably, both sectors are increasingly involved in matters of development within the local community. The private sector is becoming the lead player in the deployment of resources for LED, such as capital, technology, and human resources. The study maintained that the private businesses with the shared value for their business and the society could create entrepreneurial opportunities, contribute to technology transfer and develop local industries.<sup>58</sup> The civil

<sup>54</sup> Turrini, A., Cristofoli, D., Frosini, F. & Nasi, G., 2010. Networking Literature About Determinants of Network Effectiveness. *Public Administration*, 88(2), pp. 528-550

<sup>55</sup> Cepiku, D., 2014. Network performance: towards a dynamic multidimensional model. In R. Keast, M. P. Mandell & R. Agranoff, eds. *Network theory in the public sector: building new theoretical frameworks*. New York: Taylor Francis /Routledge, p. Chapter 11

<sup>56</sup> Cepiku, D. & Giordano, F., 2014. Co-production in developing countries: Insights from the community health workers experience. *Public Management Review*, 16(3), pp. 317-340

<sup>57</sup> Republic of South Africa (RSA), 1998. *White paper on Local Government. Development of Constitutional Development*, Pretoria: Government Printer

<sup>58</sup> Krishna, A., 2011. An integrative review of sensory marketing: Engaging the senses to affect perception, judgment and behavior. *Journal of Consumer Psychology*, 22(3), p. 332-351

society emerged as a strategic partner in the development process as they pursue to develop an alternative way of facilitating economic development and creating public value through emerging initiatives in their localities.<sup>59, 60, 61</sup>

Barely enough can be achieved consequently by all key role-players (state, private and civil society) on matters of locality development without the provision of enabling statutes that delineate the roles and responsibilities of the respective role-players. The study observed that failures to define roles and responsibilities of role-players, as a consequent lead to duplication of roles and responsibilities.<sup>62, 63</sup>

The study findings reveal that the LED policy and legal framework emerge as outdated. The policy and legal framework influence the way local authorities conduct matters of local development. According to Rogerson<sup>64</sup>, LED's role is barely mentioned in the National Development Plan. The analytical concern is the relevance of these policy documents, encountering modern realities. The high pace and scale of advancement in high-tech, specifically in digital, robotics, and automatic applications are profoundly reshaping individuals' personal and professional life. It poses a great challenge to public policymaking and implementation in matters of development. Several processes and structures in public entities, developed over the last few centuries, would soon become obsolete and irrelevant.<sup>65</sup> With the emergence of Artificial Intelligence (AI) technologies, where machines can perform some tasks traditionally and exclusively perform by humans, brought a new dimension to humanity. AI holds significant promise for the public sector undergoing a transformation with robotics and automation, changing the provision of public services.

Public sector procurement of AI-powered technologies presents challenges concerning legal liability, where a decision taken by an algorithm harms some-

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<sup>59</sup> Ghaus-Pasha, A., 2005. Role of civil society organizations in governance. In 6th global forum on reinventing government towards participatory and transparent governance. Seoul, South Korea

<sup>60</sup> Oduro-Ofori, E., 2011. The role of local governments in the LED promotion in Ghana', PhD thesis, Dortmund: Technical University of Dortmund

<sup>61</sup> Mutabwire, P., 2012. Local governments assessment, Kampala: Ministry of Local Government

<sup>62</sup> Greijing, S., 2017. Local Government Support Partnerships (previously referred to as Business Adopt a Municipality (BAaM): Experiences. A paper presented at 2017 National LED Conference, Pretoria: CoGTA

<sup>63</sup> Kahika, G. & Karyejja, G. K., 2017. Institutional roles and the implementation of Local Economic Development, Kasese District, Uganda. *Africa's Public Service Delivery and Performance Review*, 5(1), pp. 1-9

<sup>64</sup> Rogerson, C. M., 2014. Reframing place-based economic development in South Africa: The example of local economic development. *Bulletin of Geography*, Volume Socio-Economic Series 24, pp. 203-218

<sup>65</sup> Agarwal, P.K., 2018. Public administration challenges in the world of AI and bots. *Public Administration Review*, 78(6), pp.917-921.

one's life. Following these complexities of the modern era, the credibility and relevancy of the national framework and its associated strategies in the wake of the 4<sup>th</sup> industrial revolution are questioned. The ability of these policies and strategies to support the development of a resilient and sustainable local economy in a contemporary era characterised by automatic and robotics applications occasioned by 4IR, is put into question. Although it was established in the study that some selected six municipalities reviewed their LED strategies, some municipalities are still employing their outdated LED strategies and implementation plans.

The study findings revealed the concern of policy assessment mechanism to monitor and assess the performance of the policy and legal framework. The complexity of modern government beckons the usage of effective policy assessment mechanisms within the LED policy and legal framework to provide both institutional and sectoral guidance for assessing the usefulness and relevance of the framework on the ground. This would also enable the stakeholders to consult and synchronise the policy, and be able to resolve any inconsistencies or conflicts in either the policy development or implementation. To monitor and evaluate LED legal policy and framework, the study chose to advocate for an integrated approach whereby the LED key stakeholders (government, state, private, and civil society) would be prominently and actively involved throughout the process.

The study identified that no formal mechanisms were established with clear guidance for the arbitration of LED policy and legal framework, not to mention the ability of the assessment mechanism to formulate sub-national positions on policy options and to resolve conflicts of interests. This renders it difficult to provide reports or feedback on policy performance to establish what is effective to replicate in the form of good practice and what is under-performing for review.

For accountability, informed policymaking, and improved governance of LED, three complementary actions are required, such as monitoring, analysis, and reporting. Monitoring to gather evidence about how the policy is working in practice, justifying the data through analysis, and reporting to policymakers and the public. The challenge, as established in the study, is the absence of an articulated M&E policy framework in the selected municipalities. Consequently, this background hinders the ability of the system to access updated information on the performance and effectiveness of policies crucial for accountability and learning.

As rightly maintained by Ryan & Walsh<sup>66</sup>, a need exists for such a framework and reporting mechanism for collective initiatives. Collecting and analysing evidence about the impacts of LED policy and its associated strategies on addressing socioeconomic concerns within local municipalities, and reporting it to the state, policymakers, and the public, as appropriate, is critical in assessing how policies are performing and, more importantly, in policymakers re-prioritizing and refining policy development instruments and objectives for local municipalities.

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<sup>66</sup> Ryan, C. & Walsh, P., 2004. Collaboration of public sector agencies: reporting and accountability challenges. *International Journal of Public Sector Management*, 17(7), pp. 621-631

#### ***4.2. Specific Challenges in Local Economic Development***

While the local governance of LED holds promises for the future development of localities, cognisance of actual constraints and challenges is needed to bedevil it, derailing its course to the *promised land*. In this context, the following challenges were identified:

- resources/capacity constraints
- concerns of implementation
- a level of trust
- political challenge
- socio-economic and environmental/ecological challenge.

Discussion on each of these challenges are presented in the following sections.

##### ***Resources/capacity challenges of local economic development***

Given the findings from this study, the challenge of a lack of resources or capacity at the local government level was one of the most cited reasons against LED. The responsiveness of both the national and sub-national spheres of government to mitigate the difficulty of capacity constraints stimulated the conception and implementation of a plethora of capacity-building initiatives, often associated with myopically designed specific training to develop individual capacities at a municipal level. As a consequence, the concern about capacity constraints remains unresolved, continuing to impair the promise of LED in local government.

The concern of resource constraints is most prominent concerning the funding of development projects or endeavours within the municipality, especially in small towns with a limited income. As acknowledged by Ngobese<sup>67</sup> in a presentation at a MISA conference, underprivileged municipalities take solace in government grants and loans owing to their inability to draw on a substantial tax base and the inability of the residents to pay for services. This has therefore severely impacted on maintaining the existing infrastructure. With regards to the intergovernmental fiscal system in South Africa, it suffices to mention that the system is, characterised by the dependence of the municipality in transfers from the national sphere of government. The system recognises the imbalance between the expenditure functions assigned to them and the instruments at their disposal to generate their revenues.

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<sup>67</sup> Ngobese, X., 2018. Key infrastructure challenges in rural municipalities, opportunities and solutions. MISA presentation. COGTA. Retrieved from. [Online]: Available at: [https://www.salga.org.za/dev/miif/Presentations/1%20MISA%20infrastructure%20 Financing.pdf](https://www.salga.org.za/dev/miif/Presentations/1%20MISA%20infrastructure%20Financing.pdf).

### *Concern of implementation*

The study established that the local municipality plays a pivotal role in designing and implementing LED strategies and interventions. The strategic position of the municipalities provides them with the leverage to undertake long-term development planning in collaboration with business and civil society. The study findings identified the successful implementation of LED strategies within municipalities as a major challenge. Challenges emanate from a range of factors, as indicated as follows:

- insubstantial institutional arrangements
- a lack of effective collaboration of the trio (local government, private, and civil society)
- inadequate funding
- skill capacity shortage

### *Level of trust*

Trust was widely debated in the conceptual framework as a vital component required for the success of collaborative endeavours aimed at improving the system management of LED planning and implementation in municipalities. A lack of trust reduces commitments from stakeholders. It was maintained that, notwithstanding the various efforts to improve the system management of LED through multi-stakeholders, mistrust between the local government and civil society suffocates energy for LED. A dire need exists to restore trust as the missing link.<sup>68</sup>

### **4.3. Institutional Arrangements**

Understanding within a comprehensive spectrum the nature and dynamics of institutional arrangements for local governance of LED within the municipality holds a key function for the effective implementation of LED within the municipality. It assisted in providing insights on how the interactions amongst the key role-players assist to shape and improve the socio-economic outcomes of developmental strategies within the six selected municipalities. As suggested by Meyer & Venter,<sup>69</sup> for LED to be effective, appropriate institutional arrangements must exist within municipalities that can convert policies and strategies into meaningful interventions in conjunction with all relevant stakeholders. The study examined the viability and functional coherence of the key institutional

<sup>68</sup> Ngobese, X., 2018. Key infrastructure challenges in rural municipalities, opportunities and solutions. MISA presentation. COGTA. Retrieved from. [Online]: Available at: <https://www.salga.org.za/dev/miif/Presentations/1%20MISA%20infrastructure%20Financing.pdf>.

<sup>69</sup> Meyer, D. F. & Venter, A., 2013. Challenges and solutions for local economic development (LED) municipal institutional arrangements. The case of the Northern Free State. *Administratio Publica*, 21(4), pp. 91- 113



arrangements for LED within the municipalities, with a special focus on development fora through an integrated approach to some findings. Various interactive factors were identified to influence the effective performance of LED institutional arrangements within municipalities:

- understanding roles and responsibilities
- stakeholders' involvement/participation
- silos approach
- capacity/resources
- collaboration structure/governance
- stakeholders' willingness and commitment
- level of trust
- implementation plan
- mechanism for dispute resolution
- mechanism to promote accountability
- attainment of perceived benefits

Specifically, the aspects of stakeholder's involvement/participation, capacity/resources and mechanism for dispute resolution as influencing factors stood out most prominently.

#### ***4.4. Intergovernmental Relations (IGRs)***

The theory and practice of IGR is based on the principle of cooperation between the three spheres of government in South Africa. This necessitates analysis and alignment of the various functions and obligations of multi-actors (states and non-states) into future strategic objectives. IGR structures were established at various levels of government (national, provincial, and local) as a catalyst to drive cooperation and collaboration between spheres of government and to ensure that developmental outcomes and results were achieved. The study results indicate several constraints established to affect the effectiveness of IGR in the selected six municipalities. These factors fall under the following thematic areas:

- Unattained perceived support
- Poor monitoring and reporting
- issues of implementation
- Undefined roles and responsibilities of the respective sphere of government

#### ***4.5. Monitoring and Evaluation***

The study results indicated a certain degree of performance monitoring and reporting conducted to measure the perceived outcomes of LED institutional arrangements in some of the six municipalities, such as in Mossel Bay municipalities and Hessequa municipalities. There were still cases of lapses established

in these municipalities concerning poor coordination of monitoring and reporting. A related study by Mello<sup>70</sup> suggests that one of the primary reasons why municipalities in South Africa were failing to deliver on their constitutional mandate was ineffective monitoring of intervention and poor management of intervention after the transition.

In providing the latest report on the performance of South African municipalities for the 2019-20 financial year, the Auditor General of South Africa laments on the undesirable deteriorating state of municipalities in their accountability for financial and performance management.<sup>71</sup> Surprisingly, only 11% (27 municipalities) out of a total of 257 surveyed municipalities, received a clean audit. As emphasised in the report, performance management is essential as it describes the achieved progress on commitments to the community on services and development through the IDP for the 5-year term of the administration. An audit was awarded to municipalities with credible and disciplined records. The AG's audit established that flaws in the municipality's performance report were mostly attributable to poor planning, management, and reporting of performance (National Treasury, 2021). These difficulties do not augur well for achieving the commitments contained in IDPs.

However, stemming from the 2019-20 report, only one of the six selected municipalities (Oudtshoorn) obtained an 'unqualified with findings' audit report. The reports confirm the study findings, related to the concern of inadequate coordination of M&E in some of the six selected municipalities.

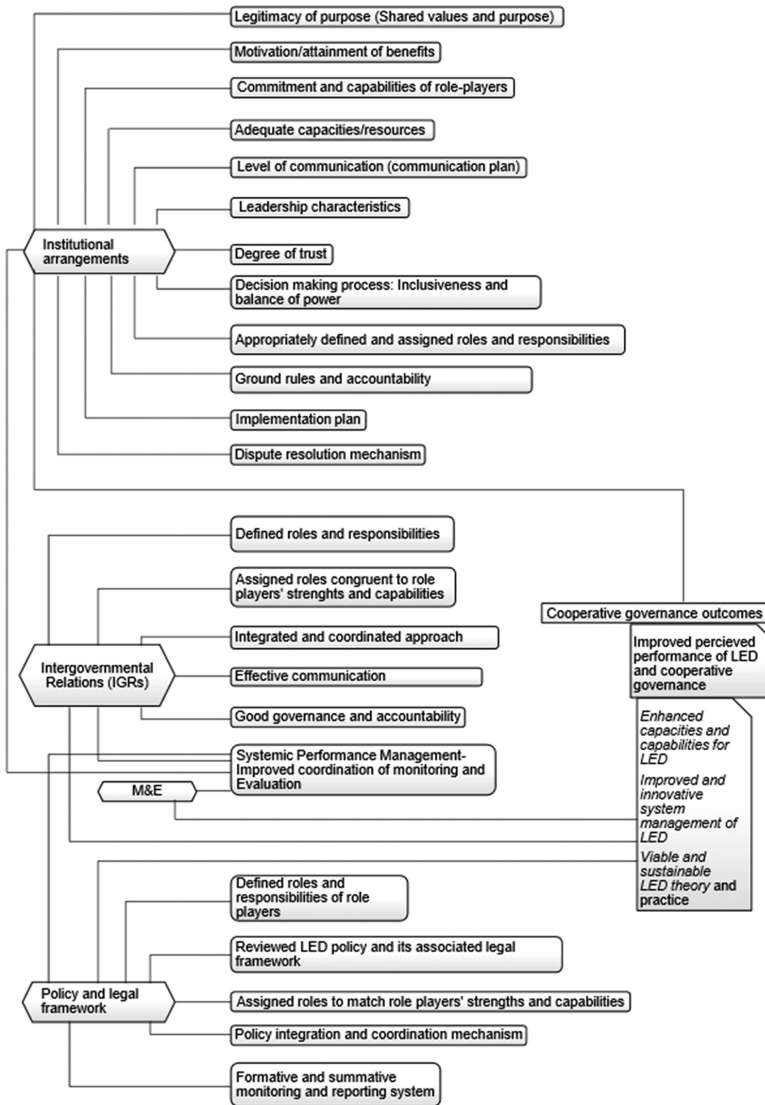
## 5. PROPOSED NORMATIVE MODEL/Framework FOR LOCAL ECONOMIC DEVELOPMENT AND COOPERATIVE GOVERNANCE

The study aimed to contribute to a normative monitoring and evaluation framework by enhancing the option for employing a model in guiding the design, implementation, and assessment of LED-based cooperative governance. The proposed framework aims to reinforce and galvanise the utility of the outcomes-based model for measuring cooperative governance performance in LED matters. The proposed model/framework was derived from the findings obtained from various sources through multiple data collection instruments, including documentary reviews, focused group discussion, and individual interviews with key informants and stakeholders (municipality, private, and civil society) within the selected municipalities. The evolved proposed normative model was compiled and based on the comments, objectives, and anticipated outcomes of LED-based coopera-

<sup>70</sup> Mello, D. M., 2018. Monitoring and evaluation: The missing link in South African municipalities. *TD. The Journal for Transdisciplinary Research in Southern Africa*, 14(1), pp. 1-6.

<sup>71</sup> National Treasury, 2018. Auditor-General South Africa. [Online] Available at: <https://www.agsa.co.za>

tive governance arrangements of the selected six municipalities examined in the study. Moreover, the emerging concepts from the various models of collaborative governance reviewed in the study provided the basis for the proposed normative framework and model. This approach involved the designing of a model, which illustrates the relationships between the various factors and the perceived results of the collective undertaking (LED-based cooperative government arrangement of comparable municipalities in the Western Cape), as indicated in Figure 1.



**Figure 1:** Proposed normative framework/model for LED and cooperative governance

## ***5.1 Description of the Proposed Normative Model/Frameworks***

The study findings were carefully considered to obtain key factors to be considered in designing, implementing, and assessing LED performance results and the performance results of collaborative governance in local government, specifically in the selected towns. As shown in figure 1, these variables were grouped together to produce four main themes and 23 corresponding elements via institutional arrangements, intergovernmental relations, monitoring, and evaluation. As depicted by the figure, the 4 main themes are linked to the corresponding elements (23) in a pattern that shows their relationships. The combination of the interaction of these factors signals the perceived outcomes of LED and collaborative governance. Notable achievements are observed, such as improved LED capacity and functionality, sustainable LED theory and practice, innovative system management, improved policy and legal framework, and overall improved LED performance.

### ***5.1.1. Policy and legal framework.***

From the perspective of enabling legal policy and framework, effective collaboration for LED should be characterised by the following elements.

- Updated policy and legal framework for LED and public participation
- Articulated roles and responsibilities of role-players
- Assigning roles to match the role-player's strength and capabilities
- Improved policy integration and coordination mechanism
- Mechanism for Monitoring and Evaluation

#### *Updated policy and legal framework for LED and public participation*

Inadequacies in the current legal and regulatory framework for LED, cooperative governance, and public involvement were uncovered during the research that informs this paper. Given the complexities of modern municipal administration, the enabling policy and legal framework must be evaluated every five years in order to accomplish perceived collaborative outcomes. An updated legislative and legal framework in LED, cooperative governance, and public participation are all crucial factors to consider while designing and executing collaboration in LED.

#### *Articulated roles and responsibilities of role-players*

The policy guidelines should articulate the roles and responsibilities of role-players. This assists in mitigating concerns of a laissez-faire approach commonly associated with implementation and thus promotes accountability amongst role-players.

*Assigned roles to match role-player's strength and capabilities*

Arguably, the ability of role-players in collaboration to perform their respective roles and responsibilities is partly and jointly a function of their capabilities and motivation. Poor performance on the part of role-players due to incapacity can be reduced by ensuring that the roles assigned to them are congruent with their ability to deliver.

*Policy integration and coordination mechanism*

The investigation uncovered several instances of disconnected and uncoordinated policy methods being used to administer LED and cooperative governance in the concerned local government. This issue can be reduced by enacting policies that enable policy alignment in the pursuit of greater efficiency.

*Formative and summative monitoring and reporting system*

A framework for policy monitoring and assessment should be in place to ensure that the policy is capable of achieving the stated goals. This can be accomplished by using mechanisms for monitoring and reporting, as well as regular inspections and controls.

*5.1.2. Institutional arrangements*

Given the results of the study, this paper seeks to galvanise the imperative-ness of a functional institutional structure to the success of collaboration. Specifically, in this context, a well-functioning institutional arrangement in local government would be catalytic in transforming policies and strategies into meaningful intervention outcomes with all relevant role-players in the community. To achieve these objectives, this paper identifies various aspects or components that must be added to the collaborative menu to make it more appealing.

- the legitimacy of purpose (shared values and purpose)
- motivation/attainment of benefits
- commitment and capabilities of role-players
- adequate capacities/resources
- level of communication (communication plan)
- leadership characteristics
- degree of trust
- decision-making process: inclusiveness and balance of power
- ground rules and accountability
- appropriately defined and assigned roles and responsibilities
- implementation plan
- dispute resolution mechanism

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*The legitimacy of purpose (Shared values and purpose)*

An important ingredient for establishing and maintaining a collaborative culture is the presence of a legitimate sense of purpose. Collaboration requires a clear understanding of and commitment to collaboration goals. The best way to achieve this is to involve the role-players jointly in determining these goals.

*Motivation/attainment of benefits*

This paper argues that effective collaboration aims to meet local government development goals, promote organizational learning, and boost interaction between role-players and stakeholders. This paper further argues that role-players are interested in joining a collaborative arrangement because of perceived benefits. The purpose of collaborating, as stated by the governance arrangements, serves as an encouragement for role-players to participate in the collaboration.

*Commitment and capabilities of role-players*

The paper establishes the fundamental importance of role-players' commitment and capabilities to the success of collaboration. Effective collaboration requires role-players who are willing to commit resources, such as time, knowledge, and capital to collaborative endeavours.

*Adequate capacities or resources*

The study identified resource and capacity constraints as a major concern for the success of LED arrangements across the six selected municipalities. The availability of adequate resources was considered as a salient variable to be considered in achieving productive collaboration in LED within the municipalities. Resources or capacity are enhanced through contributions from role-players or by pooling resources from various role-players.

*Level of communication (communication plan)*

The study identified communication effectiveness as a fundamental factor for collaboration success, specifying the extent of communication enhancement amongst role-players. An effective communication plan is recommended. The issue of governance in collaborative structures was established as a major determinant for effective LED collaboration within the selected (six) municipalities. In this context, the collaborative governance regime can be deconstructed or analysed in this context to include leadership characteristics; definition and

assignment of roles and responsibilities; inclusiveness; level of trust; accountability; implementation plan; dispute resolution mechanism

#### *Leadership characteristics*

The fundamental importance of facilitative leadership was established in the study as a key element in convening and steering collaborative arrangements. The collaborative process requires good-spirited, innovative, and entrepreneurial leadership with an encompassing interest in delivering initiatives producing shared benefits through a shared system of actions. These arguments address a fundamental concern that certain facilitative skills and proficiency are required for collaborative leaders to identify, coordinate, and manage the collaborative process proactively. These are facilitative, knowledge-based, and behavior-related attributes. Some of the facilitating skills emerging from this study are listening skills; enabling skills; connecting skills; championing skills; strong negotiation skills; relationship and team-building skills; and influencing skills. Another required proficiency is knowledge related attributes regarding, understanding mandates and other institutions; economic development knowledge; local knowledge of the environment; and effective analytical and decision-making skills. Finally, collaboration leadership must exhibit related behavioural characteristics such as honesty and openness; flexibility; compliance with legislation and institutional arrangements; and respect and democratic behaviour.

#### *Degree of trust*

The study indicated that trust is needed to enhance collaborative outcomes. Given the level of uncertainty frequently associated with collaborations, a lack of trust threatens the commitment of role-players to the collaborative process.

#### *Decision-making process: Inclusivity and power balance*

The decision-making process in a collaborative arrangement can be improved through inclusiveness and equitable power-sharing amongst the role-players in the decision-making processes. A collaborative regime must be characterised by a power share between the role-players.

#### *Ground rules and accountability*

This study indicated that formidable ground rules that profoundly articulate and incorporate the respective roles and responsibilities of the role-players involved, and authentic reporting and iterative engagement with key role-players, assist in fostering accountability in collaboration. A ground-rule in a collaborative arrangement assists in regulating the behaviour of the role-players in the arrangement.

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*Appropriately defined and assigned roles and responsibilities*

As previously discussed in the context of the policy and legal framework, the roles and responsibilities of role-players should be articulated in order to avoid ambiguity and thus promote performance coordination. Importantly, role-players in collaborative arrangements are assigned roles and responsibilities compatible with their strengths and capabilities.

*Implementation plan*

There is a need for an implementation plan to guide the processes and procedures of the arrangements regarding the governance structure of the institutional arrangement for LED.

*Dispute resolution mechanism*

Concerning the governance of the arrangement, a mechanism to resolve arising conflicts in the arrangement must be established.

*5.1.3. Intergovernmental relations (IGRs)*

IGRs aim to promote cooperation across the government's three levels. Fundamentally, one of the overarching principles underpinning the IGR approach is the nature of support to be provided to municipalities by the district, provincial and national governments. This study established across the six selected cases that municipalities received inadequate intergovernmental support to foster developmental and statutory mandates within their municipalities. Provided the myriad of emerging concerns in this context, the following key factors were recommended for consideration in the design of resourceful IGRs aimed at providing adequate support to municipalities. These factors are

- defined roles and responsibilities
- assigned roles congruent to role-players' strengths and capabilities
- integrated and coordinated approach
- effective communication
- effective governance and accountability

*Defined roles and responsibilities*

The role and responsibilities of the various levels of government in IGRs need to be defined to avoid ambiguity and fragmentation of roles and responsibilities.



*Assigned roles congruent to role-players' strength and capabilities*

In addition to articulation of role and responsibility, delegated tasks, and duties, must match the strength and capability of the participating authority. Put simply, the one-size-fits-all approach of assigning roles and responsibilities should be rescinded and be replaced by a more flexible, context-based approach.

*Integrated and coordinated approach*

An integrated and coordinated implementation approach of IGR should be considered, ensuring that responsibilities are not fragmented or duplicated.

*Effective communication*

Effective communication between the three branches of government was reported in the study as a crucial requirement for the productive performance of IGRs. A communication plan is required where various channels are monitored to ensure effective communication is structured, enhancing IGR communication.

*Good governance and accountability*

Good governance relates to the ability of IGRs to achieve appropriate development policy objectives, aimed at sustainably developing society. Good governance centres on how efficiently resources are allocated and managed, directed by accountable role-players in IGRs and executed by a resolute team of professionals collectively to address socio-economic concerns within municipalities. The study established that good governance is characterised by specific features, such as participatory, consensus orientation, accountability, transparency, unbiasedness, responsiveness, inclusiveness, and compliance with the rule of law.

*5.1.4. Monitoring and Evaluation (M&E)*

Another major factor that emerged from the study was the concern about M&E. In this regard, some rudiments for effective M & E of LED and cooperative governance across the six selected municipalities were established as lacking, resulting in inadequate coordination of monitoring and reporting of municipal performance. The study recommended employing systemic performance management to improve the coordination of monitoring and evaluation systems within municipalities.

- systemic performance Management-Improved coordination of monitoring and evaluation system

Monitoring and reporting performance should be a belief across the spectrums of policy and enabling legal frameworks, institutional arrangements, and IGRs, if this recommendation is followed. Regular monitoring and reporting have to be done to establish policy performance regarding its achievement of desired objectives. Design and implementation of institutional arrangements and IGRs should be regularly monitored and evaluated for performance review. This process would, therefore, assist in providing reports or feedback on the performance of policies, institutional arrangements, and IGRs to determine what is functioning to replicate in the form of good practice and what is under-performing for possible review.

## 6. STUDY LIMITATIONS

The researcher was interested in conducting the focus group discussions with more mayors and mayoral committee members in all the six selected municipalities instead of only three of the municipalities as was eventually carried out in the study. Some people were unwilling to participate in the research. Alternative focus group discussions were held with other high-ranking LED officials from the selected towns that were able to contribute relevant insights and perspectives on the situation. In addition, as leverage, pertinent documents were inspected.

## 7. DIRECTIONS FOR FUTURE RESEARCH

The study has evolved a framework or model that could assist policy makers and implementers in formulating decisions about the collaborative governance of development projects aimed at improving the socio-economic conditions of the community. The framework was based on a specific context in the selected small towns. Future research might be conducted to see if the same methods utilized in this study could yield the intended outcomes in a similar setting (towns).

## 8. CONCLUSION

The principal objective of this paper was to examine the specific factors to be considered in designing and implementing collaborative/cooperative governance for LED in selected, comparable municipalities in the Western Cape Province. LED was conceptualised in the context of collaborative governance, providing the operationalisation of both concepts (LED and collaborative governance) to examine the specific success deterministic factors for collaborative/cooperative governance in LED. Identifying these specific factors would assist in designing and implementing effective collaborations aimed at achieving perceived out-

comes in LED. The study's findings, insights, and theoretical propositions are based on the perspectives and experiences of the LED key role-players/stakeholders in the chosen context. The paper fulfils the quest of the study to develop a normative framework/model for determining the specific factors to be considered for designing and implementing effective collaboration in LED. The framework captures the relationships between these variables, which can positively influence the local government's ability to manage successful LED in a collaborative manner.

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## RAZVIJANJE I IMPLEMENTACIJA EFIKASNOG OKVIRA ZA KOOPERATIVNO UPRAVLJANJE I LOKALNI EKONOMSKI RAZVOJ (LED) U LOKALNOJ SAMOUPRAVI JUŽNE AFRIKE

**Sažetak:** *Nedostatak sveobuhvatnog institucionalnog okvira za promovisanje zajedničkog učešća u razvoju lokalnih ekonomija ometao je razvojne napore u južnoafričkim zajednicama. Većina južnoafričkih lokalnih vlasti se bori da ispuni svoj razvojni mandat. Posebno, postoje određeni faktori kolaborativnog upravljanja koji imaju tendenciju da poboljšaju efikasnost i kontrolu lokalizovanog razvoja. Ovi faktori nisu obuhvaćeni integrisanim konceptualnim modelom koji artikulisano prikazuje odnose između ovih varijabli i njihovog uticaja na percipirani ishod LED-a. Ovo negativno utiče na sposobnost opštine da dobro upravlja lokalizovanim razvojem u saradnji sa relevantnim akterima. Potrebno je potpuno razumevanje odnosa i dinamike ovih varijabli da bi se dale preporuke za poboljšanje upravljanja i odgovor na socio-ekonomske probleme unutar zajednice kroz poboljšano upravljanje LED. Podaci su prikupljeni u šest opština u zapadnom Kejpu, u Južnoj Africi, kako bi se rešili ovi izazovi. Primenjena je kvalitativna paradigma dizajna studija zasnovana na interpretivističkoj filozofiji. Instrument korišćen za prikupljanje podataka bili su pregledi dokumenata, intervjui i diskusije u fokus grupama. Studija analizira i procenjuje dizajn i implementaciju politika i inicijativa zajedničkog upravljanja u odabranim lokalnim samoupravama u Zapadnom Kejpu, Južna Afrika. U studiji je razvijen normativni, kolaborativni okvir upravljanja. Ovo obuhvata ne samo faktore koji povećavaju i ograničavaju LED, već i odnose između ovih faktora koji mogu da ometaju uspeh saradnje između lokalnih samouprava i drugih ključnih aktera. Ovaj integrisani okvir/model može dati informacije o budućem dizajnu, implementaciji i evaluaciji ko-upravljanja LED-a u malim gradovima i budućim politikama za unapređenje zajedničkog upravljanja i LED-a u malim gradovima.*

**Ključne reči:** *Zadružno upravljanje; politika i pravni okvir; institucionalni aranžmani; međudržavni odnosi; LED*