



## Communication Channels within the Municipality Stakeholder Relations: A Case Study of Rustenburg Local Municipality and the Royal Bafokeng Nation

M.M. Selepe

Department of Public Administration & Management, University of Limpopo, South Africa

Email: [poppyalvianolita@fisip.unmul.ac.id](mailto:poppyalvianolita@fisip.unmul.ac.id)

<http://dx.doi.org/10.47814/ijssrr.v6i1.1134>

### **Abstract**

This article examines the variety of communication channels and processes for stakeholder relations adopted by the Rustenburg Municipality in order to ensure that there is synergy between the Municipal Council and The Royal Bafokeng Nation. It is the responsibility of the Municipalities to ensure stakeholder engagement and the article outlines how the relationships with these different stakeholders can be managed. In terms of stakeholder relations the community is the primary stakeholder of the municipality. In many cases managing stakeholder relations involves consultation, negotiations and it always involves communication. The Royal Bafokeng Nation is future-oriented and has expanded its horizons and aligned its traditional approach to a corporate approach. The notion of public administration is central to municipal governance and stakeholder relations. Despite the opportunities that have been created for stakeholder relations in municipalities, the article argues that, Traditional leaders still have less influence in municipal governing policies and policy-making processes than the municipal structures. It is evident that there is no synergy between some of the municipalities and various traditional leadership institutions. This article will adopt a conceptual approach to analyse the communication channels for stakeholders within the municipality stakeholder relations. The article will conclude by outlining and suggesting the stakeholder relations process, communication and negotiation plan that must be adopted by local government in South Africa.

**Keywords:** *Governance; Stakeholder Relations; Stakeholder Engagement and Consultation; Royal Bafokeng Nation; Rustenburg Local Municipality*

### **1. Introduction**

Municipalities deal with several stakeholders, such as organised community groups, individuals, business entities and other organisations. However, the focus of this study will only be on professional stakeholders and will exclude community organisations. The reason for this delimitation is in terms of the strategic triangle to establish an authorising environment. The objective is to engage with participants from different sectors whose backing, and support are required to withstand the strategic action. This is the big challenge. There will be probably little if any, objection to establishing a network of stakeholders

to create public value but getting all stakeholders to align resources with the identified shared public value could require convincing and authoritative engagement (Haarhoff,2019:43).

According to Bradford (2016:29), stakeholder relations consist of community engagement frameworks which are used to explain the levels of participant involvement, influence, and power. These frameworks are presented as ladders, continuums or spectrums contributing to a greater understanding of community engagement and consistency in implementation and policy development. They are tools for eliciting greater structure in the community engagement process.

The Constitution of the Republic of South Africa addresses stakeholder involvement in several areas of public administration and management and emphasizes the need for transparency and accountability. These areas are covered in section 41(1)(c) dealing with intergovernmental relations, section 195 (1)(g) dealing with basic values and principles of Public Administration and section 160(7) requiring that municipalities must conduct their business in an open and transparent manner.

In support of constitutional provision for transparent and accountable government, Section 19(1) (2) of the Municipal Structures Act requires the municipal council to develop community consultation mechanisms and to do an annual review of community involvement in the decision-making process and ensure that the community's views are considered during the decision-making process.

## **2. Research Approach**

The study adopted the conceptual approach and heavily relied on secondary data. Secondary data used in the study was gathered from relevant books, journals, conference proceedings, and published articles. The sources used were those relating to stakeholder relations for municipalities. Several journals focusing on stakeholder engagement and the theoretical framework of stakeholder relations were also used.

## **3. Theoretical Framework for Stakeholders' Relations**

Stakeholder theory is considered useful when seeking to describe the business environment. A stakeholder has been defined as "any group or individual who can be affected or is affected by the achievement of the organisation's objectives". Stakeholders as groups or individuals who "have an interest in the actions of an organisation and the ability to influence it. Stakeholders as individuals, groups of individuals and organisations who are actively involved in a project or whose interests may be affected by the implementation/execution of a project. Stakeholders are "those entities and/or issues, which a business identifies from the universe of all who are interested in and/or affected by the activities or existence of that business, and are capable of causing the enterprise to fail, or could cause unacceptable levels of damage if their needs are not met". These views suggest the need for interdependence between an organisation and its stakeholders. Hence, it becomes imperative to seek stakeholders' support through adequate and appropriate engagement. Stakeholder engagement is a process that involves an organisation sharing views through genuine dialogue with its shareholders. Involving organisation stakeholders in decision-making through information sharing, dialoguing, and establishing an avenue for mutual responsibility is an essential aspect of stakeholder engagement (Osobajo et al.,2021).

According to Khoza (2015:20), the theory of stakeholder relationship management is about "effectively managing organisational-public relationships around common interests and shared goals, over time, resulting in mutual understanding and benefit for interacting organisations publics". The focus is, therefore, not only on serving the organisation's aims and objectives but also to create a mutually beneficial relationship between the organisation and its stakeholders. Therefore, the reason for managing stakeholder relationships is that "it can lead to other organisational outcomes, such as improved

predictability of environmental changes, more successful innovations, a greater degree of trust among stakeholders, and greater organisational flexibility to reduce the impact of change”. It is further indicated “that an organisation depends on these external groups as sources of inputs (resources) and as outlets for outputs (goods and services), and managers should consider their interests as they make decisions and take actions”.

This theory emphasises the importance of relationships that bring about understanding, which benefits both the organisation and the public. Stakeholder management is the need for an organisation to manage its relationships with stakeholder groups on an action-oriented basis (through clear actions). Instead of merely identifying stakeholders, it implies creating relationships with them (Khoza,2015:20).

The theory of stakeholder influence strategies consists of three main research directions. The first direction concentrates on testing Frooman’s typology. Some weaknesses of this typology were pointed out; nevertheless, many authors broadly agree that it is useful to understand stakeholders’ influence behaviour. The second direction focuses not only on testing the typology but also on examining why stakeholders resorted to a particular action. The third direction emphasizes specific actions that stakeholders pursue to gain influence. To this, end, there have been only two empirical studies specifying stakeholders’ strategic actions in the third research direction. Stakeholders can form coalitions with other groups to either increase their power or legitimacy; they employ direct action to gain legitimacy. Communication, noticeably, is considered a means to intensify stakeholders’ legitimacy and urgency (Nguyen et al.,2018:2).

Donaldson and Preston (1995:66-67) summarise four central theses of stakeholder theory as follows:

**Thesis 1:** The stakeholder theory is unarguably descriptive. It presents a model describing what the corporation is. It describes the corporation as a constellation of cooperative and competitive interests possessing intrinsic value. The model can also serve as a framework for testing any empirical claims, including instrumental predictions, relevant to the stakeholder concept (but not for testing the concept's normative base).

**Thesis 2:** The stakeholder theory is also instrumental. It establishes a framework for examining the connections, if any, between the practice of stakeholder management and the achievement of various corporate performance goals. The principal focus of interest here has been the proposition that corporations practising stakeholder management will, other things being equal, be relatively successful in conventional performance terms (profitability, stability, growth, etc.).

**Thesis 3:** Although Theses 1 and 2 are significant aspects of the stakeholder theory, their fundamental basis is normative and involves acceptance of the following ideas: (a) Stakeholders are persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity. Stakeholders are identified by their interests in the corporation, and whether the corporation has any corresponding functional interest in them. (b) The interests of all stakeholders are of intrinsic value. That is each group of stakeholders merits consideration for its own sake and not merely because of its ability to further the interests of some other group, such as the shareowners.

**Thesis 4:** The stakeholder theory is managerial in the broad sense of that term. It does not simply describe existing situations or predict cause-effect relationships; it also recommends attitudes, structures, and practices that, taken together, constitute stakeholder management. Stakeholder management requires, as its key attribute, simultaneous attention to the legitimate interests of all appropriate stakeholders, both in the establishment of organizational structures and general policies and in case-by-case decision-making.

## 1. The Rationale behind Stakeholder Consultation

There are three main reasons for municipalities to consult and negotiate with stakeholders. All South Africans have a responsibility to “Lend a hand to build a better life for all”. National, provincial

and local governments should therefore interact with the public on its programmes and encourage all South Africans to conscious and active participants in the socioeconomic transformation process. After identifying key stakeholders and role players the next step is to determine communication and negotiation strategies that can be used during the consultation (Treasury, 2008:18).

Firstly, consultation should help municipalities to make better decisions. Secondly, consultation assists the different stakeholders in better understanding and supporting the decisions around trade-offs and prioritization that municipalities must make. Thirdly, a consultation can help improve the inter-departmental and intergovernmental cooperation that is so essential for effective service delivery.

On the first point, local government as it has evolved over the centuries is after all the organization that is established by people in a local area to organize their local affairs and to manage those basic facilities that the community need for its day-to-day living. The local government must pursue collective goals and to do this must know what those goals should be at any time. This takes a well-planned and effective approach to consultation with the community and other stakeholder groups. In the absence of consultation, municipalities will prioritise incorrectly, in other words, they will be unaware of what the people should be getting. Under such circumstances, it is highly likely that the people's real needs are not met. Furthermore, municipalities never have sufficient resources to do everything that should be done. This means that in this situation of scarce resources, choices must be made. The best decisions will be properly informed decisions and the recipients of municipal services are best positioned to offer the information which brings about the best decisions. Constant and formalized communication and negotiation with stakeholders are therefore essential for effective service delivery (Treasury, 2008:17).

This brings us to the second reason for consultation, which is to help the different stakeholders to better understand and support the decisions around trade-offs and prioritization that municipalities must make. In South Africa, there is great diversity among the residents in every municipal area of the country which must be taken into consideration. As a result of our history, there exists an extremely wide wealth and services gap between sectors of each community which must be considered when organizing and supplying services to the community. All parts of the community must be consulted for the municipality to properly understand their needs and priorities, and to provide a sense that everyone's priorities are at least being considered in the decision-making processes that follow (Treasury, 2008:19).

The next section is a review of relevant literature pertaining to governance and stakeholder relations processes.

## **2. Municipal Governance**

In structural terms, governance is viewed as the variety of political and economic institutions that have been created over time and that were designed to address problems of governance. Thus, governance conducted by and through vertically integrated state structures presents an idealized model of democratic government and public bureaucracy. In the Weberian model of public administration, this was governance by law simply because society was governed through the imposition of law and other forms of regulation. Other institutions of the state were also included in a hierarchical system of command and control. Sub-national government has some degree of autonomy, but the state never surrendered its legal authority over these institutions. Nowadays this model of governance has critics because it is considered that hierarchies were an appropriate institutional order when public services were highly standardized, and markets were domestically controlled but these factors have changed profoundly. In fact, it is not realistic to think that formal hierarchies as a system of governance have disappeared because governance through hierarchies still plays an important part in many national and institutional contexts. There are many case studies that clearly expose the growing relevance of horizontal networks though, but they are less significant than the hierarchical relations between institutions and actors Katsamuska (2016:134).

Municipalities are autonomous but operate within a system of cooperative governance according to the constitution of South Africa. Cooperative governance requires that various spheres of government (National, Provincial and Local) cooperate in exercising their powers and functions. The governance of municipalities should be viewed in the context of cooperative governance without detracting from municipal autonomy (King 1V Code, 2016:80).

According to principle six of King Code 1V (2016:81) the municipal council should serve as a focal point and the custodian of corporate governance in the municipality. In accordance with section 2 of the Municipal Systems Act 32 of 2000 a municipality is an organ of the state within local government exercising legislative and executive authority within an area. In terms of section 151 of the Constitution of South Africa, 1996 legislative and executive authority vests in the municipality in the council. The legislative and executive authority that the council derives from the Constitution and other legislation gives dominium over levies and taxes collected from those who reside within the borders of the municipality for the supply of electricity, water, sanitation, and other services.

The primary leadership role of any governing body is expressed as encompassing steering the organisation and setting its organisational objectives, approving policy and planning that give effect to the direction provided, overseeing and monitoring of implementation and execution by management as well as ensuring accountability for organisation performance by means of among other things reporting and disclosure (King Code 1V, 2016:82).

### **3. The Purpose of Stakeholder Consultation**

Stakeholder consultation facilitates information sharing, consensus building and broad-based stakeholder consultation. In broad terms, stakeholder consultation has the following main purpose:

Firstly, to identify, review and expand upon municipal issues of priority concern, which affect the sustainable growth and development of the municipality. Secondly to bring together key actors from the public, private and popular sectors in order that they agree on the need for and commit themselves to jointly develop an improved municipal management process which is built on partnerships and which cuts across sectors to promote sound development.

Thirdly to demonstrate a process of defining priority concerns (especially in developing IDPs) and identifying key actors and a methodology to establish the participatory cross-sectoral working group approach. Fourthly to agree on a mechanism for developing an appropriate municipal framework, for strengthening and maintaining the process and for linking these activities to existing structures, as well as demonstrating the necessity for pooling resources to address the priority issues. Lastly to communicate the outcomes of the consultation and negotiations to relevant stakeholders upon conclusion (Treasury, 2008:34). In the next section, the relationship between Rustenburg Local Municipality and Royal Bafokeng will be discussed in detail with the main objective of assessing the current stakeholder engagement between the two parties.

### **4. The Relationship between Rustenburg Local Municipality and Royal Bafokeng Nation**

In 2003, a Memorandum of Understanding (MOU) was signed between the Royal Bafokeng Nation and the Rustenburg municipal council, Bojanala and Moses Kotane municipal councils. The main objective of the MOU was to establish a joint infrastructure development initiative and to forge a synergistic partnership between the Royal Bafokeng and the Greater Rustenburg municipal council. Both parties had to establish to what extent each will be responsible for the infrastructure development and municipal service delivery. The two entities were supposed to be co-operating in education and health-related issues. The MOU between the Royal Bafokeng Administration and the Greater Rustenburg municipal council did not meet expectations. In as far as education and health are concerned; the Royal

Bafokeng Administration works closely with the members of the executive council (MECs) of the North-West provincial legislature (Thornhill, 2010:9).

The communication channels adopted by the Rustenburg Local Municipality and Royal Bafokeng Nation are meetings, and the stakeholder relations processes so far were channelled through the 2003 and 2014 Memorandums of understanding (MOUs).

#### **4.1 Royal Bafokeng Traditional Ward Councillors**

The Royal Bafokeng communities understand that the Bafokeng Councillor's primary duty is to bring development to the villages. There are many vacancies for the Bafokeng Councillors. Many villages did not have Bafokeng traditional Councillors, and the Royal Bafokeng Administration did not consult or inform the community about the procedure for the election or appointment of new Councillors in Lefaragathle and Robega villages. The community think it is unnecessary to have both Municipal Councillor and Bafokeng traditional Councillor because the duties and services rendered are the same. There is also widespread confusion about whether the Bafokeng Councillor should defer to the Kgosana(Headman) and if so, under which circumstances (Cannon et al, 2010:2).

#### **4.2 Rustenburg Local Municipality Ward Councillors**

Although some people, especially youth, are hopeful about the services the municipal Councillors could bring in the future and most Bafokeng agree that the municipality has yet to start delivering services in the Bafokeng villages. A common criticism is that Ward Councillors will start to implement new projects in Bafokeng areas only during campaigns for elections. Ward Councillors are also labelled as 'politicians' and people doubt their dedication to the community's development. Ward Councillors are seen as undermining the Dikgosana. The Ward Councillors face significant challenges which in many cases inhibit their ability to do their job. In one village the Kgosana refuses to talk to the Ward Councillor and the tension is intensified.

The people living in Bafokeng villages are also distrustful of the local government and rarely attend meetings called by the municipal Ward Councillor. Although it was initially suspected that the Ward Councillor would be more active in informal settlements than in developed communities the challenge is that ward committees conflict with the municipal ward councillors because of poor service delivery by the municipality. However, many young people do consult the Ward Councillors prior to the consultation with the Kgosana or Bafokeng Councillor in the villages.

The members of the community frustrated by the traditional leaders are cooperating with the municipal ward Councillors and it is an increasing trend in various villages. The women are seen to be more involved in municipal village-level politics because two out of the three Ward Councillors in the villages are females. The Ward Councillors consist of certain members of the community, particularly youth and women excluded by kgotlas. The role and responsibilities of the municipal Ward Councillor are unclear. The presence of a municipal Ward Councillor elucidates the tension surrounding informal settlements and between the Royal Bafokeng Nation and Rustenburg Local Municipality (Cannon et al, 2010:2).

#### **4.3 Memorandum of Understanding between Rustenburg Local Municipality and Royal Bafokeng Nation**

The first memorandum of understanding concluded for the purpose of providing services to the communities. The Cooperation was aligned with the constitutional principles of intergovernmental relations, Northwest Traditional Leadership and Governance Act, 2 of 2005 as well as the Local Government: Municipal Systems Act. No.32 of 2000 as amended.

According to Cannon et al, (2010:5), the Bafokeng people understood the MOU as a statement of cooperation between the Royal Bafokeng Administration, Rustenburg Local Municipality and Bojanala District Municipality based on increased communication and consultation between the entities. However, people were unaware of the implications of the MOU in terms of governance and service delivery at the village level. Beyond the general understanding of the MOU, community members were confused about the MOU and frustrated that it has not impacted positively on the relationships between Rustenburg Local Municipality and Royal Bafokeng Administration representatives in the villages, nor produced results. There was a reason for the confusion because the implementation of the cooperative process was far from a reality. Though the Principles (Kgosi and the Mayor) and the Secretariat do meet regularly, the technical committees responsible for implementation were not working together, nor did they bring developments. The people were unaware that such committees existed. Following the incident in Luka village, members of both the Royal Bafokeng Administration and Rustenburg Local Municipality leadership admitted that the Memorandum of Understanding was at its lowest point. As to why the MOU was not implemented, there were accusations from both sides (Cannon et al, 2010:5).

The community indicated that the Rustenburg Local Municipality was restrained by the Royal Bafokeng Administration in terms of developing the Royal Bafokeng Nation and did not spend its entire fiscal budget because of its inability to develop in the Bafokeng areas. The Royal Bafokeng Administration supporters asserted that the Rustenburg Local Municipality is being inconsiderate and neglecting to consult the Royal Bafokeng Administration. Although some people were hopeful about what the municipality could bring in the future, most people recognized that all development in villages has come from the Royal Bafokeng Administration. People were aware of the Municipality's resources and were frustrated by the lack of service delivery (Cannon et al, 2010:5). As taxpayers, the people demand services from the government and as Bafokeng they also demand services from the Royal Bafokeng Administration. Allegiances to either side have certainly created divisions within the communities. The MOU has shed light on the conflict between the Municipal and the traditional governance structures in principle and in practice. The bottom line is that the MOU has not improved village-level relations and has shed light on the underlying tensions and the people stated that they were being denied development because of the conflict (Cannon et al, 2010:5).

#### **4.4 The 2014 Memorandum of Understanding between Royal Bafokeng Nation and Rustenburg Local Municipality**

According to Molotlegi (2014:2) in September 2014 the second Memorandum of Understanding between Rustenburg Local Municipality and Royal Bafokeng Nation was signed, and the main objective was to strengthen collaboration between municipalities and traditional authorities regarding the provision of service delivery. The collaboration is envisioned in the Constitution, the Traditional Leadership and Governance Framework Act and its Provincial versions as well as the Municipal Systems Act. However, the implementation of the collaboration is a complex process for all involved stakeholders.

According to Molotlegi (2014:2), the discussions about the relationships between municipal and traditional modes of governance are focused on differences instead of using the opportunity to appreciate and build on the similarities and complementarities of both institutions. The King stated that the Rustenburg Local Municipality and the Royal Bafokeng Nation share the same constituency and the members of a traditional community are also residents of a municipality. The officials in the Rustenburg municipality are simultaneously active members within traditional structures. The municipality and the traditional authority share a concern for the dignity, welfare, and long-term prosperity of the community. The leadership and representative structures follow public processes that give mandates and require accountability.

The focus of the MOU was to share and coordinate whatever resources are available, for the development of the Bafokeng community. The resources are to some extent financial, but more

importantly, information, knowledge, ideas, and human capacity will be shared. The Regional Master plan was also launched by both Rustenburg Local Municipality and Royal Bafokeng Nation and as soon as it is completed it will provide a shared framework for infrastructure, environmental protection, and social projects by the Rustenburg Local Municipality, Royal Bafokeng Nation and mining companies. The aim is to reduce the inefficiencies created by separate and uncoordinated planning processes and to enable an integrated and economically diversified region.

The Master plan development process will be collaborative, integrating the existing planning frameworks such as the municipal IDP, the Rustenburg Spatial Development Plan, the Social and Labour Plans of the mining companies and the Royal Bafokeng Nation's smaller Master plan as well as social development planning mechanisms. Finally, the process will seek to build shared systems for plan implementation and monitoring among all the stakeholders. The value of a plan is never that it is developed once and then cast in stone. The process of developing shared goals shared methods and active communication is key so that new risks and new opportunities can be recognized and responded to collectively as they arise (Molotlegi ,2014:2).

#### **4.5 Communication between Rustenburg Local Municipality and Royal Bafokeng Nation**

According to Cannon et al, (2010:3) poor communication is a result of deeper structural problems. The lack of communication for various political, personal, and strategic reasons was the dominant theme when interviewing the Bafokeng communities. When the members of the community were initially asked about the reason for the problems between the Royal Bafokeng Administration and the Rustenburg Local Municipality at the village level and the macro level almost every interviewee cited poor communication. People are generally uninformed about the resources available to the community and since many village-level issues are highly politicized people are often misinformed and without recourse to finding out the truth. This communication breakdown occurs within villages, between the villages and the Royal Bafokeng Administration, within the Royal Bafokeng Nation traditional governance structure itself as well as the Royal Bafokeng Administration and Rustenburg Local Municipality. There are a lot of Communication problems at the village level between the municipal ward Councilor, the Bafokeng Councilor and the Kgosana (Headman).

The root causes of this lack of communication between the stated municipal councillors, traditional ward councillors and Dikgosana (Headmen) emanate from personal disagreements between individuals, power struggles, competition for credit of village-level developments, a lack of understanding of traditional procedures and a lack of clarity regarding how these leadership structures should interact. Consultation of the Dikgosana about village meetings seemed to be a contentious issue. Political parties do not inform the Dikgosana about the meeting with ward committees. There is no clear information in villages about when meetings are going to be held, where and by whom. There is no central figure that is aware of the schedule of community meetings and no way for the information to be distributed. The three village-level leaders will call meetings separately, sometimes simultaneously. There is no common approach to community consultation. A lot of individuals interviewed were simultaneously involved in some combination of party politics, municipal ward committee structures and traditional governance structures Cannon et al, (2010:3).

Communication plays a significant role in ensuring that stakeholder relations exist between the municipality and the traditional authority which forms part of the Municipality's primary stakeholder which is the community. Based on the above exposition it is evident that the stakeholder relations process is non-existent between Rustenburg Local Municipality and Royal Bafokeng Nation. It is therefore recommended that the stakeholder relations process outlined below must be implemented by the Rustenburg Local Municipality and Royal Bafokeng Nation to achieve the objectives outlined in the 2003 and 2014 Memorandums of Understanding (MOUs). The next section will cover the stakeholder relations process.



## 5. Stakeholder Relations Process

The Municipal Systems Act 32 of 2000 as amended made provision for the following institutional arrangements to be made to obviate challenges that would normally arise when public participation is undertaken only through mass meetings:

- Ward Committees are the organisational framework through which communities in geographical areas can participate in the planning process.
- Stakeholder organisations which represent certain social, economic, gender and environmental interests must be registered as ‘stakeholders association’ through which they can participate in the planning process.
- The council and chairperson of the IDP Committee must make sure that all relevant groups and social strata are given the opportunity to be adequately represented. Unorganised groups should be represented by ‘advocates.’
- All ward Committees and Stakeholder Associations should be represented on the ‘Representative IDP Forum’ that will form a formal link between the municipal government and the public; and
- IDP committees and their technical, project/programme-related sub-committee or task teams may include representatives from ward committees and stakeholder associations or resource persons from civil society if the municipality considers it appropriate (Mannya, 2012: 114).

According to Mannya (2012:114), the above institutional arrangements are what the Good Governance Learning Network South Africa calls ‘provided spaces’ because they are regulated and institutionalised through a set of policies and laws and invite citizens to participate in a range of government-created and regulated structures, hence the type of participation being called “structured participation”. These ‘provided spaces’ are different from ‘popular spaces’ which refer to arenas in which people congregate on their own initiative, whether in solidarity to protest the government or to engage the government. These groups are mostly regarded as “transient expressions of public dissatisfaction or dissent”.

The primary function of ward committees is to be a formal channel of communication between the community and the municipal council about general municipal issues, development, and service options. Ward committees consist of 10 or fewer elected people who represent a diversity of interests in the ward and should be equitably representative, where diversity is understood to mean a variety of representations such as ratepayers’ bodies, development organisations, labour unions, business associations, women, youth, faith-based and other cultural organisations. A ward committee is chaired by the local ward councillor. A 2004/5 National ward Committee Survey highlighted effective communication and interaction between the ward committee and municipal council as one of the main challenges of the ward committee system Mannya (2012:114-115).

Information dissemination, circulating relevant information to and between all stakeholders is a key function of ward committees and one they were reported to be performing not very well according to public perception with the following raised as challenges faced:

- Ward committees must ensure that adequate, relevant and reliable information is obtained from the council and the council’s own communication strategies were reported to be not very reliable.
- Ensure this information is effectively communicated to the community in a way that allows effective engagement and meaningful responses (Mannya,2012: 114).

According to Mannya (2012:78-79), consultation and transparency are some of the principles to be observed in ensuring that the process of participatory and visioning is successful. The purpose of the consultation is to reach a consensus. The first step could be by way of stakeholders through advocacy and lobbying, exchanging views and information. Secondly, stakeholders deliberate openly through public

debate and presentations of issues of various community contexts. A consultation should be differentiated from the practice of leaders or officials taking ready-made decisions to communities for their endorsement. It entails the cross-fertilization of ideas and views between and among equal stakeholders so as to reach collective decisions. These will be mutually beneficial to all stakeholders because they will generate sustainability, eliminate actual and potential cases of conflicts, and inculcate the building of democratic culture. The consultation also entails informal meetings and discussions among stakeholders with the view of reaching a majority decision or consensus on issues of common interest while taking into consideration the views of the minority and special groups. Secondly, transparency is basic to the effective involvement of stakeholders. This means information must flow from the authorities to the people using formal channels of an organisation to disseminate and share information. Proper information must be given in advance to enable community members to make informed decisions.

## 6. Stakeholder Communication and Negotiation Plan

The diagram below illustrates a strategic approach to stakeholder analysis and management:

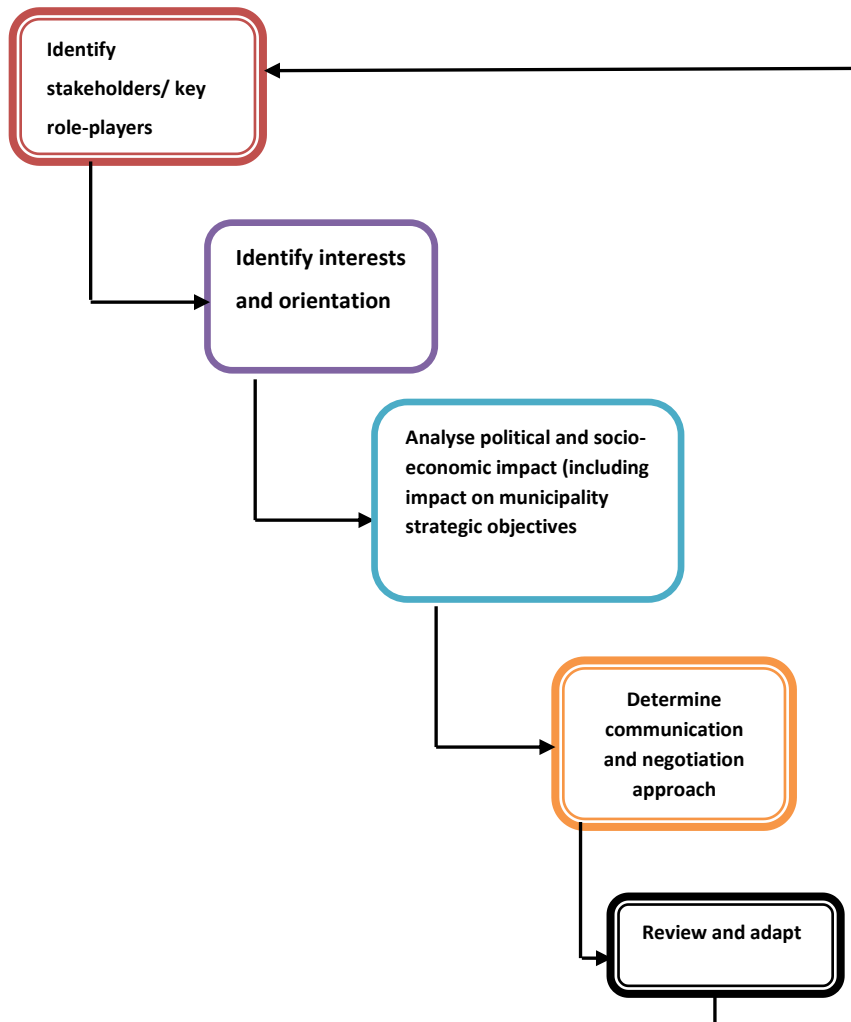


Diagram 1: Stakeholder communication and negotiation plan

Source: Blueprint (2018)

The diagram above should assist in identifying categories of stakeholders and key role-players and linking them to specific programmes or processes.

## **Conclusion**

This article examined municipal governance and stakeholder relations with specific reference to the Rustenburg Local Municipality and Royal Bafokeng Nation. The article listed the legislative framework regarding stakeholder relations. It also focused on the relationship between Rustenburg Local Municipality and Royal Bafokeng Administration. The role of the traditional ward councillors, municipal ward councillors and Dikgosana (Headmen) was discussed in detail. The attempt to engage the community by means of two memorandums of understanding by the municipality and the tribal authority was also discussed. The article also outlined the legislative requirements to ensure stakeholder engagement by municipalities and how the relationships with these different stakeholders can be strengthened. The article concluded with a comprehensive explanation of the stakeholder relations process as well as the communication and negotiation plan that must be adopted by the Royal Bafokeng Nation and the Rustenburg Local Municipality to ensure synergy and collaboration between the two entities.

## **Recommendations**

The above exposition confirms that there is a need for Rustenburg Local Municipality to review and align its stakeholder engagement process with the legislative requirements. It is evident that the implementation of the two signed memorandums of understanding was complex for both parties because of the challenges of poor public participation. The current situation could be addressed by the following recommendations:

- Effective stakeholder analysis is based on a process that starts with identification, moves to analysis, and finishes with a clear communication and negotiation strategy. The analysis referred to should include the impact that such adopted stakeholder communication and negotiation strategy is making on the targeted audience. This means that not all stakeholders will be relevant to a specific programme.
- When identifying stakeholders and key role-players it is important to involve a lot of people and organisations. The different perspectives will assist in ensuring that no one is overlooked.
- Once all the stakeholders and key role-players have been identified, the next part of the process is to assess each stakeholder's and key role-player's level of support and commitment and some cases their resistance to the municipality's specific policies and plans. This is because not all stakeholders will support the changes brought about by those specific plans and policies.

The principle is that all stakeholders and role-players should be widely consulted on policies and plans affecting them. This is however not always possible or practical. Therefore, consultation mechanisms need to be separated. Firstly, it is very important to set up a stakeholder or role-player consultation forum. Secondly, involve stakeholders in steering groups or on specific issues or tasks and decide on negotiation techniques. One way of analysing stakeholders and role-players and starting to plan an appropriate communications and negotiations strategy is through a simple matrix where a stakeholder or role-player database is "plotted" according to their interest and influence on the municipality's programmes, plans and policies. This helps identify various stakeholders and their categories. Stakeholders that are identified as core and strategic should be effectively managed.

Once stakeholders and key role-players have been identified, their interests and level of support analysed and an approach adopted, this forms the basis of a communication and negotiation plan. Stakeholders and role-players should be reviewed regularly. It is always possible that a stakeholder who was initially placed in a low category (general stakeholders) becomes a key strategic stakeholder. Making sure that stakeholders and role-players are engaged in the right way will be easier if reviews and analyses are conducted regularly.

## References

- Bradford, A. 2016. Community engagement and local government. School of Management, Operations and Marketing. University of Wollongong. <http://ro.uow.edu.au/theses/4881> [20 September 2022].
- Blueprint, 2018. Municipal Governance and stakeholder relations. Available at: <http://www.blueprintforchangeonline.net/pages/stakeholders/identifying.php>. [Accessed on 20 September 2022].
- Cannon, S. Thebyane, H. Cook.S.2010. Democracy and traditional authority: The transformation of village level governance in the Royal Bafokeng Nation .Published: December 2010. Key Focus Area: Public & Community Utilities; History and Heritage Download RBN Research Staff Research Agenda Publications Resources.
- Chileshe, N, Rameezdeen, R.2018. External stakeholder strategic actions in construction projects: a Vietnamese Study. <https://doi.org/10.1080/01446193.2018.1432866> [Accessed 03 October 2022].
- Donaldson, T. Preston, L.E.1995. The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *The Academy of Management Review*, Jan., 1995, Vol. 20, No. 1 (Jan., 1995), pp. 65-91. <https://www.jstor.org/stable/258887> [Accessed 03 October 2022].
- Haarhoff, K.J. 2019. *Stakeholder Relationship Management as a Tool for Municipal Public Value Generation: A Case Study of Five Municipalities in the Western Cape*.
- Katsamunsa, P. 2016.The Concept of Governance and Public Governance Theories. *Economic Alternatives*, Issue 2, 2016 Available at: [www.unwe.bg/uploads/Alternatives/Polya\\_1\\_br2\\_2016\\_en.pdf](http://www.unwe.bg/uploads/Alternatives/Polya_1_br2_2016_en.pdf). [Accessed 20 September 2022].
- Khoza, S.2015.Strategic stakeholder relationship management in a professional organisation: An exploratory enquiry into SACOMM. Dissertation submitted in fulfilment of the requirements for the degree Master of Arts in Communication Studies. North-West University.
- KingIV Code Report.2016.Corporate Governance for South Africa. Available at:[https://c.ymcdn.com/sites/.king\\_1V/IODSA\\_King\\_1V\\_Report-\\_\\_Webve](https://c.ymcdn.com/sites/.king_1V/IODSA_King_1V_Report-__Webve). [Accessed 08 September 2022].
- Mannya, C. 2012. *Stakeholder involvement in strategic planning and management at the Ekurhuleni Metropolitan Council*. Stellenbosch University Available at <http://scholar.sun.ac.za> [Accessed on 08 October 2022].
- Molotlegi, L. 2014. MOU signing between Royal Bafokeng Nation and Rustenburg Local Municipality. Available at: <http://www.bafokeng.com/economy.html> [Accessed 08 October 2022].
- Nguyen,T.H.D,External stakeholder strategic actions in construction projects: a Vietnamese Study.
- Osobajo,O.A, Koliouisis,Y. McLaughlin ,H. 2021. Stakeholder Engagement: A Conceptual Framework and Initial Validation to Foster Sustainability Development in a Maritime Cluster. *European Journal of Sustainable Development Research* .2021, 5(1), em0149 e-ISSN: 2542-4742 <https://www.ejosdr.com> [Accessed 03 August 2022].
- Thornhill, C. 2010. The role of Royal Bafokeng in the promotion of municipal services. *Journal of Public Administration* .Vol 45 no 1.1. June 2010.



South Africa. 1996. *Constitution of the Republic of South Africa Act*, No. 108 of 1996 Pretoria. Government Printers.

South Africa. 2000. *Local Government Municipal Systems Act*, No. 32 of 2000. Pretoria: Government Printers.

South Africa. 2000. *Local Government Structures Act*, No. 117. Pretoria: Government Printers.

South Africa. 2003. *Local Government Municipal Finance Management Act*, No.56 of 2003 .Pretoria: Government Printers.

South Africa. 2008. *National Treasury*: Government Printers. Available at. [www.treasury.gov.za/mfma](http://www.treasury.gov.za/mfma). [Accessed 08 October 2022].

## Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).