

Application of Turnaround Management Strategies for Improved Service Delivery with Reference to Madibeng Municipality in Brits - North West Province

Lebogang M. Seoketsa

ABSTRACT

Problems of public service failure are very high on the political agenda in the country in different departments and municipalities are searching for effective turnaround strategies to fix or to improve these. It must be understood that although little research on turnaround in public sector has been undertaken, there is a considerable number of studies of decline and recovery in private firms.

This paper is about Turnaround Management Strategies for improved service delivery. The use of Turnaround Management Strategies (TM) has received growing interest in both public and private sectors. According to Thomas L., Wheelen J and Hunger D (1984:151); turnaround strategy emphasizes improving operational efficiency. The steps in turnaround management and turnaround strategy, the importance of turnaround strategy, the objectives of turnaround management strategy and factors needed for improved service delivery will be dealt with.

Turnaround strategies come into play when a business worth saving has fallen into despair and decline (Thompson, JR and Strickland A.J; 1981; 104). The goal of turnaround strategy is to arrest and reverse the situation as quickly as possible. The overall goal of turnaround is to return an underperforming or distressed company to normal in terms of acceptable levels of profitability, solvency, liquidity and cash flow.

In order to understand how turnaround management works, it is important to understand the five steps involved in turnaround management. Most of the articles about Madibeng were also reviewed.

KEY WORDS: Turnaround Management Strategies, Service Delivery, Improvement

1. INTRODUCTION

Municipal service delivery involves the actual production and provision of goods and service to the community (Van der Waldt; 2007: 2007). Improved service delivery is what is expected by the citizens of every country and this has been singled out as an important ingredient with the intentions of attracting stakeholders. Several initiatives to improve the quality of services in public institution have indeed had an impact, but generally, it is dogged with bureaucracies, delay and repetitive procedures that affect citizens and investors.

It must be understood that turnaround management is about business restructure and renewal. In actual fact it is a process dedicated to corporate renewal. It involves management review, root failure causes analysis. Turnaround management

does not only apply to distressed companies, it in fact can help in any situation where direction, strategy or a general change of the ways of working needs to be implemented. Therefore turnaround management is closely related to change management, transformation management and post-merger-integration management. Turnaround Management Strategies (TMS) has been

Turnaround opportunities are everywhere where services need to be improved. The overall goal of turnaround strategy is to return on underperforming or distressed company to formal terms of acceptable levels of profitability, solvency, liquidity and cash flow. For the achievements of its objectives, turnaround strategy must reverse course of distress, resolve the financial crisis achieve a rapid improvement in financial performance, regain stakeholders, support and overcome internal constraints and unfavourable industry characteristics.

Madibeng Local Municipality is located in the North West Province between the Magaliesberg and Witwatersrand, and situated 60km from Rustenburg and 50Km north of Pretoria. It is strategically located in relation to Gauteng, Limpopo, Harare

- Lebogang M. Seoketsa is currently pursuing DTech: Degree in Public Management in Tshwane University of Technology, South Africa, Cell, 037 243 4002/079 981 7077, email: SeoketsaLM@tut.ac.za

and the Maputo Harbour, and is positioned along the Heritage Route, linking the World Heritage Site with the Pilanesberg and Madikwe Game Reserves. It is known for its diversified economy. Currently, mining is the predominant economic activity, and the Hartbeespoort Dam is the second most visited place after the Waterfront in Cape Town. Its cities/towns are Brits, Hartbeespoort, Marikana and Mookimooi and main economic sectors are mining, manufacturing agriculture and tourism. (Local government)

2. SIGNIFICANCE OF TURNAROUND MANAGEMENT

As Madibeng has been stricken by problems of service deliveries, turnaround management may play apart in restoring the performance as according Apri (1999), turnaround management is the systematic and rapid implementation of a range of measures to correct a seriously unprofitable situation. It might include dealing with a financial disaster or measures to avoid the highly likely occurrence of such a disaster.

3. STEPS IN TURNAROUND MANAGEMENT STRATEGY

- **Changing the Leadership:** A change in leadership ensures that those techniques, which resulted in the company's failure, are not used. That is REPLACEMENT. The new leadership has to motivate employees, listen to their views and delegate powers. In this stage; after reviewing other articles about problems in Madibeng Municipality, it is important that leadership be changed. In this it means replacement is needed.
- **Redefining Strategic Focus:** This involves re-evaluating the company's business and deciding which ones to change and which to retain. Diversified companies need to review their portfolio on the basis of long-term profitability and growth prospects.
- **Selling or diversifying Unnecessary Assets:** sometimes, although the assets are profitable, they must be liquidated to contribute to the strategic focus. The cash received from the sale of such assets should be used to repay debts. Self-sustaining businesses are ideal candidates to do so. For this study no asset may be sold as these are the municipality's assets that may still be used.
- **Improving Profitability:** To do this the company has to take drastic steps like:
 - Assigning profit responsibility to individual division

- Tightening finance controls and reducing unnecessary overheads.
- Laying off workers wherever necessary
- Investing in labour saving equipment
- Building a new inventory management system and manage debt efficiency through negotiating long-term loans.

- **Making Careful Acquisition:** The Company must be careful while making acquisitions. It should be in an area related to its core business enabling the company to quickly rebuild or replaces its weak divisions.

4. INTERVENTION IN TURNAROUND MANAGEMENT STRATEGIES

Intervention in turnaround management strategies includes four strategies and these steps are Retrenchment, Repositioning, Replacement and Renewal. Although these strategies work together but for this paper only three strategies are discussed. The fourth one which is repositioning as it involves attempts to generate revenue with new innovations and change in product portfolio and market position will not be discuss as this paper is about improvement of service delivery.

As Madibeng is stricken by poor service delivery which is well known to the whole province of North West and also the surrounding provinces of the country, retrenchment, replacement and renewal are important at this stage.

- 4.1 Retrenchment:** This is a term used to describe a wide range of largely short-term actions taken to stabilize the organization, to stem its losses and to deal with the immediate problems which have immediate problems which have precipitated its crisis.

Retrenchment may involve immediate steps to control finances and reduce costs (like cutting inventory, changing prices, reducing overheads, or reducing staffing) or to improve operational management (for example restructuring work processes, reducing waiting or idle times, or increasing throughput) (Robbins and Pearce, 1992).

Although Robbins and Pearce (1992) state that for turnaround to be successful, retrenchment is a necessary response, regardless of what kind of problems caused the need for the turnaround, it must be understood that it is crucial stage in recovery phase of the turnaround process. It might be useful for positive change of momentum as its benefits are (1) efficiency restoration, (2) slack generation and (3) Momentum creation, though Baker and Mone (1994)

are of the different view that retrenchment may not be always true.

4.2 Replacement: This involves the removal of key members of the leadership and management of the organization and their replacement either with others from within the organization or with others drawn externally.

Replacement can focus on solely on the chief executive and one or two other senior directors, or it can involve the wholesale replacement of the board and management team (Slatter, 1984; Muller and Barker 1997).

It must be understood the replacement forms a part of the great majority of turnaround strategies, for reasons which can be as much [political and symbolic as purely functional. Replacing the chief executive and other senior leaders may be necessary step in attributing responsibility for the organization's predicament and providing a scapegoat. It may be necessary in order to secure the confidence and support of external stakeholders (like major customers, shareholders, or regulators) in the feasibility and likely success to turnaround efforts.

It may be important internally too, in sending a message to the organization about a fundamental change of direction ('under new management') and new expectations of performance on individuals, as well as the organization as a whole. However replacement also often serves a simple, functional purpose: removing managers who simply lack the necessary leadership skills and competencies, or whose managerial performance has declined over time, and who are not suited or not able to take on the challenges or turnaround.

Replacement carries with it significant risks as well, in that it can mean the loss of key expertise and business understanding and knowledge. This is normally used as it is theorised that new brooms sweep clean and in the managerial saying it will bring the concept that new managers will bring recovery and strategic change. This will be because of their different experience and background from their previous work environment.

4.3 Renewal: This involves longer-term actions aimed at re-establishing the strategic direction, vision and overall purpose of the organization and placing it on a longer-term pathway to successful performance. It may involve a fundamental review of the activities of the organization and their long-term prospects, which can lead to the closure of some areas, expansion in others, and the opening of new markets or ventures. It

may also involve a detailed analysis of the culture and leadership of the organization and a concerted effort to change the way it works (Stuart, Slatter and Levett, 1999).

Apart from what Slatter and Levett (1999) are saying above, renewal may also lead to consequences within an organisation like, the removal of efficient routines or resources. Renewals are innovative core competencies implemented which include an increase in knowledge and stabilization of the municipal value.

5. SERVICE DELIVERY

Fox and Meyer (1995:118) define service delivery as the provision of public activities, benefits or satisfactions. Services relate to both to the provision of tangible public goods and to tangible services. Section 152 (1) of the *Constitution of the Republic of South Africa* (South Africa, 1996) requires the government to provide services in a sustainable manner and services must be impartially, fairly, equitably provided without bias. From the discussion above services relate both to the provision of tangible public goods and intangible services where developing community is this study may be regarded as service delivery because it is part of government assignment.

From the definitions above it can be deduced that service delivery refers to the performance of duties which one has been assigned to perform by an organisation or managers. Service delivery also refers to serving people or the community as one's clients or customers. Customers should always Service providers must utilise information and data fully and they should couple this with the potential of their skills, competencies, ideas and motivations in order to deliver the necessary services effectively and efficiently.

In 1997 the government of South Africa with the attempt to provide a framework for people-centered public service delivery, the Batho Pele Principles were introduced (<http://www.dps.gov/batho-pele/index.asp>). By this initiative the government was striving to move public servants to become service oriented, in order to pursue excellence in service delivery and commitment from public servant for continuously improved service delivery was needed from them. The principles for transforming service delivery with regard to service standards, aces, courtesy, information, openness, consultation, transparency, redress and value of money was also set. With the challenges that are surrounding Madibeng these principles are needed with the turnaround management strategy.

5.1 Facts About Improved Service Delivery

Improved Satisfaction:

It is well understood that citizens need their expectations to be met, they want the staff they deal with to be competent and to keep their promises, they want to be treated fairly and have their individual circumstances taken into consideration or account and also the services rendered must be of good value of their expenditure.

Improved service deliveries that could enhance overall performance include:

- Selection of right people for the job. For an example people who work in front line must be those who want to help with good people skills and solution focussed.
- Ensuring that staff is well trained in how to deal with people. Training should cover how to treat people with politeness and respect. How to determine people needs how to deal with difficult customers and how to treat each person as an individual.
- Knowledge and experience in meeting customer needs are needed.
- Service providers must have clear and easy understood communications.
- Service providers must learn how to apologise where mistakes have been made or promises are not kept.

Meeting Expectations

- People are more likely to say that their expectations in services are met when staff:

Listen to them, understand their circumstances and treat them as an individual

Know about the services they expect in the institution or department.

Communication if clear and simple

Respectful treatment

Friendly, polite and approachable service providers.

Always doing or performing what they promise people to do.

From the above points it can be deduced that in order for service to be improved, services standards should be set and monitored so hat staff know exactly what is expected of them and the public must be made aware of these standards.

Competent Staff

When the staff is competent it means they:

Know about the services offered in the department and they can be able to help people or direct them to someone who can help.

Listen and understand public's circumstances

Are polite, friendly, focused and approachable

Can communicate in a clear and simple manner.

In order to improve, services need staff that can clearly explain processes and inform people, including speakers or other languages, of their entitlements.

Keeping Promises

A promise is any undertaking or commitment made by a staff member or organization. Keeping promises involves:

Staff who do what they say they will do

Service standards (particularly for response times) so that staff know what is expected of them and he public are aware of the standards the can expect to receive.

In order to improve, services need a transparent and open complaints process and to ensure customers know about it. Complaints need to be investigated promptly and customers kept fully informed of the process and when they can expect a response.

Treating People Fairly

Treating people fairly involves:

Staff who treat all citizens with respect, not judgemental and have a reasonable degree of flexibility

Treating people in the same circumstances the same

Explaining the reasons for decisions in a reasonable manner; this is particularly important if it is not possible to meet citizens' expectations.

In order for services to improve, the actual service experience is the one that matters most rather than the outcome.

Individual Circumstances

When staff took the time to listen and ask question in order to fully understand an individual's situation, people felt their circumstances were being taken into account. This was not about providing a different outcome but about exercising flexibility. Being flexible in these circumstances puts a human face on public services and leaves a strong positive impression. People feel that their circumstances are taken into account when:

Staff are able to exercise some flexibility, particularly in relation to scheduling appointments

Senior and more experienced staff with the authority to exercise discretion are available when individual circumstances need to be taken into consideration

Staff members are professional at all times, for example showing customers respect by being on time and keeping appointments.

In order to improve in the area of taking individual circumstances into account; services need to enable staff to exercise some flexibility and discretion around processes. This is flexibility in how people are dealt with, which may not necessarily affect the outcome of their dealings with the service.

Good Value for Services

People considered services to be good value for service either when the services were essential 'core' services or where they had received a high quality service. As well as this, ways to increase the perception of value include:

Improve service delivery through meeting expectations

Inform citizens about what fees cover and the benefits the service provides

Look for ways to improve public awareness of the services an agency provides and how its fund is spent.

Refining Trust

To improve levels of trust, it is important that visible actions are taken promptly to address breaches when they are discovered.

5.2 Challenges for Public Service Delivery

Lack of experience across the public services also means that boundary problems, requiring a deep understanding of services to be delivered to the community are more difficult to resolve.

Service quality Management: According to Palmer (1993:33); Service Quality Management is the process of minimising the performance gap between actual delivery and customer expectations.

Lack of communication: A company without communication is dangerous to the society. Miscommunication and no communication can contribute to conflict in the organisation. Lack of communication can lead to misunderstanding, which in turn can lead to mistakes, missed deadlines and altered project directions, (McQuerry (1987). This normally happens when staff members exchange information without clearly understanding one another. Opportunities are missed when

there is a lack of communication and this may lead to poor service delivery.

Lack of Accountability: Public accountability rests both on given an account and on being held to account, (Hendeghom, 1998) Accountability in all spheres make different. Where things are not going well or in order, if people are held accountable, there will be a different. In most cases non delivery of service or poor service deliver it is because of lack of accountability. Accountability must run from top to bottom. Everybody in public sectors must be accountable in everything they are doing because in terms of Section 195 (1) of the Constitution of the Republic of South Africa (Act 108 of 1996), the objectives of local government are:

- (a) To provide democratic and accountable government for local communities;
- (b) To ensure the provision of service to communities in a sustainable manner;
- (c) To provide social and economic development;
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organization in the matters of local government.

This means that accountability in all spheres of government, at organs of the state and in public enterprises is more than ethical behaviour. It values more that efficiency and effectiveness.

In all the spheres of government accountability is accepted as the key to improved service delivery. According to Batley (1999); New Public Management the emerged in 1990s emphasised the use of market mechanisms within the public sectors to make managers and providers more responsive and accountable.

Ethics and accountability complement each other because professional ethics is the basis of accountability; (Egde Ebai and Forje; 2009). In Public Administration Accountability and Ethics are the main standards of employees in any well-structured public administration.

According to Egde Ebai and Forje (2009); the following factors are contributing to the lack accountability: (1) Disregard of rules,(2) Ministries administrative bottlenecks: Epicentre of inertia, (3) Government inaction, (4) Lack of professionalism, declining sense of integrity and honesty and personal agenda, (5) Corruption and Malpractices in the Civil service, (6) Corruption and the award of Governmental contracts, (7) Customs department, (8)

Justice department, 9. Political corruption, (10) Public administration, (11) Poor remuneration policies and (12) Weak institutions for enforcing accountability standards.

Application and use of Information and Communication Technologies (ICT) may be used as a strategy to promote accountability. As mentioned above that according to Hondeghem (1998); "Public accountability rest both on giving an account and on being held to account," in order to build public service accountability, capacity and capability will to be built systematically and incrementally. An accreditation system for public service managers is recommended to ensure that appointees have the skills and experience required for their work (South African Public Service Commission; State of the Public Service Report, February 2005).

- **Insufficient training to staff members:** When the municipality or any department does not give thorough training to staff members and enough time is not spent on training, the results will be poor service delivery. According to Iwan (2007); enough time and money as resources should be dedicated for training and reinforcement. Public servants at municipalities must be fully informed about the goals, products and services they are supposed to give to the communities. As training needs money; it will be more costly if staff members are not trained. Insufficient training to staff members may also lead to people to not caring about their job.
- **The relationships:** Cameron and Stone (1995) explain ethics as the branch of philosophy concerned with the intent, means and consequences of moral behaviour, as well as the code of conduct for public servant. The code of conduct should help officers and employees to gain a clear picture of what is expected of them from an ethical point of view, both in their individual conduct and in their relationships with others.

The code of conduct provides guidelines of officers and employees with regard to their relationship with legislature, political office-bearers, and the public and other servants. It also indicates the spirit in which public servant should perform their duties, what should be done to avoid conflict on interests and what is expected of them in terms of their personal conduct and private interests. Lack of relationships is a danger to the government and society.

Cameron and Stone (1995) summarised the following guidelines:

Relationship with legislative and executive authorities;

Relationship with the community;

Relationship between officials;

Performance of duties; and

Personal conduct and private interest.

These guidelines will give a clear picture on how people should relate with the authority and among each other, and again how they should perform their duties to deliver effective and efficient service to the community in order to meet the objectives of the study.

Relationship with legislative and executive authorities

Since government is necessary for the public goods, it is consequently also necessary for those who are subject to government to be submissive and obedient, for otherwise they would resist government with should bring about the public goods. Obedience to government includes the duties of keeping laws, not undertaking anything contrary to them, performing what is ordered, abstaining from what is forbidden and shouldering public burdens – whether office or taxes. In general, everyone is obliged not only to contravene public in any way, but to contribute to it positively according to his/her circumstances.

Taking the above into the consideration, an officer or employee should:

- Honour the Constitution and accept it as a guide in the execution of his/her daily tasks;
- Be familiar with and abide by all statutory and other instructions applicable to his/her conduct and duties;
- Be bound to execute the policies of the government of the day loyally in the performance of his/her administrative functions; and
- Put the interest of the state first in the execution of his/her duties.

The objective of this article is for the service providers to abide by all statutory and other instructions applicable to their conduct and duties, and to put the interest of the state first in the execution of their duties.

Relationship with the community

It is the duty of the government to satisfy the community. Service providers must relate with community in the manner in which unity, trust and full accountability is built. Service providers must:

- Foster the unity of the South African nation in his/her official actions;

- Always act in a manner that will promote the trust of the public in the public service;
- Be open and fully accountable to the public regarding his/her official actions by way of the appropriate statutory bodies and elected political office-bearers;
- Have regard for the circumstances and concerns of communities in dealing with administrative actions affecting them;
- Be committed to the development and upliftment of all South African citizens;
- Be honest in dealing with public funds and use state property economically and only for official purposes;
- Not take part in and will expose maladministration, corruption and any other act which constitute an offence or which is prejudicial to the state;
- Not unfairly discriminate against any member of the community on account of race, gender, religion, conviction or any other arbitrary reasons;
- Be non-partisan and unbiased in rendering service to members of the public;
- Not use his/her position in the public service to promote or prejudice the interest of any political party or interest group;
- Always be polite and helpful when dealing with the public; Recognise every citizen's right of access to all information insofar as such information is required for the exercise or protection of any of a citizen's rights; and
- Be committed to lawful, justifiable and procedural fair administrative action.

Good relationships with the community may improve service

Relationship between Officials

Officials in this study can be authorities who must see to it that service providers are performing their duties satisfactorily. Authorities must:

- Co-operate fully with other officials to advance the public interest;
- Obey and execute all lawful instructions by persons competent to give them;
- Reply explicitly and fully to a lawful question put to him/her by a person competent to put such a question, except where such a reply may incriminate him/her;

- Never misuse his/her authority;
- Use the appropriate statutory or other prescribed channels to air his/her grievances or to direct representations; and
- Apply human resource and labour relations practices in an objective, fair and utilisation of his/her subordinates.

Public servants and community must work together for the benefit of community as customers. Authorities must always be available to monitor the services of public servants.

Performance of Duties

Performance of duties must be carried out as reasonable as possible and within the limits of the employees' skills, competences and training.

- Public servants must direct their actions and decisions to achieve the objectives of their organization in the public interest;
- Devote their undivided attention to their daily tasks and place all their time at the disposal of the state;
- Use the resources at their disposal efficiently and effectively;
- Public servant must be punctual in the performance of their duties and are never absent from their place of work without permission or a valid reason;
- They must execute their duties in a competent manner and respect as well as protect the human dignity of everybody with whom they have contact;
- They do not get involved in any transaction or action that is in conflict with or in any way infringes upon the execution of their official duties;
- They must willingly declare their interests and excuse themselves from any official action or decision-making process that may affect their interest; and
- Accept the responsibility to equip themselves for their career through persistent training and self-development.

Personal conduct and Private Interests

Public service is a public trust, requiring employees to place loyalty to the community above private gain. A service provider as an officer or employee in the public service must:

- At all times act responsibly as far as the use of alcoholic beverages or any other substance with an intoxicating effect is concerned;
- Not without approval accept, and never demands, gifts or benefits related to the performance of his/her official duties;
- Arrange his/her private activities so that they do not clash with his/her official duties and must not without approval undertake remuneration work outside his/her official duties;
- Not use his/her official position to seek or obtain any financial or other advantage for himself/herself, his/her family or any other person or organization;

Public servant need to do the following for effective and efficient service delivery:

- Work ethic where they are going to be productive;
- To be loyal and deliver service timely; service orientation where they will demonstrate commitment to quality public service;
- Accountability to guide them to accept responsibility for actions and results;
- Self-management skills, interpersonal skills and communication skills to help them to remain open to new ideas and approaches;
- To recognise and develop potential in others and to communicate ideas;
- Suggestions and concerns as well as outcomes and progress throughout the process of an activity, whereas emotional maturity will help them to conduct themselves in a professional and consistent manner.

6. REVIEWED ARTICLES ABOUT MADIBENG MUNICIPALITY

From the local newspapers as well as the news bulletins appearing on national television it is clear that demands made by communities of Madibeng Municipality for service delivery have escalated. Complaints and demands have not only been for services such as electricity, houses and roads, but the resent one is when residents of Mothotlung near Brits complaint about water and where some of the residents lost their lives. Residents from different places in Madibeng had embarked on mass action to underline their demands

The following articles were reviewed:

- **Randwater 'chokes' water supply, Madibeng owes millions of 27 September 2013:** "Meerhof, Ifafi and parts of Melodie are currently experiencing very low water pressure because of Madibeng Municipality's non-payment of Randwater account over the past three months. "This is just weak and bad administration from top to bottom. They can buy a birthday cake for R6 000.00 and take a cable way outing for R16 000.00 but they do not pay the essential bills and deliver the essential services they are supposed to." said Eddie Barlow of DA ward councillor.
- **Madibeng survey only asks 0.04% of people: 29 November 2013** "The Madibeng Municipality recently hired a company to conduct a community satisfaction survey during which the majority of the respondents refused to comment. In response to the question 'what are the three services the council does well?' approximately 57% of the respondents indicated that there are no services the municipality does well. According to DA ward councillor, Eddie Barlow, the survey was just another of the municipality's wasteful expenditure."
- **Madibeng to be taken to Human Rights Commission over clinic: 22 February 2013;** According to Ema Rossouw, ward councillor, "There is a weekly shortage of medicine, not even aspirin in regularly available and the conditions are extremely unhygienic. There has been serious shortage of various medicines, sometimes life depending like blood pressure tablets."
- **Service Delivery Grinds to a Halt: 07 February 2013;** "At the licensing office workers refused to work because their complaints about non-functioning air conditioners, broken toilets and other conditions apparently fall on deaf municipal ears." An angry motorist asked "we get fined for the municipality's lack of service delivery and refusal to work. How is that possible?"
- **"We are sick and tired of Madibeng"- Schaumberg Residents Riot over Service Delivery: 03 August 2012:** "more than 600 angry residents barricaded the R506 at around 2:00 on Thursday morning with three trunks, stones and portable toilets, burning tyres and demanding to speak to Madibeng mayor Poppy Magongwa."
- **Residents Fed up with Squatter pollution: 03 August 2012:** "I have had it. We have been living here for 12 years and are sick of the littering and the pollution the Marius squatter camp residents are causing," said the Frans the land owner. "Their waist is being dumped on my property and they use the veld near my

borehole as toilets and during all this time we have not had any response from the Madibeng municipality when we complain about the situation," he said.

- **Madibeng to Russia to learn about 'Governance': 18 December 2012:** "The Madibeng mayor, speaker, municipal manager and a member of the mayoral committee plan to visit Russia in February to, amongst other things, learn more about 'governance and democracy in order to better the lives of our citizens." In response to this, Councillor Leon Basson told the speaker that they need not travel to Russia to see how a municipality should operate; they only need to visit the Western Cape.
- **Guns and Violence in Madibeng Chambers: 31 August 2012:** "Councillors fled the Madibeng council Chambers on Tuesday after a security guard pointed a firearm at councillors and councillor was assaulted during a heated council session." "According to information the fight broke out after the speaker refused to allow questions regarding his alleged unauthorised spending, the court case to prevent the provincial government to place Madibeng under administration and his alleged misleading the council to charge and suspend a fellow councillor."

Apart from the above discussed article there are many more articles which stated more about the problems and poor service deliveries in Madibeng. Some of them are:

- Municipality charged with theft;
- Councillor suspended for alleged breach of code of conduct;
- Madibeng's itch;
- Crisis Management;
- SAMWU, SANCO calls for intervention in Madibeng; and many more.

According to Manuel, (2014), "the Madibeng municipality in the North West, which has been hit by recent protests over water shortages, is dysfunction." According to his observation, the local authority is dysfunctional. It doesn't understand that if you lay pipes you must get water to people. It fails to understand what its core mandate is.

- **Bill of rights 'upheld'**

Manuel said the bill of rights had been upheld in that people had access to free, basic water within the limited distance from their house. These rights were entrenched in law and money had consequently been spent on the water infrastructure. In his speech he stated that three people died and one was fatally

wounded on January 13, during protests about water services in Mothotlung in the province. Manuel was speaking as Stellenbosch University's Theological Day, where he gave an address on the function of the National Development Plan (NDP).

7. FINDINGS

As municipal service delivery is governed by the following guidelines; the integrated Development Plan and the Performance Management System; Intergovernmental relations, the Expanded Public Works Programme; Batho Pele Principles, the budget and policy and procedures this study is focusing on the Performance Management System where turnaround management strategies are applied with the aim of improving service delivery in Madibeng Municipality.

The sluggish municipal services provider has come to be seen as the vehicle that not only carries the hopes of the community in delivering basic service but is also responsible for the upliftment of the communities and the creation of job prospects. For the implementation of these opportunities, it is important for the local municipality to become a self-motivated establishment that demonstrates creativity, efficiency, transparency and culpability. Madibeng Municipality is as a dynamic unit in its community and must carry out the critical function of service delivery to all citizens in its area of jurisdiction.

It is now crucial for the South African Government to ensure that practical steps are taken. Turn around management strategy is the vital strategy for poor service delivery in Madibeng municipality. The leadership that has been on positions have shown it clear that they cannot deliver expected services to the community of Madibeng. Speeding up the progress in the right direction could also contribute towards improving the credibility and integrity of integrated development plans and economic development projects.

8. RECOMMENDATIONS

The time scale for turnaround strategies can be long, but activity is often concentrated towards the start. The diagnostic phase of turnaround is often very short – major replacement and retrenchment actions may be taken within days or a few weeks, in part because timing may be critical to stemming further losses or problems.

An early focus on

- Continuous leadership training to political office bearers and public officials in leading positions is necessary. The training and development of staff members are very important because in leadership people who are skilled have got expertise and are capable and confident and got vision so that in return people that are recruited to the organisation has the

necessary skills, necessary expertise, they share in values of the organization, they are willing to go out and do things and that is the only way one could enhance service delivery

A clear ethical code of conduct must also be inculcated within their public service delivery to bring about and maintain effectiveness, efficient and professional service rendering. Nel, Van Dyk, Haasbroek, Schults, Sono & Wener (2004:24) define effectiveness as doing the right things, which is primarily determined by setting goals for the organisation. These goals are not set in isolation, but are directly linked to the demand for an organization's product or service.

Effectiveness is a criterion according to which an alternative is recommended if it results in the achievement of a valued outcome. In particular it refers to a condition in which a focal organisation, is using a finite amount of resources (Fox and Meyer, 1995:41)

Kroon (1996:136) states that effectiveness is utilizing the right opportunity or achieving the right goals. According to the researcher, effectiveness refers to one being conscious. When one is conscious, one can try by all means to be perfect or do things right in order to achieve something or a set goal.

Cloete (1998:111) defines efficiency as satisfying the most essential needs of the community to the greatest possible extent, in qualitative and quantitative terms, using the limited resources that are available for this purpose. It also involves upholding public accountability, democratic requirements, fairness and reasonableness and the supremacy of the legislature. Efficiency is the achievement of the ends with the least amount of resources (Van der Waldt and Du Toit, 1997:19).

- **The improvement of co-ordination:** this goes hand in hand with communication. The community organisations and residents must liaise freely with political office bearers and public officials. The officials of the municipalities must be in the position where they give the community of their jurisdiction free to state their challenges. This can only happen by smooth flow of communication. One of the outputs in arising from the development strategy in the IDP is a communication strategy for the District Municipality and the local authorities.

Service delivery is viewed as the mechanism to activate the communication strategy. In this manner communication with the community can be seen as part of services provided by the municipality. Communication is also seen as the marketing strategy improved service delivery in the communities.

- **Internal arrangement for effective and efficient services:** For example old citizens be given first priority and holistic customer care is important. (Van der Waldt, 2007:161-162). The efficiency of a public institution should be seen from three points of view. The first point of view is effectiveness, which boils down to the extent to which a need has to be satisfied. Secondly, attention should be given to the economy with which the resources had been used, for example, money – principally used for personnel and materials. Thirdly, economy requires that the inputs should be obtained at the lowest prices and used without waste (Cloete, 1995:82).
- **The improvement for sustainable service delivery:** As municipality has the developmental duty to manage its administration and budgeting and planning processes in such a way that, the basic needs of the community are prioritized and that the social and economic development of the community is promoted and to participate in the programmes of government; it is important for Madibeng municipality to consider or take this duty into the consideration.

The above recommendations are important to address the problems on an early stage and below will be the steps to be taken for the addressing of problems that have been escalated in the municipality. These will work together with the strategies of turnaround management which are retrenchment, replacement and renew

- **Define and Analysis:** During this stage the definition of performance problems within the municipality are clearly outlined. It is particularly important during this step that any areas of financial stress within the municipality are identified and a thorough analysis undertaken. The objective of this is to arrest any further decline in the municipality while continuing to employment and avoid insolvency. This is where it is going to lead to retrenchment.

As discussed above, retrenchment may involve immediate steps to control finances and reduce costs (like cutting inventory, changing prices, reducing overheads, or reducing staffing) or to improve operational management (for example restructuring work processes, reducing waiting or idle times, or increasing throughput) (Robbins and Pearce, 1992).

- **Replacement:** This is a strategy where to managers are replaced by the new ones. Replacement is qualified for situations with intolerant managers which are not able to think impartial about certain problems. Once the new managers in the municipality are in place the scope and strategy must be applied.
- **Scope and Strategy:** Once the municipality has been stabilised, it is now time to commence a strategic planning process. The first part of this is to scope the strengths, Weaknesses, Opportunities and Threats (SWOT analysis) of the business. It is important during this stage to not only internally (strength and weaknesses) but to strategically analyse the external environment (Opportunities and Threats) as well. From SWOT analysis, the long term vision, mission and objectives for the municipality can be defined. Knowing where the municipality is heading then allows the development of a strategic plan.
- **Renewal:** With a renewal, municipality will pursue long-term actions which are supposed to end in a successful managerial performance. In this stage the existing structures are going to be analysed. Now it is time to take the strategic plan and develop an action plan. This is a list of actions and tasks complete with time frames that must be undertaken to ultimately achieve the business objectives. This is also called link and action. The tasks are the daily, weekly and monthly activities to be done and with this strategic planning process, each one will be contributing to the overall mission.
- **Implementation:** This step is not just about implementing the action plan, but also ensuring coaching and support of all staff. Without this critical step, all the planning can go to waste. It is important that employees are aligned with the overall vision for the business. This is achieved through communication, consultation and coaching on a regular basis.
- **Review:** With all the planning and implementation in place, it is now time to conduct regular reviews. This ensures not only that continual improvement is achieved but also helps to identify any corrective actions that may be needed.

In effect, turnaround management is very similar to the strategic planning, process; however the first step if identifying areas of stress in the business is critical. For any business where this stress is already occurring, applying the above process, in consultation with a turnaround management expert, will not only ensure the business turnaround but also the opportunity to improve and develop well into the future.

9. CONCLUSION

In conclusion of this case study, service delivery in municipalities has been a serious challenge in all over the country. Creating a successful turnaround management strategy is in many ways like starting over. It is an attempt to look at the situation from a different perspective. It means making honest and unbiased assessments and communicating with everyone involved. This includes the management team, employees, accountants, attorneys and your banker. Adjustment of municipality's original plan in performance of duties is important. Remember to include specific statements on what changes will be made to correct identified issues.

Accountability for service delivery must be demanded from all stakeholders in government including the community. Public servants must be well trained and personnel with required skills must be employed. The need for public participation is also important. There is a responsibility on municipalities to develop the capacity of local communities to understand and participate in the governing process as a partner with the intentions of improving service delivery.

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