

INCLUSIVE ECONOMIC GROWTH THROUGH COMMUNITY EMPOWERMENT AND TRANSFORMATION: THE CASE OF THE JOHANNESBURG DEVELOPMENT AGENCY ON REA VAYA PROJECT IMPLEMENTATION

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ABSTRACT

Orthodox logic proposes that small, medium, and micro enterprises are critical for growth, development and the transformation of society towards an inclusive economy, particularly in developing countries. The article provides input to the South African context in terms of addressing pertinent problems of multi-dimensions of poverty that encompass inequality, income, and unemployment at the municipal level. The case of the Johannesburg Development Agency (JDA), which deals with a broad spectrum of construction projects, is used for sharing lessons of good practice that could be replicated in other implementing bodies. The article uses document analysis to cross-correlate compliance and observation as research method. The findings are that the operating model of JDA's project approach ensures prevention of the ill effects of the past, ensuring that there are economic opportunities for the previously marginalised groups. This approach is consistent with the objectives of the National Development Plan, which seeks to ensure an inclusive

economy is attained thereby combatting socio-economic exclusion. It is concluded that the JDA's approach towards an inclusive growth principle has been a successful one in terms of compliance with the legislation and this much is corroborated through observations made by the researcher. The unique contribution of the study is deemed important in the sense that it benefits society with regard to unemployment, inequality and income for an inclusive economy, which in turn ensures social inclusion. A case study of one entity is regarded as a limitation to the study since there has not been a comparison with others. Future studies will focus on comparative analyses of other operational modalities by other implementing agencies.

Keywords: Social exclusion, Small Medium and Micro Enterprises, unemployment, inclusive economy, transformation.

INTRODUCTION

According to the International Labour Organisation (2021), the official unemployment rate was 32.6 percent in the first

quarter of 2021 in South Africa, while it is 5.5 percent in the United States and 5.8 percent in Ireland. These figures highlight the need to pay specific attention to the maximisation and exploitation of economic opportunities by enhancing support for Small, Medium and Micro Enterprises (SMMEs) and linking them to relevant business opportunities. Importantly, economic growth resulting from such measures will be meaningful in addressing the injustices of the past through social inclusion. The promotion of SMME development and growth will be a panacea for socio-economic transformation in the South African society. Small businesses and cooperatives are affected by a lack of business growth supported by government policies in terms of opportunities and advancement to contribute towards the economy. The South African Chamber of Business claims that, based on anecdotal and other evidence, the initiatives to promote SMME growth have largely failed to achieve their objectives (SACOB, 1993:3). The discussions in this article provide background to the study through the scrutiny of the Johannesburg Development Agency's implementation modality on infrastructure projects. Furthermore, this article reviews public policies towards SMMEs in South Africa.

RESEARCH PROBLEM AND AIM

Many government projects have come and gone leaving the communities on the same level without making a positive impact on their economic standard. The aim of this study is to present a case where the promotion of SMMEs is reinforced through the implementation of an infrastructure project that has been able to create efficient jobs and promote local businesses. It is the aim

of the study to ensure that local economic potential has been addressed through the creation of jobs. Furthermore, the following research questions are asked to be able to measure the impact of the project:

Research question 1: Has economic empowerment been achieved through the implementation of the project?

Sub-research questions:

- How many jobs have been created since the project was implemented?
- How many SMMEs have benefitted from the project?

Research question 2: Has the project achieved building partnerships among stakeholders?

Sub-research questions:

- How many SMMEs have benefitted from the project?
- What mechanisms were put in place to ensure community support towards the project and what were the success indicators?

Research question 3: Are the Community Participation Consultants appointed in the projects useful and do they add meaning?

Sub-research questions:

- How did they assist the project?
- How can they be better used to achieve success and for other projects?

Research question 4: Has the project been compliant with the legislative requirements?

Sub-research question:

- Has the project managed to pay sub-contractors upon invoice submission?

THE JOHANNESBURG DEVELOPMENT AGENCY CASE STUDY

The narrative arch of this section is on the case study of the Johannesburg Development Agency (JDA), which has been mandated with the responsibility of implementing Rea Vaya Bus Rapid Transport (BRT) infrastructure projects in Gauteng. The operational modalities that they employ involve inviting tenders from the main contractors to bid for construction work. The approach they use, which matches that of well-experienced contractors such as Group Five, WBHO, Stefanutti Stocks and many others with smaller and emerging contractors for the implementation of BRT infrastructure, has proven to be effective. Most importantly, this translated into building capacity for the emerging contractors, which also improves their Construction Industry Development Board (CIDB) grading. The capacity is broad in terms of business management, communication skills, negotiations, technical skills and many others. The other strength of the modality is the stakeholder engagement that includes the Community Participation Consultant (CPC), commonly referred to as Social Facilitator by other institutions, as part of the team. The CPC's role is to enforce and strengthen partnership and support with a view to ensuring that the project becomes successful. The author of this article was a

CPC in this project where she observed the operations of all project activities, which encouraged her to share her observations as a contribution to the body of knowledge to enable other implementing agents to learn and emulate the model of good practice practised by JDA.

The City of Johannesburg's Rea Vaya Phase 1C(a) began operating from the Johannesburg Central Business Centre to Alexandra and Sandton from October 2018. In total, 13 stations with four interchanges have been constructed to enable passengers from Soweto and from the other modes of public transport such as Metrobus, Putco, Gautrain buses, Metrorail, Gauteng coaches and mini-bus taxis to conveniently connect Rea Vaya services to Alexandra and Sandton (JDA Annual Report, 2018). According to the Annual Report, over 10 000 people walk between neighbouring Alexandra and Sandton every day. The City of Johannesburg is bringing pro-poor high-quality public transport that is safe, affordable and reliable to the people of Alexandra and Sandton. It is also making walking and cycling easier, safer and more convenient for the people in an attempt to address the ill effects of the past and implement programmes that are stitching the city together.

The case study only focuses on the one bus station that commenced in November 2018 in Ward 62, which is at Clarendon Station (Hillbrow). According to the JDA Annual Report (2018), Hillbrow is a famous neighbourhood in the inner city of Johannesburg. The precinct is defined by the walking radius of approximately 1km around the Hillbrow Tower and transects the Hillbrow and Berea areas with roughly Clarendon and Willie

Streets in the north, Joe Slovo Drive in the east, Smit Street in the south and Hospital Street in the west as boundaries. The contractor appointed for the construction of the station was Steffannuti and Stocks together with Are Shomeng (an empowerment company). The project managers for the facility were Are Shomeng. Effectively, the project took a period of approximately 18 months to be completed, with completion reached in November 2019.

A Community Liaison Officer (CLO) was first recruited through a local radio station and newspapers to be the conduit of the messages and information to the community on all project-related activities to leverage opportunities for the community for inclusion in the project. The SMMEs from the local ward were invited through the media to register on the database for work on the project including security, electrical work, plumbing, cleaning and others, which are not highly technical functions. The task was carried out well by the CLO who reported to the CPC in line with the project's institutional arrangements. The CPC, together with the team comprising of the Ward Councillor, the Project Manager, CLO, JDA and other community leaders, shortlisted and recommended the SMMEs according to their areas of expertise, experience and technical knowledge as presented in their profiles, which were used for identifying services that they could render without any prejudice.

Inherently, the JDA complies with the Construction Industry Development Board's (CIDB) policy of giving a 30 percent share of the total contract work to local SMMEs. The 30 percent mandatory sub-contracting complied with the Preferential Procurement

Policy Framework Act (PPFA) regulations. The model requires the managing contractor to appoint SMMEs to a project, and mentor and train them, thereby enhancing their skills and CIDB grading so that they are equipped to compete in the construction market competitively. Conversely, the SMME companies receive formal recognition of participation (such as a JDA letter confirming training, certificates where possible, and completion of CIDB forms for registration purposes). This approach conforms to the CIDB's role in stimulating reform and improvement in the construction sector and promoting best practice. Close monitoring of the work done by SMMEs was executed throughout and payments were advanced monthly without any delays.

It is important to mention the overarching aims of the JDA according to its strategic mandate, which are to:

- Restructure the city by developing defined, strategic geographic areas around the city and the movement corridors that link them.
- Promote economic growth by creating efficient and competitive business environments that cluster industries and functions in these areas.
- Turn around declining investment trends in these areas by upgrading public spaces, generating shared visions for future development, and encouraging urban management partnerships.
- Develop local economic potential in marginalised areas to promote access to jobs and markets.

- Encourage sustainable energy consumption and land use in the city by developing strategic transit nodes and corridors.
- Promote economic empowerment through the structuring and procurement of the JDA developments.
- Support productive development partnerships and cooperation between all stakeholders in these areas (JDA Annual Report, 2018).

It is important to note that, interestingly, the objectives, particularly objectives 2, 4, 6 and 7, are linked to the topic of this article, which is on inclusive economic growth.

It has been a requirement for the CPC to engage in all continuous community consultations in every stage of development. The engagements with stakeholders occurred from the design, planning, implementation and closure stages where the Councillor and community leaders were able to give progress reports, updates on projects' progress, respond to the needs of the community and share knowledge. Fundamentally, they have achieved their transformational aspirations with the conventional methods instituted. These reflect that the Agency puts people first and lives by its mission and objectives.

METHODOLOGICAL PERSPECTIVES

For the purpose of this study, document analysis was used to explore the legislation and policies that address the economic empowerment of marginalised groups and SMMEs. Document analysis provides contextual information inconspicuously to establish learning and forms of opinion. Documents

allow the researcher to gather adequate information from various sources thus saving on resources and time constraints of primary data collection techniques such as surveys (Doolan & Froelicker, 2009:13). The unit of observation was also a method employed to establish the inter-relationships, edifices and discourses of policy imperatives to be able to draw context and reflections on the analysis. Document analysis was used to extract common themes on the legislative frameworks. The observation method that the research has employed has enabled the researcher to acquire knowledge and information on the approaches and systems used by the JDA in designing, planning, implementing and closing the project. The time horizon for the study is restricted to the 2017 to 2019 implementation years of the project.

The *focus* of this study was on inclusive economic growth through the empowerment of communities, particularly the SMMEs where the government infrastructure projects are being implemented. More particularly, the *locus* of the study is the legislative and regulatory framework within which this approach is embedded. The scope of this study is set within the parameters of public policy guidelines, which are described in detail in the literature review. The regulatory frameworks to be covered in the literature review are the New Growth Path, CIDB, Expanded Public Works Programme (EPWP) and to some extent other related legislation, such as the National Small Enterprise Act, municipal legislation, and the Constitution to be able to give context to the locus of the study. The debates from other scholars will be contextualised along the concepts of inclusive economic growth, public participation and SMMEs.

The research design clearly demarcates the study by identifying the documents from which information is obtained where the directives in terms of practicality, procedures and principled issues are contextualised. The research follows a research paradigm on assumptions from the views of the researcher from the observation perspective. These assumptions will underpin the research strategy applied for the sake of the study to arrive at the set goals. Observation of a phenomenon can be associated with pragmatism as it involves applications and solutions to problems (Kaushik & Walsh, 2018). It is angled towards "what works". Pragmatism according to Kaushik and Walsh (2018:2) is, therefore, a philosophical belief that the truth or value of a theory depends on its practical value. The research reviewed literature to identify ideas and theories that will be confirmed in the process. The researcher asserts that two research methods, document analysis and observation, will be used to compensate for gaps through an analysis

with a view to tracking trends that could not be padlocked by previous studies. The framework will be used for cross-validation, addressing all the identified gaps.

Table 1 presents the major themes solicited from the documents analysed on community empowerment and transformation, the role of SMMEs on economic growth, and other policies and legislation pertaining to the interrelated policy agenda.

The literature and findings from observations will be used to make a meaningful contribution to the field of Public Administration. A literature review is closely related to hermeneutics while content analysis is an empirical method used to analyse the content of documents, pictures, symbols, themes or messages that could be communicated (Wessels, Pauw & Thani, 2014:167). This research employs a case study practice where one project is studied. According to Zaidah (2007:2), case study design explores

TABLE 1: Documents Analysed and Themes

Main Document	Theme
CIDB	Development and sustainability of black enterprises through contracting
EPWP	Labour absorption and income transfers to poor households
New Growth Path	Policy space for developing economies
National Small Business Amendment Act (2004)	SMMEs as contributors of growth and economic stability
JDA Annual and Strategic Plans	Objectives of JDA and their operational modality
Department of Public Works Notice 306 (2017)	Public participation
Public Finance Management Act of 1999 (Act No. 1 of 1999) Preferential Procurement Policy Framework Act of 2000 (Act 5 of 2000)	Procurement procedures and financial management
CoGTA Back to basics (2016) Constitution section 152:1	To build a responsive, caring and accountable local government

Source: Author's own interpretation

existing life events through the determined contextual analysis of events and their relationships. Furthermore, case studies allow variations in terms of instrumental, intrinsic and collective approaches to be used in data analysis (Zaidah, 2007:2).

THEORETICAL CONTEXT

A theory of change is regarded as the most relevant theory to this study since it explains how the activities undertaken by an intervention such as a project, programme or policy contribute to a chain of results that lead to the intended or observed impacts. The study uses a logic model drawn from a range of evidence on this specific project from an evaluation point of view. An observation of the project and patterns pertaining to the outcomes of the impacts they have brought to the project in question as sustained and interrogation of the genesis, motives and mutations are reflective in this study. A theory of change has been able to provide a framework for a "performance story" that other projects can adopt. This coherent narrative about how the intervention has succeeded in making this particular contribution is well articulated. DuBow and Litzler (2018) postulate that this can be useful for communicating the intervention to potential partners, participants and policy makers, and also for providing a consistent point of reference to those involved in implementing and managing it. Admittedly, there have been some weaknesses in some of the practices in the evaluation.

The theory of change is the new way of analysing the phenomena, motivating programmes and providing initiatives that bring about social and political change.

Robinson, Wylin and Christy (2004) argue that using the theory of change approach is the guiding principle behind a successful entrepreneurship development programme. Most importantly, it is the notion that initiatives should be aimed at strengthening the performance of small to medium-sized rural enterprises, and this will ultimately change the way small businesses in rural areas perform. Weiss (1997:70) states that any issues in programme theory or implementation are made evident by a solid theory of change, and the theoretical connections between activities and outcomes are made explicit. In the author's deployment of the theory, she examines a theory of change premised on the notion that change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.

THE PROMOTION OF SMME DEVELOPMENT AND ECONOMIC GROWTH

Sippitt (2014) ably disentangles the weaknesses, limits and controversies surrounding the post-industrialised world, which is largely perceived as an increase in the role of small and medium-sized enterprises (SMMEs) globally, and as the lifeblood of economies and the best hope for employment generation for the labour surplus. Likewise, South Africa relies on SMMEs to generate sufficient employment to absorb the excess unemployed masses. The above leading phenomenon necessitates that the effectiveness of some interventions introduced by the South African government be tested and assessed to determine the extent to which those programmes can make an impact towards economic growth. The intervention programmes such as New

Growth Path, CIDB, EPWP, are therefore assessed to determine their effectiveness in that regard. Insights are drawn from Masoud (2014:51), who defines economic growth as a cumulative increase of outputs, or the accumulation of production factors reflecting a quantitative measurement of a country's progress or growth. Economic development involves a holistic improvement of a society and standards of living through the growth of all sectors of the economy such as education, health, technology, infrastructure and the overall reduction of poverty and unemployment (Maas, De Coning & Smit, 2018). In South Africa, the National Small Business Amendment Act (2004) defines a small business as a separate and distinct business entity, including cooperative enterprises and nongovernmental organisations, managed by one owner or more. Essentially, the Act classifies the SMMEs according to the total full-time paid employees who have a vested interest in various sectors such as mining, transport, finance, manufacturing and supply, which have a total turnover and gross asset value. The term SMME emanates from the National Small Business Amendment Act (2004), which classifies the businesses into survivalist, micro, very small, small, and medium enterprises. Hyder and Lussier (2016) assert that small businesses are considered to be secondary contributors of growth and economic stability globally. Binza (2010) views them as sectors that are able to create jobs, social cohesion and development. These can be seen currently in this state of lockdown due to Covid-19 where they are "economic shock-absorbers" cushioning the South African economy as they enable the wheels of the economy to keep turning during difficult times. Importantly, the notion on the important role played by

the SMMEs provides evidence that they need to be nurtured and developed further and not be taken for granted.

Hande (2016) denotes that SMMEs are the drivers of socioeconomic development due to the positive role they play in Gross Domestic Product (GDP) growth. To that effect, the locus of economic planning involves numerous programmes and regulatory frameworks supporting SMMEs in South Africa. These are discussed in the forthcoming paragraphs geared particularly towards the previously disadvantaged individuals to develop local economic potential for promoting access to jobs and markets and employment creation. SMMEs in developing countries are important socially and economically for the role they play as entrepreneurs and because they address the impediments of poverty, inequality, and job creation. In many countries, these enterprises are an important growth engine for GDP. This idea is supported by Akande and Ojukuku (2008), who emphasise that entrepreneurship leads to economic progress in numerous ways by providing job opportunities for rural and urban areas, supporting required sustainability and innovation, and supplying products and services in the economy as a whole. Similarly, Alarape (2007) adds that a large number of people rely on the small and medium enterprises and that most of the current larger enterprises started off as SMMEs. Additionally, Watson and Netswera (2009) confirm that SMMEs are vital to most economies across the world, especially developing and emerging economies. Booyens (2011) elucidates that the hold of economic growth no longer lies predominantly in contributions by large companies and that small and medium enterprises are

making a considerable contribution to the GDP (Barry, 2002; ELM, 1997; Booysens, 2011). Naude (2011) indicates that entrepreneurship leads to economic growth, productivity and employment. Entrepreneurs have many spill-over effects that influence economic growth, development and job creation (Wenneker & Thurik, 1999). The World Bank (2019) gives evidence on the role played by SMMEs: formal SMMEs contribute more than 50 percent of total employment worldwide. It is furthermore stated that 40 percent of national income (GDP) is embedded in emerging economies. More importantly, this justifies the fact that SME development is of high priority for many governments around the world. It is critical for governments to introduce initiatives that are geared towards supporting SMMEs in all respects to enable them to attain their desired economic potential. Among others, the CIDB has made it possible for SMMEs to benefit from infrastructures through the regulatory support designed for them.

INCLUSIVE ECONOMY

The advancement of living standards and the creation of an inclusive economic growth path have to become among the leading policy objectives for most countries (United Nations, 2018:13). Many countries, especially those in the developing world, have been faced with a myriad of challenges in achieving this goal. Ascribing to these multidimensional views, an understanding should revolve around the development of communities and their economic systems since they have become centrally important over the past few years. They have always been important even though they have been given less attention in previous years. According to the New Growth

Path Framework (2010), amid the global economic turmoil that has opened up new policy space for developing economies to go beyond conventional policy prescriptions, the strategic objective must be to forge a consensus on new opportunities within South Africa, across the continent and globally, and how these can be seized to achieve an inclusive economy. The inclusive economy addresses the social exclusion that has been a problem in this country for years. Social exclusion refers to the destitution or exclusion from adequate income and resources. It also refers to market exclusion, service exclusion and exclusion from social relations (United Nations Development Programme, 2018).

The government has a critically important role to play in accelerating social and economic development including the thorough, effective regulation of markets. It is stipulated within the New Growth Path Framework (2010) that there should be an exponential growth of employment by five million jobs by 2020, being the previous year, which has not been achieved. Additionally, growth needs to be maximised to ensure that it generates more employment. The New Growth Path Framework (2010) identifies public investment as driver number one where it proposes that 250 000 jobs a year should be created in the energy, transport, water and communications infrastructure and in housing. Construction of new infrastructure, operation of the new facilities, expanded maintenance, and the manufacture of components for the infrastructure programme are seen as the substantial and potential areas for job creation across the economy (the "multiplier effect"). Conversely, it will strengthen and consolidate initiatives to support small and micro enterprises.

Within an arena of events, the South African government also introduced the Expanded Public Works Programme (EPWP) initiative in 2004 as a programme to stimulate and support SMMEs. These programmes are implemented by all spheres of government (national, provincial and local government). The objective of the programme is to provide an avenue "for labour absorption and income transfers to poor households in the short to medium-term" (Expanded Public Works Programme Performance Report, 2017). Intrinsically, one of the delivery strategies of the EPWP is the enterprise development approach, which focuses on supporting and developing emerging enterprises including cooperatives to leverage additional work opportunities. The small business support model for the EPWP Enterprise Development Programme (EPWP-EDP) comprises interventions that facilitate access to markets, access to development finance, linkages to business development support services, and access to training/skills development related to business management bridging the exclusion divide while embracing the inclusive economy aspect. Essentially EPWP is aimed at developing and supporting small businesses within the programme.

SMMEs IN CONSTRUCTION

Among this array of initiatives was the CIDB, which promotes an enhanced participation of black contractors, and black materials manufacturers and suppliers (CIDB Transformation Framework, 2016). An objective for the CIDB is to increase the participation of blacks in public and private sector spending through regulation, development programmes and best practices (Department of Public Works Notice 306, 2017). The study focuses on the

role of SMMEs in infrastructure development. The SMMEs who are in this sector are protected by CIDB as mandated by the treasury regulations. Subcontracting is a business strategy that is used by main contractors to deal with uncertainties in the construction market and allows the main contractor to reduce operating costs thereby enhancing competitiveness (Republic of South Africa, National Treasury, 2015). Fundamentally, subcontracting is very prevalent in the South African construction industry, with up to 70 percent of building and 30 percent of civil construction projects subcontracted out.

Over and above the 30 percent allocation to SMMEs as subcontractors being considered as a benefit and an opportunity, there is a high potential for skills transfer and for learning. According to CIDB Transformation Framework (2016), in South Africa there is a scarcity of data on the overall extent of subcontracting in the industry. However, while the value of work subcontracted out is dependent on a range of factors, there is consensus that a significant component of work is subcontracted out by building contractors. The CIDB Transformation Framework (2016) also describes subcontracting as an unsatisfactory practice with subcontractors reporting poor treatment and delayed payment by the main contractors as the main points of contention. In addition, there is a tendency of payments being delayed as the most significant shortcoming in the subcontracting relationship, especially where the main contractor uses the "pay when paid" terms of contracting. Subcontractors themselves often have no knowledge of legal and regulatory requirements such as tax and labour regulations compliance and processes, or what recourse they have under the law.

Equally, they are often not screened for skills and experience, and some labourers may never have worked in construction before. The Johannesburg Roads Authority (JRA) and Johannesburg Development Agency (JDA) have an excellent model for encouraging main contractors to transfer skills to smaller subcontractors.

COMMUNITY PARTICIPATION

Section 6 of the Department of Public Works Notice 306 (2017) proclaims the role of Community Liaison Officer and made it a legal prerequisite for projects related to community infrastructure. Public engagement and participation are principles that are accepted by all spheres of government in South Africa. Engagement and participation also help to build an informed and responsible citizenry with a sense of ownership of government developments and projects (Ngoepe-Ntsoane, 2018). The Department of Public Works: Notice 306 (2017) was issued as an instruction in terms of section 76(4)(c) of the Public Finance Management Act of 1999 (Act No. 1 of 1999). The use of trained and experienced social facilitators was also proclaimed to mobilise communities where community infrastructure projects take place. They play a very significant and instrumental role, conducting situational analysis within the targeted community, assisting in the appointment of CLOs and the Community Project Committee and monitoring their roles to ensure that the communities are represented in good faith. Moreover, the affected communities should be amplified by their relevant Ward Councillors.

The Constitution of the Republic of South Africa (Act 108 of 1996) states that local

government should foster and facilitate engagement with communities and community organisations on matters of local government. The White Paper on Local Government (1998) refers to developmental local government and states in section B(3.3) that municipalities should engage citizens in the affairs of local governance in their capacities as voters in resource mobilisation for the development of municipal areas.

The Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998) stipulates in section 19 that municipalities are obliged to be attuned to the needs of communities and ensure their involvement in the development of specific areas. Chapter 4 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) in section 25 refers to community participation and the formation of structures and measures to ensure that citizens participate in the IDP process. Priscole (2004:206) views public participation as a way to modify and help make democracy work for all citizens. Hassink (2011:548) is of the view that public participation is principally about educating, connecting and formally counselling the local community about issues of concern. Van der Waldt (2018:25) and Ngoepe-Ntsoane (2018:421) elucidate that every community member should have a say in the identification and addressing of local concerns and problems, and should be involved in the decision-making process. According to Smith and McDonough (2001:239), public participation can aid government with the implementation of new ideas by promoting transparency, responsiveness and fairness. Largely public participation, as Ledingham and Bruning (2000:87) view it, becomes meaningful regarding the notion of information sharing,

two-way communication, engagement, openness, transparency and consultation. The Johannesburg Metropolitan Council is a local government entity that takes the issues of communities and public participation seriously.

RESEARCH FINDINGS

The project has managed to benefit SMMEs through the interventions implemented in line with the provisions set in the CIDB Transformation Framework (2016), the Standard for Infrastructure Procurement and Delivery Management by the National Treasury, the New Growth Path, EPWP and other statutes mentioned in the discussions. A schematic representation of the results is presented in Table 2 on the next page, summarising the responses on the research questions.

DISCUSSION OF RESULTS

It has been revealed that the aftermath of the project has been the ability to create employment, which reflects on the first research question. The jobs created are unmasking the reality that indeed economic empowerment has been achieved through the project implementation where 10 jobs were created with eight SMMEs who have benefitted from the project and "only in one project". If one station was able to create 10 jobs, then it means the BRT projects have been able to create more than 130 jobs in a total of 13 stations with four interchanges if the others are taken into consideration as stated in paragraph 2 under the heading "Background of the case study". The SMMEs referred to have also been able to uplift their employees through the project. It is against

this backdrop that it is certain that the operation modality followed did not compromise the statutes and this underscores the idea of a 30 percent shareholding for the community through the SMMEs being concomitant to the Transformation Framework of CIDB (Contractors' Operating Environment and CIDB Initiatives, 2016). Following this reasoning, an empirical exploration of the works allocated to SMMEs was infused through site establishment, water supply, security services and glass and aluminium installation, plumbing, air-conditioning and ventilation, tiling, electrical works, paving, window cleaning, and site cleaning after construction.

It has also been attested that the project has been able to recognise the importance of the community structures where it was revealed that the project managed to strengthen partnerships with stakeholders. It is important for the project to be supported by community stakeholders for ownership, after-care and support. There is no doubt that due to the mechanisms implemented at the onset of the project, the community sees the bus stations for the BRT infrastructure projects in Gauteng as theirs rather than seeing it as owned by the JDA. The contractors did not battle with the above on their own but used the services of the Community Participation Consultant. When it comes to the third research question that questions the effectiveness of the CPCs and the impact they made on the project itself, it is evident given the magnitude of the project that the contractors would not have managed all the community dynamics on their own if CPCs were not brought on board. The contractors are involved with the day-to-day technical aspects of the

TABLE 2: Presentation of Results

Research Question	Research Sub-Questions	Premise
Has economic empowerment been achieved through the project implementation?	How many jobs have been created since the project was implemented?	10 2 Females 6 Males
	How many SMMEs have benefitted from the project?	8 companies owned by youth 5 males 3 females
	What mechanisms were put in place to ensure community support towards the project and what were the success indicators?	The CLO has been instrumental in giving all updates pertaining to the project from inception. The Mayoral Council has been supportive and this was displayed through their involvement and representation during meetings. There would always be an agenda item on the project's progress during public participation meetings chaired by the Councillor. The CPC was attending to give support to the CLO during community participation meetings and in other instances a JDA representative would also attend.
Has the project managed to build partnerships among stakeholders?	Was the project well supported by the stakeholders and has it been completed within the set time frames?	Yes, it had favourable support and was driven by the Mayoral Council. The time frames were not met; there were some delays that were managed by the team.
Are the Community Participation Consultants appointed in the projects useful and do they add meaning?	How did they assist the project?	Yes, they are; they have been able to cement the decision on a 30% allocation for SMMEs and were also instrumental in terms of facilitating the database, appointments of SMMEs and CLO collectively with the Councillors. They have also been attending monthly site visits and preparing monthly reports. They have also been able to resolve issues emanating from the community, workers and contractors. They have been able to compile a skills audit for the project and submitted the report. However, the workers were not stable as they come and go according to the phase of the project, meaning job retention was not achieved.
	How can they be better used for success?	They should be brought on board at the onset of the project to give them an opportunity to go to the project site first to be able to introduce the project to the community before anyone else. They also need to be involved in the monthly progress meetings to be up to date with all developments in the project.
Has the project been in compliance with the legislative requirements?		The project was implemented according to the legislative and regulatory frameworks in place. There has not been any deviation and where there was any eccentricity from the plan, the CPC was always there to reprimand the contractor to avoid slippages.
Has the project managed to pay the subcontractors upon invoice submission?		Yes, the contractor has been able to pay the subcontractors monthly when the invoices were paid, avoiding delays where possible.

Source: Author

project including the management, monitoring, engineering work, safety aspects, quality and the whole operation spectrum. The community aspects were left to the expertise of the CPCs. They have managed to attend the public participation meetings to give a brief on the progress. PCs play a neutral role representing the employer/contractor and the community without being subjective. They also facilitated the appointment of the CLO and Community Project Committee, including the Ward Councillor. The CPC has managed to resolve disputes emanating from the project from inception to closure and ensured inclusivity of local labour and SMMEs according to the performance of the construction works contract according to the terms stipulated in the *Government Gazette* (Department of Public Works: Notice 306, 2017). The CPC was also effective in terms of assisting the employer with the compilation and record-keeping of the prospective targeted labour that met the relevant targeting requirements for semi-skilled and unskilled labour.

Moreover, the CPC has been instrumental in ensuring that the skills are meaningfully transferred to the workers. She made sure that the project complied with the legislative requirements and indeed it had been revealed that there were high compliance levels. It is apparent that the JDA has delivered a degree of success: however, there is a need and more opportunities for JDA to raise the bar on SMME development even higher. The contractors for the project can be given credit for the way they have been managing the finances. They had deployed a full staff component on site. The SMMEs were always paid on time when the invoices were offered for payment, not waiting for

JDA to pay them. This was enabled by the JDA as a client as their payments were also on time and not delayed. The skills audit created by the CPC could not be effectuated since the workers were not fully retained on site but only came on board during phases for short periods.

RECOMMENDATIONS

Despite the numerous positive achievements of the programme, there were also pitfalls identified by the study. The study revealed dichotomies that need to be synthesised for improvement. An emerging contractor incubator project that provides at least five days of advice, coaching and mentorship per year for selected SMMEs should be considered in future since it holds a substantial potential for growth and development over this time. A comprehensive and pro-active administration system to ensure that all JDA participants (construction workers and SMME companies) receive formal recognition of participation (such as a JDA letter confirming training, certificates where possible, and completion of CIDB forms for registration purposes) should be given priority in future. The letter can serve as a testimonial or a certificate of competence to be used when applying for other subcontracting jobs. Most importantly, it is emphasised in this article that the model (70 percent building and 30 percent subcontracting) work proclaimed in the *Government Gazette* (21 April 2017) should be applied by all construction companies to achieve success and that the implementation and operation modality adopted by JDA should be followed. As a key part of JDA's practice and approach, if other organisations can adopt that, more jobs would be created and

economic opportunities for small businesses through the construction programme would be developed.

Economic growth resulting from such measures should result in meaningful redress by expanding social support, investing in spatial development, addressing issues related to homelessness and landlessness, building safe and inclusive communities, and advancing human capital. The main emphasis has to be on the upskilling of SMMEs through the Recognition of Prior Learning initiatives. The other construction companies should tap into this modality in terms of outsourcing qualified CPCs who are familiar with public policies and legislation to be able to implement the 30 percent mandatory contracting following the correct procurement procedures aligned to the Preferential Procurement Policy Framework Act No. 5 of 2000. The payment procedures should also be relaxed to allow contractors to pay subcontractors directly and immediately when submitting invoices rather than to wait for the client to pay. This is something that needs to be emphasised to other implementing agents as it has been observed that most contractors usually give SMMEs, who used their last funds or even financed the work through loans, excuses for not paying on time due to delays from the client. This practice is destroying most small businesses and it must be avoided at all costs.

CONCLUSION

The purpose of this study is to encourage replication of the implementation approach and methodology employed by the JDA to other institutions such as the Development Bank of

Southern Africa, Independent Development Trust, the Economic Development Agencies, the Johannesburg Housing Agency, and others entrusted with the responsibilities of implementing government infrastructure. The findings of the article reveal that the research questions were answered effectively and successfully. The Rea Vaya project continues to positively impact SMMEs. It should also be noted that the JDA is implementing many more Rea Vaya BRT stations which combined, will have a greater number meaning that there will be a greater impact on the creation of jobs, thus affording people economic opportunities. A massive study on the coverage of the overall projects becomes necessary to quantify maximum impact on the inclusiveness of the economy. The aim is mainly to deliver effectively and efficiently social and economic infrastructure projects to provide optimal socioeconomic benefit for communities. It is evident from this article that the stakeholders have been actively engaged from the very inception of the project concept and play a meaningful role in shaping the development outcomes and future custodianship of the development through the facilitation of the CLO and the CPC. In conclusion, the article has been able to prove and support the JDA's mission which is "to create a conducive environment for economic empowerment and combatting the socio-economic environment through the involvement and advancement of local SMMEs". Finally, the article reiterates that it is imperative to invest in research and innovation in this area of work and that lessons are shared that contribute to the body of knowledge. Lessons should be drawn from this study for replication in other infrastructure construction projects.

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