

I want to Recognise the Minister of COGTA

Mayors, deputy Mayors and councillors

Passed Presidents of the institute

Municipal Managers and CFO's

International guests

Colleagues, Distinguished guests and Friends

All Protocol Observed

The theme for the conference last year was around a “New Dawn” a new beginning which we hope to see during the audit outcomes for the 2018/2019 financial year. It was also identified that the most prominent issue in Government is people and the theme for this year “**TRANSFORMATIONAL LEADERSHIP IN THE PUBLIC SECTOR**” is most appropriate to bring us all back to basics of what is our role as public servants. We need leaders to steer South Africa to become successful and to ensure we become an economic force on this continent and in the world.

The controls, processes, systems, policies and legislation we have in place are strong. Yet we still have irregular expenditure, fraud and corruption. This suggests that it is a people problem. Accordingly, we need transformational leadership to address the problems we face.

When we look at what role Transformational leaders play we see that they are sometimes called quiet leaders, they are not the ones who does the talking but they lead by example. They are known as persons to possess courage, confidence, and the willingness to make sacrifices for the greater good.

When we look at the characteristics of transformational leaders we see that they:

- 1. Keep their ego in check**

It is easy to let ego take over when you are in a position of power. However, in transformational leadership, it is important for the leader to keep their ego under control and not let it interfere with the best interest of their team or the organization. By keeping their ego in check, the transformational leader is able to put the organization before their own personal gain and also elicit the best performance from others. They lead with humility. The days of ego-centric leadership are long gone. Mahatma Gandhi was a great example of a transformational leader with great humility. A humble leader is confident about their ideas and visions, although he or she is still open-minded to new ideas from other people. Gandhi demonstrated humbleness by living in relative poverty voluntarily. He made his own clothes. Watching this frail man living in poverty trying to make a difference in a peaceful way, inspired thousands of

Indians to follow him. Citizens from all over the country began to imitate some of the characteristics of his way of living. They started to make their own clothes of cloth spun at home, while they burned any foreign made clothes. This also provided employment for poor people, thus reviving the village's economy.

2. **Self-management**

Transformational leaders typically don't need much direction from others, and are able to manage themselves well. They are also highly internally motivated, and they use this motivation to direct the organization to the right path. These leaders do what they love, and the values are aligned with those of the organization that they lead.

3. **Ability to take the right risks**

The ability to take calculated risks is a key characteristic of a transformational leader. They trust their instinct, and use the intelligence gathered by team members to make informed decisions. A transformational leader's team is right behind them and is ever willing to do the research that is necessary to evaluate the situation appropriately. The leader seeks inputs from the team to make risky decisions that facilitate growth.

4. **Make difficult decisions**

Being a leader is not always smooth sailing, you often have to make tough decisions. Transformational leaders do not shy away from difficult decisions. They make their decisions with a clear focus on the values, vision, objectives, and goals of the organization.

5. **Share collective organizational perception**

A transformational leader shares and understands the collective perception of the entire organization. This makes them particularly attuned to the feelings of their team members, and gives them a clear idea of what actions to take to elicit desired actions from the employees. Since they're tapped into the organizational perception, they are able to make decisions that spur growth, and also create a shared vision for the organization that all employees feel a part of.

6. **Inspirational**

People seek to be inspired and transformational leaders are perhaps the most inspiring of all. They have the ability to motivate others to rise to the occasion. Their style of inspiration is not just limited to formal acknowledgement of a job well done, rather they treat each employee as a valued individual and take the time to understand what motivates them. This leads to happiness and greater job

satisfaction. Happy and satisfied employees have a better attitude and perform better. Happy employees are productive employees. Lack of productivity is a key issue in government. Accordingly, transformational leadership is necessary to achieve enhanced productivity. Transformational leaders inspire followers to perform beyond normal expectations as staff are happy and willing to go the extra mile. Research suggests that transformational leadership has a direct effect on performance and productivity at all levels in an organization.

7. Entertain new ideas

Transformation can rarely be achieved if the leader is not open or receptive to new ideas. Transformational leaders understand the truth that success is dependent on the effort of the entire team, and growth happens only in an organization with a culture of openness to new ideas from all levels. A transformational leader makes deliberate efforts to solicit new ideas from team members, and also use their insights in making decisions. Steve Jobs has to be one of the names in the most iconic transformational leaders the world has ever seen. His passion for perfection, simplicity and sophistication drove the company and he made sure that it got engraved into every employee who

worked at Apple. He constantly challenged his employees to think beyond what has already been done and made them create products that the world did not even know it needed. Barack Obama was also an extremely popular and a humane leader. Obama encouraged his staff to be open and ideate without any boundaries. His compassion and sense of understanding towards his employees made him approachable and thus increased the efficiency of his entire administration to a great extent.

8. **Adaptability**

The leader knows that it is important to constantly adapt to changing market conditions to keep moving forward. They are ever willing to adapt to new situations, and seek creative ways to respond to the dynamic business environment. Peter Drucker was a professor and management consultant among other things. He predicted some of the 20th-century's biggest changes, such as the Japanese rise to a world economic power. He felt that entrepreneurship was a vehicle of innovation. Entrepreneurship was not just high technology, but high tech was a vehicle for change, in attitude, values, and behavior. The entrepreneur systematically looked for change, responded to them and took advantage of opportunities as they present themselves. Accordingly, as

a transformational leader, you have to constantly change and adapt.

9. **Proactive**

These leaders are proactive in their approach. These leaders take risks, and take an active role in growing the organization. H. Ross Perot started his career as a salesman for IBM. In the 1960s he started his own company, Electric Data Systems (EDS), one of the first businesses that built and serviced computer systems for other companies. In contrast to IBM, Perot trained his workers to do whatever needed to be done for a customer without waiting for approval. There was a strong bias toward action and proactiveness. Perot's slogan was "Go, do."

10. **Lead with vision**

Transformational leaders set a realistic and achievable vision for the organization. They then communicate the vision effectively to their followers, and also inspire a sense of commitment and purpose. By getting every person to buy into the common vision, transformational leaders are able to strongly guide the organization in the direction that they want. In this regard, the best example of transformational leadership was displayed by Tata Madiba during the

transition from apartheid to democracy. Tata was able to articulate his vision of a Rainbow Nation and rallied the entire nation of black and white behind the realization of his vision. Men and women who worked closely with him saw themselves as leaders in their own right and this served them well to become change agents and help Tata to realize his own vision. John D. Rockefeller was the founder of Standard Oil. It started as a single oil refinery and grew to a huge company. Rockefeller built his company's early reputation by guaranteeing the quality of his company's kerosene. One of the reasons for Rockefeller's success was he could align his company with one simple vision, then he held everyone accountable for their part in making that vision happen.

The question now is what should we do to become transformational leaders? How do we transform the public sector and local government?

Service delivery protests have been in the spotlight for some time now. Since 2005 service delivery has been characterized by mass protests and violent confrontations. The turnaround strategies put in place are yet to produce results. The main reasons for the protests have been recorded as dissatisfaction with delivery of municipal services, the high unemployment rate, poverty, poor infrastructure, the lack of formal housing, lack of

responsiveness of municipalities, fraud and corruption in government. In short, the protests can be viewed as symptoms of socio-political instability. To address the issue, government officials need to be transformational and offer speedy solutions to the socio-economic conditions that prevail in many communities. Urgent interventions in relation to the conditions that bedevil the efficient and effective functioning and service delivery of municipalities and government departments are crucial.

The economy and corporate world has never been as volatile, uncertain fast-paced and complex as today. We need to build an inclusive and sustainable economy where prosperity is more broadly shared. We need help from our educational institutions to develop transformational leaders to deliver this. Degree programmes are needed that equips graduates to be effective professional and community leaders with specific knowledge, skills, values and attitudes to advance human dignity and social justice. We need to design courses and content, and find teachers, that will bring theory and practice together. In that way we can start developing transformational leaders, so desperately required today. For example, as mentioned earlier, we need to ensure that we foster inclusive growth that is committed to community development. Such an approach must contribute to a better life for all. In addition, higher education must be driven by vision, values and purpose. If we get this right, I believe we

can start developing transformational leaders who promote social justice.

I also want now to draw a comparison between two African Countries both have started a new beginning in the same year South Africa first democratic election in 1994 and Rwanda a genocide in 1994.

When looking at the economic performance of Rwanda since this terrible tragedy happening in 1994 we see that the country according to a study by the World bank maintained an averaged economic growth of 7.5% over the decade to 2017 while per capita growth domestic product (GDP) grew at 4.7% annually. This is phenomenal when we compare it to South Africa with an Annual GDP rate in 2017 of 1.3%. South Africa has the second largest economy on the continent.

The top growing economies in Africa are Ethiopia, Rwanda, Ghana, Côte d'Ivoire, Senegal, Benin, Kenya, Uganda, and Burkina Faso. The question then is what makes Rwanda who is one of the smallest countries in Africa the second best performer on the continent? The answer to this question is simple. Rwanda is a country with a vision who learned from its painful past, and who has decided that "It will not happen again". And who understand that the wealth of a country lies in its citizens and hence they have improved their education system to ensure

every child went to school. We on the other hand have failed ourselves in this process.

Then the question is where lies the problem? We have already identified where the problem is, it is with you and me who are the leaders of today who need to be the mentors for our leaders of tomorrow. We need to change our leadership style from being predominantly transactional to being predominantly transformational.

We need to encourage our children and understudies that hard work will bring us and this country growth and prosperity. This will generate the economic growth to address all our social demands and it will put the country back on track. We need the right attitudes where we all embrace our country and we reprimand those who step out of line. We need a citizenry that is disciplined and who understand the rules and laws of the country and who abide by those rules.

We need to ensure we take this country to a higher level and be the transformational leaders it needs. Our country needs ethical leaders as indicated earlier this year by the Chief Judge.

I hope this conference will entice you all to learn more, to implement what you have learned, to become Transformational Leaders, and who will work diligently to achieve a better quality of life for all.

In conclusion, Mahatma Gandhi, a popular transformational leader, said there are seven things that will destroy us: wealth without work; pleasure without conscience; knowledge without character, religion without sacrifice; politics without principle; science without humanity; and business without ethics.

We ignore these principles at our peril.

I have now the pleasure to declare the Conference Open.

Thank You