

# UCT, CHEC & CCT JOINT RESEARCH PROGRAMME

## Final Research Project Report

### EVALUATION OF THE CHALLENGES TO PROJECT DELIVERY CONFRONTING PROJECT LEADERS IN THE DYNAMIC HUMAN SETTLEMENT ENVIRONMENT

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## **2. ABSTRACT**

Project Leaders face various challenges on human settlement projects that hinder project delivery and have an overall effect on the public sector. The public sector management, stakeholders, academics and practitioners need a better understanding of these challenges should the public sector aspire to meet the housing need adequately. This study used insight obtained from the systematic review of literature on housing projects delivery to develop relevant questions posed to nineteen Project leaders in the City of Cape Town. It was found that Project leaders in the Cape Metro confront socio-political, organizational, multi-stakeholder and legislative challenges for which they are often not prepared. Further, lack of communication and breakdown in communication channels with communities and stakeholders remains a critical issue that affects subsidized housing Project delivery. The project was of immense value to knowledge generation. A significant contribution of the research to knowledge generation in universities is in the identification of the challenges to project delivery confronting project leaders in the dynamic Human Settlement Environment (HSE) and with the theoretical construct, provide recommendations to help the City of Cape Town identify opportunities for transformation and improving the delivery of the much-needed houses to informal settlement dwellers. The outputs of the research comprising of a research report, Chapter in a Book and workshop will be beneficial to all stakeholders within the HSE.

## **3. INTRODUCTION AND PROJECT AIMS / QUESTIONS**

Human Settlements (HS) is a global phenomenon and challenge because the need for habitation cannot be ignored. According to Mbanga (2018), human settlements have the most compelling elements, and relates to urbanization due to population growth, with the most visible signs of a human culture that is imposed on the natural world. Dynamic in general refers to something energetic; capable of action and change; forceful. Nkambule (2012) states that human settlements have become a dynamic mechanism or a system on its own because it consists of physical elements, social services and infrastructure that are essential for human habitation. The argument is that these elements change daily due to their interaction with other internal and external elements of the environment. Mbanga (2018) noted three significant drivers of human settlement dynamics and identified them as a continually growing population, a weak land tenure policy with minimal control mechanisms for settlement construction, and the existence of multiple stakeholders in land development. Nicolas and Steyn (2012) describe a dynamic environment as a continual change driven setting, characterized by high innovation, intense competition, and shifting markets suggesting Project Management as the solution.

A project is one of the drivers of change to which Project Management is applied to reach project

success. According to PMBOK (2016), a project is a momentary undertaking to produce a unique outcome, service or product. Project Delivery, on the other hand, is the product, service or result that the definition of a project refers to, and it relates to the scope and success criteria agreed. Atkinson (1999) describes project success in two dimensions; one is accomplishing the project objective, and the other is in terms of the changes (or effect) the project has once it is completed. The housing implementation in South Africa is based on projects that are driven through various subsidized programmes. In the human settlement environment, project delivery refers to housing delivery. Projects are managed by project managers who are responsible for managing and leading the project team to deliver the project objective.

There has been a steady decline in subsidized housing opportunities delivered by the Government between 2007-2017 despite the increases of finances (Housing Development Agency, 2018, Annual Performance Plan 2018/2019). There are also reports of under expenditure. Under expenditure of public funds are the focus of the National Department of Human Settlement (NDHS) since public money is involved. Under-expenditure of public funds in housing is seen as a reflection of poor project delivery. Public sector project leaders are held accountable by Government and Senior Management for project delivery performance. The complexity of delivering projects in the public sector environment remains a challenge to the integrated human settlements portfolio. The Human Settlements Environment platform is highly influenced by politics through senior political affiliations, while its diverse stakeholders and community management is a project management challenge.

Remedies to change the status quo by national, provincial, and department of human settlement have not yielded positive results. Instead, the recommended strategies create other barriers such as rules of funding procurement, politics, organizational constraints (for example resource shortages) and civil service rules that construction project managers have to face (DHS Breaking New Grounds, 2004).

The main question posed by this study is: *What level of authority do Project Leaders (PL) exert in dealing with the challenges confronted within the dynamic human settlement environment and how effective do the PLs exert the authority?*

This research examined the challenges faced by PL in the Housing Settlement project and programme environment, and whether PLs exert an ability that can creatively transform, keep up and lead the project organization.

The **objectives** of the project include:

- i. Determine the different challenges confronted by PLs in the dynamic human settlement environment.

- ii. Identify the role, importance and limitations of project leadership in the human settlement environment.
- iii. Determine the project and programme performance of housing delivery projects within the human settlement environment.
- iv. Establish the level of authority exerted by project leadership in dealing with the challenges confronted in the human settlement environment.
- v. Find out whether there is a relationship between the level of authority exerted by project leaders and the performance of housing delivery project.

#### **4. RESEARCH APPROACH AND METHODS**

To address the research question and objectives identified, this study adopted a qualitative research approach because it allows the combination of primary data collected through interviews and secondary data collected from housing projects. A systematic literature review was first conducted in order to fulfil objectives i to iii. Following this, an interview protocol was developed. This protocol passed through institutional ethical approval both at the University of Cape Town, Provincial (Western Cape Government Directorate Implementation) and the City of Cape Town's Organisational Planning and Policy Department to ensure that the research does not pose any risk to participants. Personal interviews were held with nineteen Project leaders in the City of Cape Town, based on their flagship (highly successful human settlement) projects, to understand the context (including scale and diversity) of challenges faced, and the role and actions taken by the Project leaders in the dynamic Human Settlement Environment in the City of Cape Town. Secondary data was also obtained from previous studies of community members of Pelican Park, Kleinmond and Eerste Rivier to find out their critical housing requirements.

Secondary data was collected from selected case study projects with the following parameters:

- Project Location: All the selected projects were located in the Cape Metropolitan Area
- Project Value: The project cost ranges from 2 to 150 million Rands.
- Project Scope: Range between professional services for investigative work, installation of civil services and construction of housing units.
- Initial Project Scope: The number of housing units and services ranged from 60 – 1000 units
- Final Project Scope: The number of housing units achieved ranged from 60 – 1000 units.
- Project Duration: The project duration was between 2 -50 months.

## 5. CONCLUSIONS AND RECOMMENDATIONS FOR FOLLOW-UP ACTION

It emerged from the study that the challenges that Project leaders face in the delivery of housing in the dynamic human settlement environment are enormous, ranging from socio-political, organisational, multi-stakeholder management to legislative. These challenges affect the project delivery (cost, scope, quality and timeframes) in adverse ways during project roll-out and implementation and affect the project success. The following conclusions and recommendations are made to inform research and practice in Human Settlement project delivery in the Cape Metropolitan area:

- i. Community engagement from onset (before project initiation) is key to reducing interruptions by communities and satisfying end-user requirements. The success of human settlements projects in the Cape Metropolitan area has been measured according to the traditional Project Management triple constraints, namely: scope, cost and time. However, an emerging component of project success is quality, defined as 'fitness for purpose'. There is evidence from this study that the quality dimension of project success is often ignored. The City of Cape Town should, therefore, work harder to understand the needs of the people before the project execution. For instance, with regards to locational aspects, majority of the respondents in the Pelican Park community (89.29%) and (53.33%) in Eerste Rivier have never had the opportunity to voice their ideas or needs to a Government institution or NGO before projects implementation. Only (10.71%) in Pelican Park community has ever had an opportunity to voice their opinions. Whereas in Kleinmond, the majority (58.11%) had a chance to express their ideas to a Government institution or NGO in the past, and only 41.89% of respondents have never had the opportunity to voice their concerns.
- ii. Socio-political issues are the most challenging when it comes to the delivery of human settlement projects. The socio-political dynamics of each project differs and usually emerge as the project unfolds. For most Project leaders in this study, technical or hard skills are not a problem on their flagship projects; rather, a lack of soft skills, to adequately interact with politicians and community members. As a result, there is a need to train and develop project leaders to be 'catalytic' in their approach to project delivery. Catalytic Project leaders can cascade communication across and inspire new ways of working despite challenges faced in order to achieve the projects' highest aspirations. The idea of leadership training and soft skills development programmes through the

workshop, short courses (planned by the CHEC-CCT project) and mentorship should suffice.

- iii. Organisational challenges were found to influence project implementation in different ways. This is expected due to the nature of the human settlement environment (structure, behaviour, and operations). It emerged that there are very few individuals with expertise both in the leadership of complex organisations and in the complexities of the housing sector. Therefore, this study recommends the development of a Project Leadership Framework for project delivery. Such a framework will set practical and consistent standards for administrative systems, right decisions and projects in the bid to achieve a more sustainable housing delivery by Project leaders. Although the context of projects vary, the expected role and actions required will not. For instance, respondents submit that there are different interests and expectations from each stakeholder in order to achieve the project objectives. The participants also voiced their lack of control over these stakeholders as a major co-ordination challenge. The participants submit that fusing of organizational and contract management (private sector management techniques and public policies) at the project level is challenging and other enormous challenges in the procurement process such as the internal infrastructure service departments not giving housing projects the importance it deserves. All these organisational issues will be addressed with the use of a Project Leadership Framework.
- iv. Legislative loads should be reduced within reason. This should not suggest compromising required standards or best practice. However, Project leaders stated that the magnitude of legislation and policies that impact on housing developments alone is quite broad. Public sector project delivery takes place in a bureaucratic process, and Project Management is subjected to various legislative policies of compliance. The study participants submitted that the legislative loads imposed are somewhat burdensome on project delivery and negatively affects the way the project is structured and implemented. For instance, participants indicated that public housing depends on the subsidy that is not market-related while utilizing consultants and contractors from the private sector that charge market-related fees. Another highlight from respondents is the use of Project Portfolio Management (PPM), as a compliance measure, which is considered rather time-consuming than assisting the work of timely project delivery.
- v. It is recommended that IBS (Industrialised Building Systems) should be explored for human settlements project delivery in the City of Cape Town. IBS has huge potentials

benefits such as speeding up the delivery process, achieving higher quality, savings as well as social and environmental benefits.

- vi. Project leaders should also be involved in feasibility studies and conceptual project development before the execution of the housing project. Since project leaders play a significant role in project delivery, they should be engaged much earlier in the project lifecycle.
- vii. Further, it was found that the more level of authority given to the Project leaders, the higher the housing project success in terms of time and cost. Hence, project leaders should be empowered to do the work (have authority/control of the project).

## 6. BUDGET

	A detailed description of the budget line item	Budget Amount	Actual Spend to date
a.	Research assistants (gathering data and information) 125hours x R201.6/hr.	25,200	25,603
b.	Photographs (15 @ R240 each)	3,600	0
c.	Transcription (at least nine interviews)	6,750	6,750
d.	Editing	7,500	7,250
e.	Fieldwork (Local travel to interviews)	12,230	10,845
f.	Running expenses – Stationery, files, printing, binding, hard drive, recording device, photocopies, documentation, meetings	8,750	8,670
g.	Development of materials for short courses and presentation (15 hours x 1650/hr. + venue and refreshments)	34,750	26,400
<b>TOTAL</b>		<b>98,780</b>	<b>85,518</b>

## 7. OUTSTANDING WORK

Approval of the request for permission to present a Project Leadership workshop to Project Managers in the Human Settlement Directorate of the City of Cape Town was received (see Appendix I). The workshop was scheduled for 24 March 2020. See attached Workshop Flyer (Appendix II). However, due to the COVID-19 Lockdown, the workshop had to be deferred.

## REFERENCES

- Department of Housing (2004). *Breaking New Grounds: A Comprehensive Plan for the Development of Sustainable Human Settlements*. South Africa: Department of Housing.
- Mbanga, L. (2018). Human Settlement Dynamics in the Bamenda III Municipality, North West Region, Cameroon. *Journal of Settlements and Spatial Planning*, 9(1), pp. 47-58.
- Nicholas, F.M. and Steyn, H. (2017). *Project management for engineering, business and technology*. 5th ed., New York: Routledge.
- Nkambule, S. (2012). *A Critical Analysis of Sustainable Human Settlement in Housing—The Case of Hlalani, South Africa*. Grahamstown, Eastern Cape, South Africa.
- Project Management Institute, (2017). *A guide to the project management body of knowledge (PMBOK)*. 6 ed. Pennsylvania: Project Management Institute Inc.
- Western Cape Department of Human Settlements, 2018. Annual Performance Plan 2018/19 Western Cape Department of Human Settlements, Cape Town: Western Cape Department of Human Settlements.

## APPENDIX I



CITY OF CAPE TOWN  
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DIRECTORATE: HUMAN SETTLEMENTS  
HOUSING DEVELOPMENT  
BUILT ENVIRONMENT MANAGEMENT

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## MEMORANDUM

**To:** Nolwandle Gqiba (Executive Director: Human Settlements)

**From:** Fabio Companie

**Date:** 18 March 2020

**SUBJECT: REQUEST FOR PERMISSION TO CONDUCT PROJECT LEADER WORKSHOP – RESEARCH OUTCOMES**

I am currently registered with the University of Cape Town (UCT) working towards achieving a Master's degree in Project Management and conducted my research on the topic "Evaluation of the challenges to project delivery confronting project leaders in the dynamic human settlement environment". Ethical clearance was applied for and received on 18 July 2019 from the City, Human Settlement (HS) staff (project managers'/project leaders) who are engaged with implementation of capital projects within the Human Settlements Directorate were interviewed.

The research was completed, submitted and accepted by UCT to receive an evaluation mark. The UCT supervisor and faculty would like the opportunity to share the findings of the research with the City of Cape Town (CoCT) by holding a half a day workshop with the HS staff (project managers'/leaders). The abstract and conclusion of the research conducted has been enclosed to provide some insight as well as to inform the structure of the proposed workshop, which is envisaged to cover the following aspects:

- The role, importance and limitations of project leadership
- ABC of project delivery
- Challenges confronted by project managers/leaders in the dynamic HS environment.
- Opportunities for transformation and use of up to date project management techniques by leaders of Housing Programmes

In view of the current Coronavirus (COVID-19) pandemic and National disaster declared by the President of South Africa, it is noted that an interpersonal workshop cannot be conducted at this time. With this being said, the alternative of a virtual workshop is being explored and if viable, a date and time will be conveyed to the ED for further approval.

The purpose of this memorandum is to obtain approval to proceed with arranging and conducting a workshop (interpersonal or virtual) when safe to do so, in order to share the outcome of the research conducted. The detailed agenda surrounding the workshop will be submitted for the ED's comment and input once this workshop approval is received.

Fabio Companie

Enclosed 1: Abstract & Conclusion

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## APPENDIX II



### Project Leadership in Dynamic Human Settlement Environment Half-day Workshop

**Tuesday 24 March 2020**

[9:00am] to [2:00pm]

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[ 9am] to [9:30am]

Registration

[9:30am]

Welcome and Introduction

[A/Prof. Abimbola Windapo, Dept. of Construction Econs & Mgt, UCT]

[10:00am]

Session 1

1. The need for Project leadership in HSE
2. ABC of Project delivery in the dynamic HSE

[Fabio Companie, Human Settlement Directorate, CCT]

10:45-11:00am

Tea break

11:00-11:45am

Session 2

1. Challenges confronted by Project leaders in dynamic HSE
2. Opportunities for transformation

[Interactive Panel Discussion]

[11:45-12:00p.m]

Assigning Pre-work

[A/Prof. Abimbola Windapo, Dept. of Construction Econs & Mgt, UCT]

[12:00-12:45p.m]

Lunch break

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Session 3

[12:45-1:30p.m]

1. Your Catalytic Leadership Inventory
2. Adaptive Leadership

[Kenny Alade, Dept. of Construction Econs & Mgt, UCT]

[2:00-2:30p.m]

Interactive session & Feedback from participants

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