



GOOD GOVERNANCE AN ACT OF LEADERSHIP

Ethekwini municipality: 10
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AGENDA

- Introduction
- What is corporate governance
- South africa's architecture
- Local government governance framework
- Why is it not working
- What can be done
- Conclusion



Introduction

“We must always remember that people do not fight for ideals or things on other people’s minds. People fight for practical things: for peace, for living better in peace, and for their children’s future. Liberty, fraternity and equality continue to be empty words for people if they do not mean a real improvement in the conditions of their lives”

Amilcar Cabral, 1969



CORPORATE GOVERNANCE

“Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals ... the aim is to align as nearly as possible the interest of individuals, corporations and society.”

Sir Adrian Cadbury

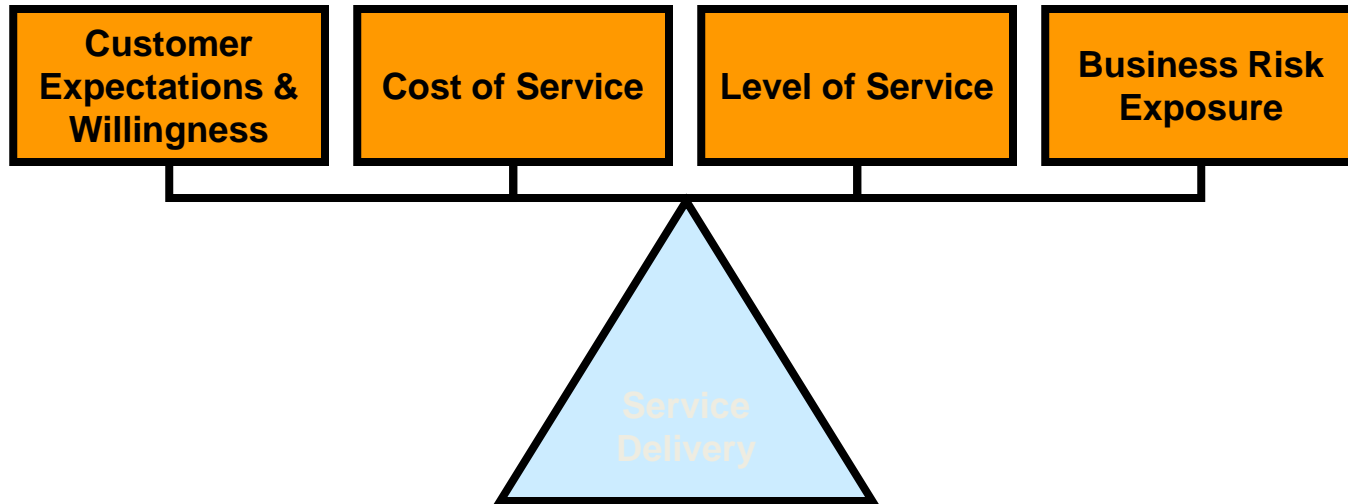
The system by which an entity is governed. It is about how the entity can better manage its resources to good effect for all citizens.



FEATURES OF GOVERNANCE

- Characteristics of Corporate Governance as per King Report
 - Discipline
 - Transparency
 - Independence
 - Accountability
 - Responsibility
 - Fairness
 - Social Responsibility

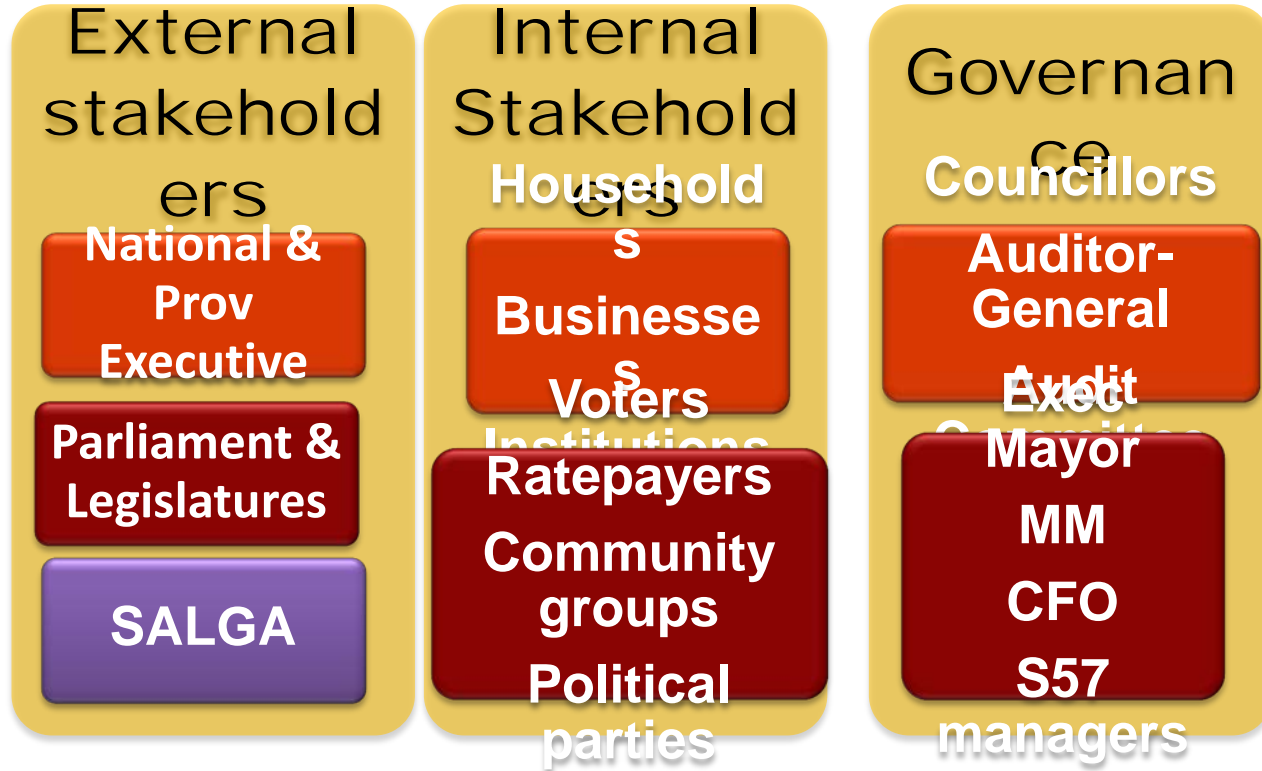
The Balancing Act



GOVERNMENT STRUCTURE



Municipal stakeholders



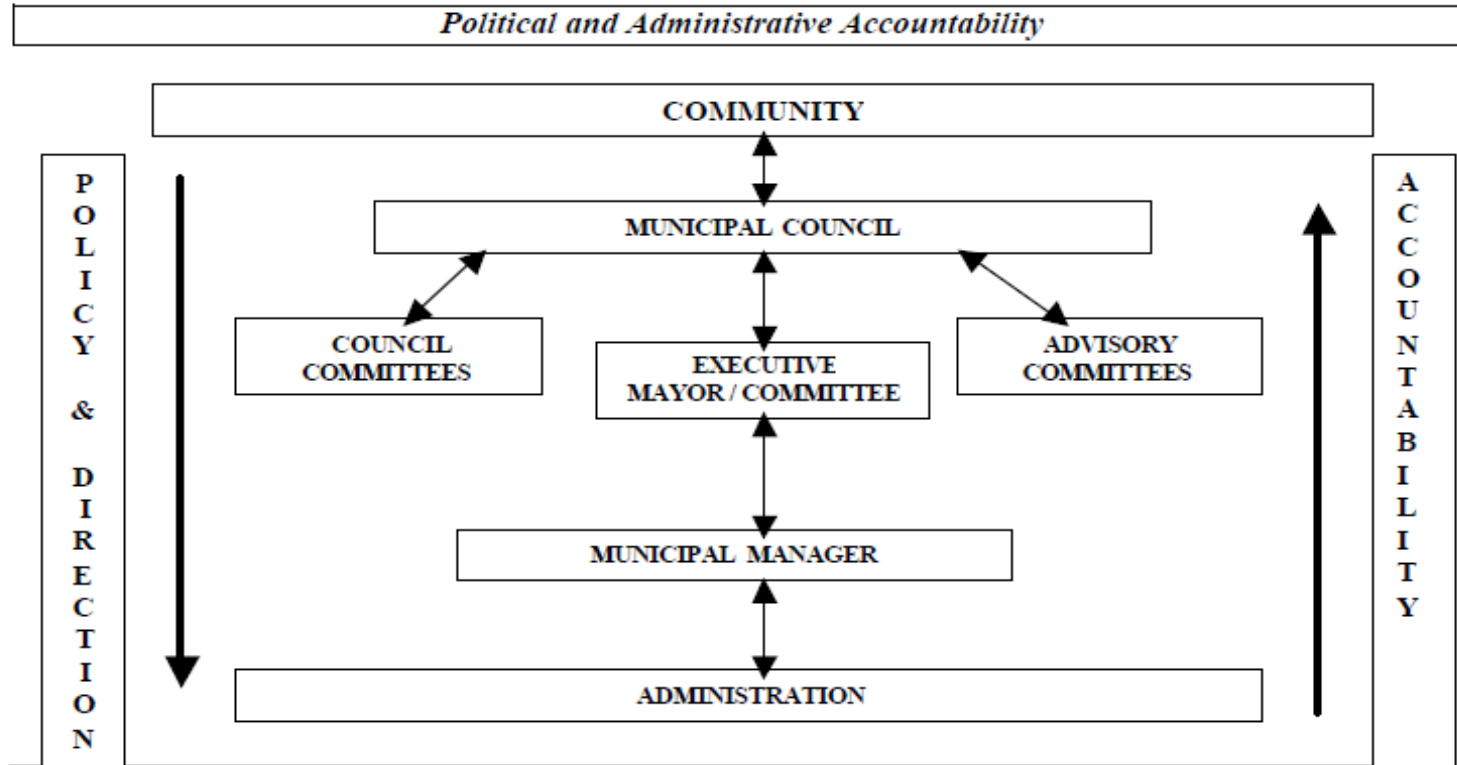


LEGISLATIVE FRAMEWORK



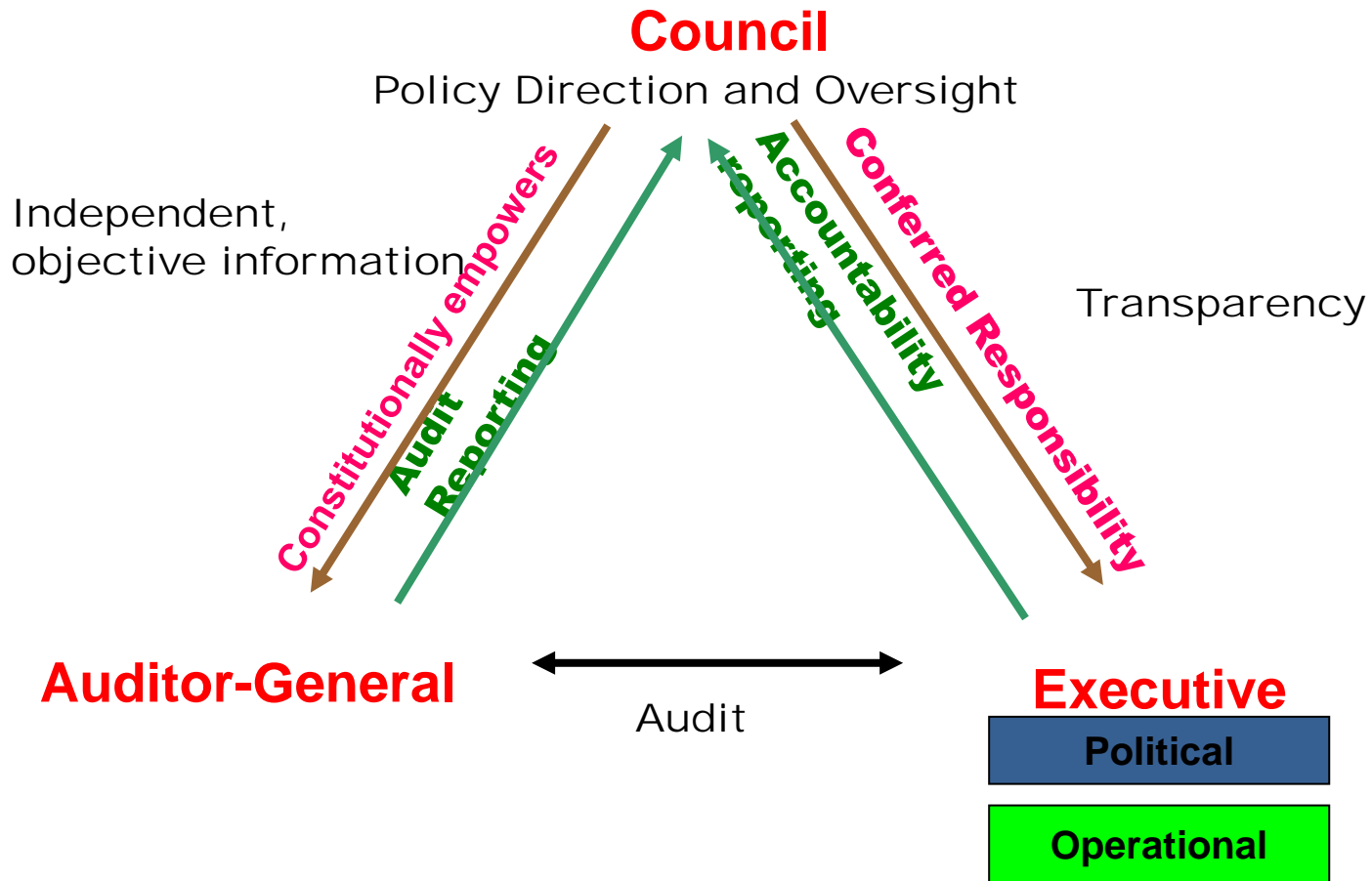
- Constitution sets out the basis for establishing local government, objectives, powers and functions as well as councils and internal procedures
- Chapter 13 lays the foundation for financial governance
- Structures act establishes various governance structures including committees, assigns roles and allows for delegation
- Systems act and MFMA deals with all the internal arrangements and links to service delivery processes as well as oversight
- Intergovernmental legislations deal with the interface with other spheres of government
- Sector legislations deal with specific functional areas

INDEPENDENCE & ACCOUNTABILITY

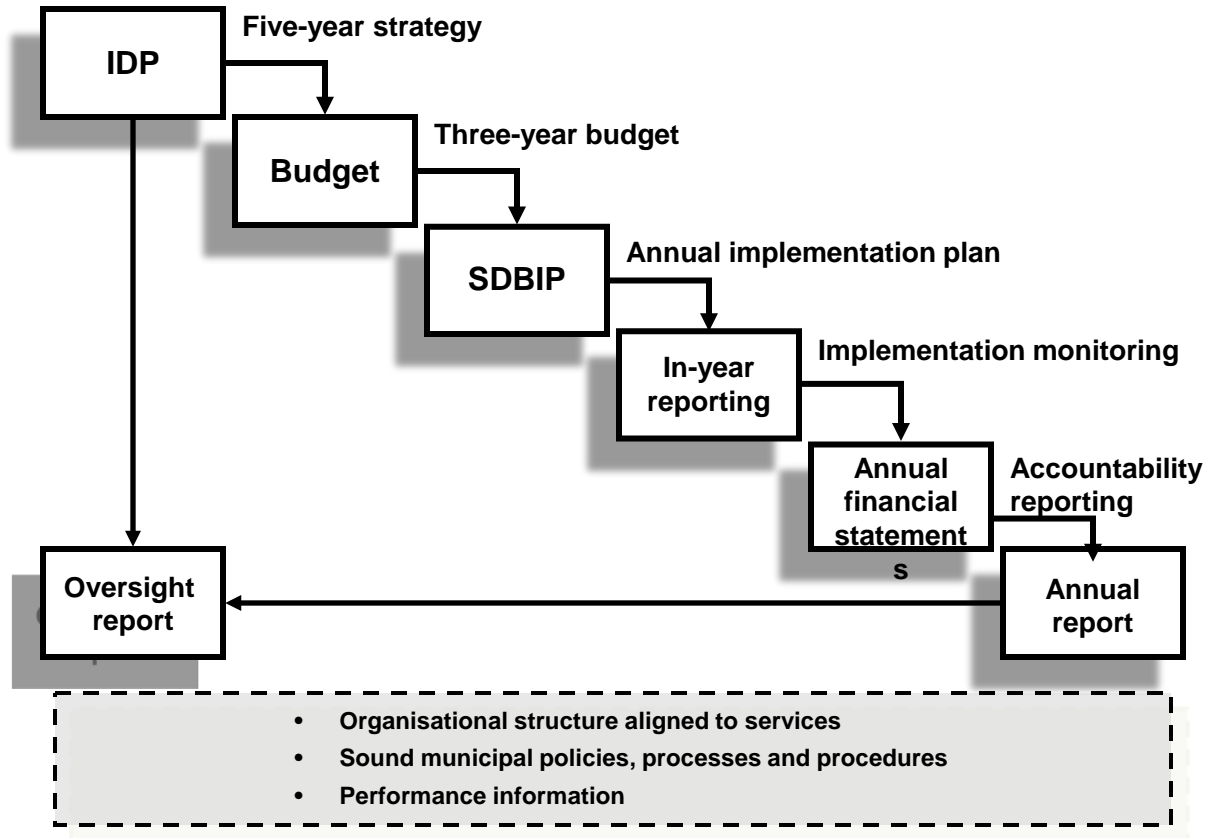




Accountability relationship



The accountability cycle





Role of leaders

- The most important role of public sector leaders has been to solve the problems and challenges faced in a specific environment
- Leaders promote institutional adaptations in the public interest
- Leadership in this sense is not value neutral.
- Sense of responsibility
- From a governance perspective – it is also about separation of responsibilities between executive and oversight



Challenges of Leadership



- Get people to wake up to the fact that there is a problem – you need to mobilise people.
- Orchestrate a learning process that will help develop the capabilities needed for progress.
- Rethink and reshape the values, loyalties and mind-sets to enable better transition from current modes of operations to more useful ones.
- Avoid the temptation to discard everything associated with the past – identify, protect and sustain that which is essential and let go of the rest.
- Figure out new ways of doing things or even doing new things altogether.
- To turn-around your organisation you need level headedness, balance, and focus on the higher purpose and willingness to explore various alternatives.



Build an adaptive organisation



- Encourage the naming of elephants in the room
- Create a shared responsibility for the success of the organisation
- Encourage independent thinking
- Build leadership capacity
- Institutionalise learning and growth



CONCLUSION

“If we have chosen the position in life in which we can most of all work for mankind, no burdens can bow us down, because they are sacrifices for the benefit of all, then we shall experience no petty, limited, selfish joy, but our happiness will belong to millions, our deeds will live on perpetually at work, and our ashes will be shed the hot tears of noble people”

Karl Marx, 1837