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**Addressing Unemployment in the
Western Cape, South Africa
One Community at a Time:
a case study of a public-private-civil
society partnership**

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requirements for the award of the degree of
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2007

This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works, of other people has been attributed, and has been cited and referenced.

Signed by candidate

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Abbreviations

ANC	African National Congress
CDI	City Development Index
CEI	Community Employment Initiative
CPIX	Consumer Price Index Excluding Mortgage Costs
CSR	Corporate Social Responsibility
CV	Curriculum Vitae
DA	Democratic Alliance
DBSA	Development Bank of South Africa
DSD	Department of Social Development
DWP	Department of Work and Pensions (UK)
EPWP	Expanded Public Works Programme
FET	Further Education and Training
GDP	Gross Domestic Product
HDI	Human Development Index
IES	Income and Expenditure Survey
ISP	Inter-sectoral Partnership
IY	Imizamo Yethu
LFS	Labour Force Survey
MSR	Men on the Side of the Road
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
OHS	October Household Survey
PPP	Public Private Partnership
PWP	Public Works Programme
ROI	Return on Investment
SALDRU	South African Labour and Development Research Unit
SETA	Sectoral Education and Training Authority
SMME	Small Medium and Micro Enterprise
StatsSA	Statistics South Africa
WDI	World Development Indicators

Abstract

The purpose of this study was to contribute to the body of knowledge surrounding the alleviation of the unemployment crisis currently facing South Africa. It focused on a single case, that of WorkNow, an employment facilitation intervention and civil society organisation that operates in an inter-sectoral partnership (ISP) with a private consultancy and the Western Cape Department of Social Development, in the suburb of Hout Bay, Cape Town.

This study sought to determine how WorkNow was impacting on programme participants, and in so doing how it was contributing to the alleviation of structural unemployment in both this community and in Cape Town as a whole. In order to do this, four broad areas were explored, namely: the role of WorkNow, the social impacts of the WorkNow programme, the targeting of the employment facilitated by WorkNow, and the purpose and functioning of the ISP. The significance of the case study stemmed from the partnership in which WorkNow functions, WorkNow's potential to be rolled out to other communities in the Western Cape as well as the uniqueness of the WorkNow programme.

This study is a single-case case study. It makes use of multiple research methods, including direct observation, the use of documentation, and interviews. Substantial empirical evidence was collected through one-on-one, face-to-face, semi-structured interviews that were conducted with 26 programme participants as well a stakeholder from WorkNow, and from the private and public sector organisations. Interviews were recorded, transcribed and were analysed manually using Excel. Due to the nature of the data collected, the data analysis was primarily qualitative.

The study revealed that WorkNow is not achieving its core role of creating employment, but is rather facilitating employment for already existing jobs. WorkNow also assumes that potential employees' skill-sets are fixed and has elected not to address the structural problem posed by the mismatch between the skills being demanded in the economy and those being supplied. As a result, it could not be said to be contributing significantly to the alleviation of structural unemployment in Hout Bay.

However, WorkNow is achieving its secondary role and is contributing significantly to the empowerment of programme participants. WorkNow was also found to be playing an important role in improving the functioning of the Hout Bay labour market. This role is fourfold and includes: assisting people to move from informal to formal sector employment, providing discouraged workers and the long-term unemployed with a re-entry point into the labour market, assisting people with the job search process and, helping to centralise the recruitment and job search processes. A disjuncture between the goals and the actions of the organisation was found to be problematic. WorkNow needs to decide between pursuing its current goals and altering its activities, or pursuing its current activities and altering its goals.

It was found further that WorkNow does not have a specific targeting strategy surrounding those for whom it seeks to assist and facilitate employment. This is leading to the inefficient targeting of employment.

The ISP in which WorkNow functions was found to be its greatest strength. As a result of this partnership, the programme has grown and synergies have been created. However, the lack of formalisation of the partnership impedes its functioning and further benefits could accrue if this formalisation took place.

Chapter One

Introduction

South Africa has faced high levels of unemployment for many years and since the inception of democracy in 1994 unemployment has continued unabated and has even increased to the point where today South Africa exhibits one of the highest rates of unemployment in the world (Hoogeveen and Ozler, 2005:2).

There are two different definitions of unemployment that are in use in South Africa today, the “narrow” or official rate and the “broad” rate. Despite differences in these definitions and regardless of the definition used, South Africa’s unemployment rate is extremely high. In 2005, South Africa was ranked 121st out of 177 countries indicating that it had the 57th highest rate of unemployment in the world (Human Development Report, 2006). In March 2005, the “narrow” and “expanded” definitions’ rates of unemployment were 26.5% and 40.5% respectively (Pollin, Epstein, Heintz and Ndikumana, 2007:1). Despite being down from their 2003 levels of 30.5% and 42.5% respectively (Statistics South Africa, 2003, cited in Development Bank of South Africa (DBSA), 2005:61), unemployment continues to present the country with severe challenges.

The effects of the problem of persistent unemployment are particularly brutal in South Africa due to the close link between unemployment and poverty. Low levels of subsistence activity, high reliance on remittances and a limited informal sector, all contribute to making the access to wage income a key determinant of poverty (McCord, 2004a:3; Seekings and Nattrass, 2005:166). As a result, growing levels of unemployment amongst unskilled workers result in heightened poverty levels for the poorest in the country (McCord, 2004a:3). Using the US\$2 per day definition of poverty Hoogeveen and Ozler (2005:32) calculated the headcount measure of poverty, in 2000, as being 55% in rural and 18% in urban areas. These figures showed increases from their 1995 levels of 45% and 15% respectively. The 2005 World Development Indicators (cited in DBSA, 2005:120) present that in 2005, 34.1% of South Africans lived below the US\$2 per day measure.

Unlike the unemployment that is found in many high-income countries, the overarching nature of the unemployment facing South Africa is structural rather than cyclical (McCord, 2004a:3). This means that it is not merely the result of a downswing or

depression in the economy, but rather is intrinsic to the way that the South African economy is structured. As a result it is not expected that this unemployment will merely disappear through a surge in the economy as is the case with cyclical unemployment, but rather requires far longer term interventions that address the underlying structure of the economy.

depression in the economy
but rather is intrinsic to the way that the South African economy is structured

The South African government has identified the structural nature as well as the lack of 'quick fix' of the unemployment problem:

It is clear that the fight against unemployment is our central challenge. The need for sustainable jobs is glaring, but we should have no illusions. There are no magic solutions or quick fixes. Unemployment in South Africa is a deep, structural problem, reflecting the large inequalities we inherited in ownership and skills. New jobs will not be generated overnight, at least not in the numbers we need. Fighting unemployment will be a long haul.

(ANC, 2002b: s. 125, cited in McCord, 2004a:6)

In 2004, the South African Government committed to halving poverty and unemployment by 2014. The government posits that these objectives are feasible and that they may be able to be exceeded as a result of "steady improvement in the economy's performance and job-creating capacity." (South African Government Information Homepage, 2007). Government presently employs several strategies that seek to address the issue of unemployment. These strategies focus both on increasing economic growth, as well as on improving the quality of education and skills development in the country. This strategy assumes that the by-product of increased economic growth will be increased employment, to the extent where the new jobs that are created exceed new entrants to the labour market (Expanded Public Works Programme (EPWP) Homepage, 2006). However, vast gains in reducing unemployment levels are yet to be experienced, sustainable jobs are elusive and levels of job creation continue to lag behind labour force growth (Kingdon and Knight, 2005:3).

linking

like this

This study seeks to contribute to the body of knowledge that addresses the unemployment crisis facing South Africa. It focuses specifically on a single case, that of WorkNow, an employment facilitation intervention that operates in the suburb of Hout Bay, Cape Town. WorkNow is a civil society, not-for-profit organisation that functions in

a three-way public-private-civil society partnership with the Western Cape Department of Social Development (DSD) and a Hout Bay-based private consultancy.

The significance of this case stems from two factors. Firstly, WorkNow, Hout Bay is a pilot project and the WorkNow model has been identified by government as being appropriate for roll-out in other communities in the Western Cape and potentially the country. As such this organisational model has the potential to have far reaching impacts that could extend far beyond its current location in the suburb of Hout Bay. Secondly, WorkNow is an example of a civil society organisation that operates in an inter-sectoral partnership (ISP) with both government and the private sector, in order to provide what is essentially a public service. All of these factors combine to make WorkNow an unusual and significant single-case case study.

The broader debates and context in which this study is situated and to which it seeks to contribute are related to two key issues:

- i) The alleviation of unemployment and the labour market inefficiencies related to unemployment in South Africa,
- ii) The potential role of public-private-civil society partnerships in addressing social issues in South Africa.

The study has been constructed around the central research question: How is the WorkNow programme impacting on the lives of programme participants in Hout Bay, and in so doing how is it contributing to the alleviation of structural unemployment in both this suburb and in Cape Town as a whole? In order to address this question, five key sub-questions, each of which speaks into a key component of the central research question are also dealt with. These sub-questions are:

- i) What role does WorkNow intend to play in contributing to the alleviation of unemployment and how does it intend to effect the changes necessary to play this role?
- ii) What are the intended social impacts of the WorkNow programme and how do these compare to the actual social impacts being experienced by programme participants?
- iii) Given both the experienced impacts and intended role, what employment creation and labour market roles is WorkNow actually playing in the suburb of Hout Bay, and in the city of Cape Town?

- iv) Who does the WorkNow programme aim to target, and what criteria are employed to select programme participants? What are the actual characteristics of the WorkNow programme participants?
- v) What is the significance of the public-private-civil society partnership in which WorkNow operates, particularly with regard to how this partnership contributes to the alleviation of structural unemployment in Cape Town?

No research has previously been conducted on either this organisation or the specific model of “job creation” that it employs. As WorkNow stands on the edge of being rolled-out to other communities, I felt that it was apt to explore further how exactly this model works, how it could be used to contribute to alleviating structural unemployment in South Africa and what lessons could be extracted from the three-way ISP in which WorkNow operates.

This study employed multiple research methods, including direct observation, the use of documentation, and interviews. Substantial empirical evidence was collected through one-on-one face-to-face semi-structured interviews that were conducted with 27 programme participants as well a stakeholder from the organisation, and from both the private and public sector organisations. Interviews were recorded, transcribed and analysed. Due to the nature of the data collected, the data analysis was primarily qualitative. I drew on the work of Miles and Huberman (1994), Babbie and Mouton (2001) and Yin (2003) to aid me with the analysis. (See Appendix A for a description of the research design and methodology¹.)

The chapters that follow present debates and strategies that surround unemployment in South Africa; outline the case study of WorkNow, Hout Bay; describe the conceptualisation of the research problem; present the findings as well as a discussion thereof and finally offer some closing remarks and suggestions for further areas of research.

¹ Research design and methodology chapters can frequently be shallow. I selected, rather to present a detailed methodology chapter that is perhaps beyond what this research necessitated. However, I made this decision for the sake of both completeness and transparency. Due to the length and detail provided in the methodology chapter, I have included it as an appendix.

Chapter Two

Debates and strategies surrounding unemployment in South Africa

The purpose of this chapter is to provide an overview of the many issues surrounding unemployment in South Africa today. This chapter begins with a brief presentation of the history of this persistent problem. This is then followed by a section that details the nature of unemployment in South Africa today, structural changes that have impacted on unemployment levels and the composition of employment, and unemployment statistics that focus specifically on the Western Cape, the province of study. Some labour market issues, specifically relating to the segmentation of the South African labour market, are then presented. The South African government's current responses to unemployment and some debates surrounding the alleviation of unemployment are also presented. The chapter concludes with a brief discussion on the use of inter-sectoral partnerships to address social issues.

2.1. The rise of unemployment in South Africa

Unemployment has become the hallmark of the South African economy. Exactly when it became so is still a contested issue and our understanding of its nature and history is cloudy at best (Seekings and Nattrass, 2005:166; Kingdon and Knight, 2005:2). During the apartheid era, the most important change that took place in the lives of many South Africans was the rise of widespread unemployment (Seekings and Nattrass, 2005:165). At the start of apartheid the South African economy was marked by chronic labour shortages. In order to combat these labour shortages, the government adopted methods that entailed the undermining of peasant production through coercion and the channelling of labour to mines, commercial farms and industry (Seekings and Nattrass, 2005:15, DBSA, 2005:42). The results of these strategies were the "deagrarianisation, proletarianisation, and the transformation of South African society." (Seekings and Nattrass, 2005:15)

By the end of the 1970s, economic growth had slowed down substantially and since that time South Africa has been characterised by high and rising unemployment rates and falling formal sector demand for unskilled labour, in relation to supply (Nattrass, Wakeford and Muradzikwa, 2002:159, McCord, 2004a:3). By the mid-1980s, labour

shortages had given way to visible unemployment and by the inception of democracy in 1994, more than one-third of the African workforce indicated that they wanted work but were unable to find it (Seekings and Natrass, 2005:166).

There are many theories that seek to explain the steady rise of unemployment during the 1980s and 1990s. Mokate (2000:57) presents several of these theories. He suggests that this rise in unemployment could be explained by:

- i) Falling levels of investment that led in turn to declining growth levels during this time. Due to the link between economic growth and job creation, the result was increased unemployment.
- ii) Rising costs of labour. Between 1980 and 1994, the wages of unskilled formal-sector labour increased substantially, despite growing unemployment. It is not clear how or why real wage gains were sustained in the face of high levels of unemployment at this time.
- iii) Policies that resulted in a reduction in the cost of capital and an increase in the cost of labour. These could also have reduced the demand for labour.
- iv) Policies that increased the capital intensity of production. Such policies resulted in an increased demand for skilled labour rather than unskilled labour at a time when the "racial segmentation of the labour force and under-investment in education limited the attainment of improved education amongst large sectors of the population." (Mokate, 2000:57)

The DBSA (2005:62) identifies the unemployment present in South Africa today as having grown out of changes that occurred in the economic structure of the country since 1970. These include changes associated with technological development, liberalisation, global entry and the declining importance of the agricultural sector. They further identify the legacy of the apartheid schooling system as being a cause of the unemployment found in South Africa today (DBSA, 2005:62).

Adelzadeh, Alvillar and Mather (1998:42) suggest further that the perpetuation of mass unemployment and poverty in South Africa has occurred as a result of structural problems inherited from the apartheid regime. The three that they identify as being most significant are: the backlogs in investment in human resources and social services, the structure of the labour market, and the country's key micro- and macroeconomic attributes. As a direct result of apartheid, Africans have a much higher rate of unemployment than other population groups. Also, unemployment rates are

higher in rural areas, amongst females and amongst those that have few occupation specific skills (Torres, Bhorat, Leibbrandt and Cassim, 2000:82).

The problem of unemployment in South Africa has persisted since the 1970s and shows no signs of abating. It is a highly complex problem, and there is not consensus amongst authors about either its causes or its solution. Seekings and Nattrass (2005:166) identify the tragedy of the increased unemployment that occurred in the apartheid regime as being that “by the time the demand for labour in the capitalist sector stagnated and then collapsed, peasant agriculture had been destroyed and the African labour force had become fully dependent on wage labour.” As a result of this dependence on wage labour, wage employment had become a key determinant of household poverty levels (McCord, 2004a:3).

2.2. Unemployment in South Africa today

Regardless of how one chooses to measure it, South Africa is currently facing an unemployment crisis. It is a crisis that is unlikely to disappear without consistent interventions (Banerjee, Galiani, Levinsohn and Woolard, 2006:43). However, the form that such interventions should assume depends largely on the nature of the unemployment in South Africa as well as the characteristics of the unemployed (Torres *et al*, 2000:82).

To classify all of South Africa’s unemployment into one of the discrete categories of frictional, cyclical or structural unemployment would imply having missed the complexity of the problem and I am certain that each type of unemployment exists in the South African context in some form. This being said, I agree with the classification of McCord (2004a), Streak and van der Westhuizen (2004) and the South African government that the unemployment facing South Africa today is primarily structural in nature (Streak and van der Westhuizen 2004:1; McCord, 2004a:3; EPWP Homepage, 2006).

Structural unemployment is said to occur when there is either a mismatch between the skills being provided by workers and the skills that are being demanded by employers, or between the location of workers and the location of the job openings (McConnell and Brue, 1999:153). The implication of this structural problem is that in order to alleviate

unemployment it is necessary to address the underlying structure of both the economy and the workforce.

2.2.1. Structural changes in the economy

Since the rise of unemployment in South Africa, several significant changes in the structure of the economy have occurred that have contributed significantly to both the levels of unemployment and the composition of employment. These changes include: the decline in the importance of the primary sector and the increase in tertiary sector activity, the introduction of compulsory schooling in South Africa and the growth in the workforce.

Historically, primary sector activities especially agriculture and mining accounted for much of South Africa's formal economic activity. However, since 1970 these sectors have been shrinking and sectors such as wholesale and retail sales and the financial sector have experienced growth. The agricultural sector for example, accounted for 33% of total employment in 1970. By 2005 this had shrunk to just 11% (Banerjee *et al*, 2006:20). The structural shift of employment from the primary sector to the tertiary sector has resulted in great increases in unemployment for low-skilled workers and a greater share of employment going to workers with a higher level of education (Banerjee *et al*, 2006:21, DBSA, 2005:47, Oosthuizen, 2006:38). In virtually all sectors of the economy, there has been a move towards more skilled jobs. This change is by no means unique to South Africa, but is rather a global phenomenon referred to as "skill-biased technical change" (Banerjee *et al*, 2006:57). In South Africa it has created a structural problem where the skills being demanded in the economy do not match the skills profiles of the unemployed and has resulted in a large portion of the population having low levels of employability.

Banerjee *et al* (2006) identify that the last 15 years have seen a transformation in the structure of the South African labour force. This change has come about in part as a result of the introduction of compulsory schooling laws. The implication of these laws is that younger workers now have at least 10 years of schooling, whereas many workers that grew up during apartheid had only a few years of education. As a result of increased education levels, Banerjee *et al* (2006:52) assert that there are now probably decreasing returns to secondary education and matriculation. These decreasing returns arise because today everyone has some form of secondary education and so it no longer serves to differentiate new labour market entrants. Based on the 1995 October Household Survey (OHS) and the 1995 Income and Expenditure Survey (IES)

Klaasen and Woolard (1997 cited in Torres *et al*, 2000:83) found that 36% of the unemployed in South Africa were young people with no labour market experience. This emphasises that it is becoming increasingly difficult for school-leavers to enter into employment. Further, according to the Labour Force Survey (LFS) 2003, only 36.3% of the unemployed reported ever having worked before (Kingdon and Knight, 2005:17).

South Africa has experienced extremely high levels of labour market entrants by international standards, in the recent past (Kingdon and Knight, 2005:5). Between 1995 and 2003, the economically active portion of the population increased by an average of 4.2% per annum using the narrow definition, and 4.8% per annum according to the broad definition (Kingdon and Knight, 2005:5, DBSA, 2005:45). However Kingdon and Knight (2005:6) identify that the figures for the more recent 2000-2003 period paint a less daunting picture. During this period the narrow labour force grew by just 0.8% and the broad labour force by 2.6% per annum (Kingdon and Knight, 2005:6). They further emphasise the importance of determining whether this slow down in the increase of the labour market participation rate was the result of HIV/AIDS or of an increase in worker discouragement (Kingdon and Knight, 2005:6). There are a number of reasons why the labour force participation rate may have been so high in the recent past. These include:

- i) Increased opportunities, especially for African women,
- ii) Increased migration to urban areas where job opportunities are more plentiful and alternative forms of survival strategies such as subsistence farming are less prevalent,
- iii) Rising employment levels,
- iv) Increase in the number of households (DBSA, 2005:45),
- v) Increasing education levels (Kingdon and Knight, 2005:5).

Kingdon and Knight (2005:2) and the DBSA (2005:31) identify that the South African economy is unable to absorb productively either the current labour force or the annual increment to the labour force. As such there is a growing divergence between labour demand and supply, which is resulting in increased levels of unemployment (Kingdon and Knight, 2005:3).

2.2.2. Unemployment in the Western Cape

The distribution of unemployment in South Africa is far from even. The profile of unemployment, both in terms of the levels of unemployment and the types of people that are unemployed differs according to location. From the 2005 LFS and according to the official or narrow definition, Pollin *et al* (2007:6) found unemployment in the

Western Cape, the province being studied, to be 17.6%. Discouraged workers accounted for a further 6.3%. According to their calculations, the Western Cape has the lowest levels of unemployment in South Africa. They found Gauteng to have the second lowest unemployment, with levels of 22.7%, while Limpopo had the highest level of unemployment exhibiting levels of 32.4% and discouraged worker levels of 21.9%. Kingdon and Knight (2005:15) calculated the unemployment rate in the Western Cape, from the 2003 LFS, and according to the broad definition, as being 26.3%. According to their calculations unemployment had risen from the figure calculated from the 1995 OHS, of 19.0%. Despite the Western Cape experiencing the lowest levels of unemployment in South Africa, its unemployment rate is still high and continues to exceed 20%.

Torres *et al* (2000:82) posit that if effective policies for addressing unemployment are to be formulated it is essential to understand the characteristics of the poor and unemployed. They draw on the work of Klaasen and Woolard (1997 cited in Torres *et al* 2000:83) to identify six types of unemployed people, namely:

- i) Poorly educated rural unemployed (28%),
- ii) Poorly educated urban unemployed (13%),
- iii) Young unemployed with no labour market experience (36%),
- iv) Long-term unemployed with no labour market experience (6%),
- v) Those with labour market experience and some education (15%),
- vi) Highly educated unemployed poor (1%).

Klaasen and Woolard (1997 cited in Torres *et al*, 2000:83) further identify that each of these groups requires that government adopts a different strategy to address their plight. Torres *et al* (2000:84) posit that the majority of the unemployed people in the Western Cape are drawn from group two, the poorly educated urban unemployed. They further identify that unlike other groups, group two is not dominated by African people but also has a large coloured contingent.

This study focuses specifically on both groups two and three. Group three, the young unemployed with no labour market experience, also requires attention as it constitutes 36% of the unemployed in South Africa. According to a survey conducted by the South African Labour and Development Research Unit (SALDRU) in 2005, 49.7% of the inhabitants of Imizamo Yethu and Hangberg, in Hout Bay are youth, between the ages of 15 and 35 and the average age in these two communities is 25.6 years (SALDRU,

2006:25). As a result, it is expected that this group, the young unemployed with no labour market experience, also exists in Hout Bay.

2.3. The South African labour market

Some labour market issues pertinent to South Africa have already been presented in the previous sections. This section backtracks slightly and presents other issues surrounding the structure of the South African labour market, specifically focusing on its segmentation.

The South African labour market is characterised by two segments, the formal sector and the informal sector. Between 1997 and 2003, the formal sector grew and new jobs were generated, however the informal sector stagnated (Meth, 2004 cited in DBSA, 2005:63). Kingdon and Knight (2005:7) suggest that a distinction can be made between these two sectors using insider-outsider labour theory. Those employed in the formal sector are the 'insiders' and those in the informal sector, the 'outsiders'. The formal sector workers fall within the scope of the Industrial Relations Act whereas the informal sector workers fall outside of labour regulations and on the whole receive a much lower income (Kingdon and Knight, 2005:7).

Torres *et al* (2000:74) and Kingdon and Knight (2001:1) argue that the distinction is not so simple between the formal and informal sectors. They posit that within the formal sector are two segments, namely the primary and secondary labour markets. According to these analyses the primary labour market is regulated and is characterised by higher wages, opportunities for training and promotion, an organised workforce and higher skill requirements. The secondary market on the other hand, is characterised by lower wages, lower skills levels, less regulation and limited opportunities for upward mobility and training (Torres *et al*, 2000:74). Hoogeveen and Ozler (2005:4) also identify the existence of a segmented labour market in South Africa with a high-skill tier characterised by excess demand for labour, and a low-skill tier characterised by excess supply of labour.

Torres *et al* (2000:75) further identify that poor people are often relegated to either the secondary or informal labour markets and have difficulty in making the transition to the primary labour market. They are constrained by several barriers, which serve to exclude them from the primary market and that create the secondary labour market.

These barriers include direct discrimination, as well as recruitment practices that emphasise stable work-histories and skills, which are prerequisites that poor work-seekers can rarely satisfy (Torres *et al*, 2000:75). Torres *et al* (2000:75) also identify the increasing trend towards casualisation in the workforce. They identify the increasingly common practice of firms to use sub-contracted or casual labour, which is 'informal labour' associated with the secondary market. This trend towards increased casualisation of labour is not unique to South Africa, but is part of a global trend. Thus the distinction between the primary and the secondary market is becoming blurred, as work security is no longer guaranteed for even highly skilled workers (Torres *et al*, 2000:75).

2.4. Government's strategy to address unemployment

The South African government's strategy to alleviate unemployment is based on two key assumptions:

- i) That economic growth will lead to increased employment,
- ii) That improved education will allow workers to take up the skilled jobs that will arise from this economic growth (DBSA, 2005:62).

The DBSA (2005) further highlights that until these policies bear fruit, and the employment being generated as a result of economic growth exceeds new entrants to the labour market, the government will provide employment in the short-term via the Expanded Public Works Programme (EPWP) (DBSA, 2005:62). Kingdon and Knight (2005:27) identify two direct strategies adopted by the South African government to deal with unemployment, namely public works programmes (PWPs) and programmes that promote skills development. These two strategies will be outlined in the sections that follow.

2.4.1. The Expanded Public Works Programme (EPWP)

One of the tools that the government has selected to address unemployment is the EPWP, which aims to address this problem over the short to medium term, through the provision of temporary employment contracts coupled with training (EPWP Homepage, 2006). This programme was launched at the Growth and Development Summit, in 2003, and comes under the banner of the Department of Public Works. However, every government department is tasked with contributing to the programme and is required to

allocate a certain portion of their annual budget to job creation efforts (EPWP Homepage, 2006).

The EPWP seeks to create a minimum of 1 000 000 temporary jobs between 2004 and 2009. EPWP programmes make use of specifically labour-intensive methods of production (EPWP Homepage, 2006). The EPWP seeks to provide participants with both work experience and training so that on exiting the programme they are able to successfully acquire employment for themselves (EPWP Homepage, 2006).

McCord (2004b:74), posits that the EPWP is an inappropriate tool for dealing with the South African structural unemployment problem in a significant way. Similarly, Phillips (2004), McCord (2004a) and the DBSA (2005:64) highlight a considerable disjuncture between the presentation and objectives of the EPWP in the popular discourse and its realities in terms of its scale and impact. The DBSA (2005) concludes that due to both the limited scale of employment offered through the EPWP as well as the short-term nature of this employment, it is unlikely that the EPWP will have a significant impact on either poverty or unemployment at both the household and national level (DBSA, 2005:65). Phillips (2004), further argues that the potential impact of the EPWP on unemployment is limited, and rather than the large-scale results proposed by the programme, it only has the ability to make a “modest contribution to employment creation, poverty alleviation and skills development” (Phillips, 2004:13).

2.4.2. Promoting skills development

Kingdon and Knight (2005:29) have identified skills training as being a “central plank in government’s labour market policy.” The National Skills Act was instituted in 1998, and in 1999 Sectoral Education and Training Authorities (SETAs) were established. SETAs have two key functions: to encourage Further Education and Training (FET) institutions in the provision of training and to charge a skills levy to firms, which can be claimed back if firms undertake approved training for their workers. SETAs were developed in response to skills shortages, which it is believed constrain employment and growth in South Africa (Kingdon and Knight, 2005:29).

However, as Kingdon and Knight (2005:29) point out, relatively little is known about workplace skills and there is a lack of clarity in the debate about skills in South Africa. The belief that skills development and education is important to combat unemployment arises from the observation that unemployment has been highest in the portions of the population that exhibit the lowest levels of education (Kingdon and Knight, 2005:30).

Kingdon and Knight (2005:30) suggest that this assertion is testable and that in order to strengthen the case for policy intervention in skills, “the government needs to ask whether and what type of skills training improves the employment chances of unemployed persons” (Kingdon and Knight, 2005:30).

2.5. Further debates and strategies to address unemployment

As was mentioned in previous sections, the problem of unemployment in South Africa is an enduring and complex one. This section seeks to add to the sections already presented and to explore some of the debates and perspectives surrounding the current policies adopted by government and the addressing of unemployment in South Africa.

Torres *et al* (2000:85), Pollin *et al* (2007:3), and Dagut and Bernstein (2003:4) all posit that increased labour-intensive production is required to address unemployment and reduce poverty. Pollin *et al* (2007:11) suggest that “any successful employment programme will have to do two things: raise the average rate of output growth; and increase the labour/capital ratio of the overall level of output.” Torres *et al* (2000:85) add that to ensure that all the unemployed benefit from a strategy of labour-intensive production, greater emphasis must be placed on education, training and assistance with job searches. They cite education and training as being crucial to ensure that people are able to take advantage of new employment opportunities as well as being essential for the long-term development of the country (Torres *et al*, 2000:85).

The suggestions being offered by these scholars to combat unemployment promote both labour-intensive production and increased education and training. However, labour-intensive methods of production are contrary to the current trend of increased use of technology and capital-intensive methods of production. From a neoliberal perspective, authors such as Jordan (2001) have rejected the notion of large-scale government based employment schemes, such as public works programmes, for entirely different reasons. Jordan suggests that the goal of a government should not be to create more jobs, focussing on labour-intensive, rather than capital-intensive methods, as this merely destroys, rather than creates wealth. He suggests, for example, that if one’s goal is to create jobs, one should not use a digging machine, or give people spades to dig a hole, but should rather give everyone a teaspoon, which is clearly counter-productive (Jordan, 2001:2).

The “trickle down” approach to the alleviation of unemployment adopted by the South African government and the extent to which it can lead to equal growth has been challenged by academics. Oosthuizen (2006:36) for example, posits that South African households differ in their ability to benefit from economic growth. This ability is dependant on the sector in which workers are employed. If, for example, workers are employed or are only employable in declining sectors, they will be less likely to benefit from growth in the economy, as economic growth will not stimulate demand for their skill set. Similarly, one sector’s growth does not necessarily equate to another’s. In other words if growth is primarily occurring in skill-intensive sectors, such as the financial sector, it will be particularly challenging to ensure that the benefits of this growth will be experienced equitably (Oosthuizen, 2006:36).

Torres *et al* (2000:75) suggest that the existence of the dual labour market serves as a reminder that the critical issue is how much is able to “trickle down”. They further emphasise that it is necessary that public policy be used to increase the size of the trickle by reducing the barriers that separate the poor from the jobs and income that are created (Torres *et al*, 2000:75).

Banerjee *et al* (2006:59) identify constraints to the labour market and suggest potential policies to address unemployment. These constraints as well as the policy options proposed to address them include:

- i) The difficulty for school leavers to acquire their first job. Potential policy options include: wage subsidies, search subsidies, reduced regulations for first jobs and government employment.
- ii) The mismatch between where people reside and where the jobs are offered. Potential policy options include: transportation subsidies, business location policies, housing policies and infrastructure investment.
- iii) The mismatch between the skills that are being provided and demanded in the workforce. This hurdle is potentially difficult to address in the short term, but in the longer run policy options include: educational reform, training programmes and training subsidies (Banerjee *et al*, 2006:59).

2.6. Partnerships to address unemployment in South Africa

The term “partnership” has become a dominant buzzword in recent discourse on government and governance (Wettenhall, 2003:80). Despite the focus on partnerships, there is still no consensus on the meaning of the term (Blagescu and Young, 2005:3). Inter-sectoral (ISPs) or cross-sector partnerships can take many forms including public-private (PPPs), public-civil society and public-private-civil society partnerships.

Blagescu and Young (2005:5) suggest that a partnership in its most basic sense, entails a relationship where parties have agreed to work together to implement a programme and where each party has a clear role and a say in how the programme is actually implemented (Blagescu and Young, 2005:5). Brinkerhoff (2004 cited in Blagescu and Young 2005:3) suggests further that the concept of partnership includes two key elements:

- i) **Mutuality** – there needs to be interdependence and commitment between partners, as well as equality in decision-making, rights and responsibilities,
- ii) **Organisational identity** – it is important that each partner maintains its own identity, mission and values.

In addition to there being no one definition of the concept of ‘partnership’, there is also no one model for how ISPs should be structured, as each should be context-driven (Jones, 2002:2, Chanya, McNulty, and Pennell, 1998:3). Chanya *et al* (1998:3) identify further that ISPs can entail a wide range of linkages in diverse settings. These linkages may vary in terms of duration, activity and form and may be permanent, semi-permanent or short-term (Chanya *et al*, 1998:3). Chanya *et al* (1998:1) posit that ISPs are emerging as an increasingly important development strategy in response to current development trends. These trends include heightened involvement of the private sector in social issues, an increasing number of civil society actors and a decline in international development funding (Chanya *et al*, 1998:1).

ISPs should be based on need and they should bring creative synergies and end results that could not have been achieved by an organisation on its own (Caplan, 2003:4, Chanya *et al*, 1998:1). This view of ISPs is based on the perspective that sectoral differences are beneficial in generating creative solutions to social problems (Chanya *et al*, 1998:3). Caplan (2003:2) further identifies that partnerships should also be based on the concept of Core Complementary Competencies. According to this line of thinking, partners should contribute what they do best (Key Competencies) to the

partnership in order to add value to the areas that the other partners do best (Complimentary Contribution) (Caplan, 2003:2).

Caplan (2003:2) however, posits that although the idea of Core Complementary Competencies is ideal in theory, it can be difficult to negotiate in practice, as partners may believe that their core competencies overlap. Chanya *et al* (1998:4) also emphasise that collaborative partnerships can be challenging. The differences between the sectors involved in ISPs are both these partnerships greatest strength and greatest challenge. Because the organisations involved have different goals, values and perspectives, the likelihood of conflicts arising is heightened. In order to minimize conflict, ISPs need to be built to include structures, skills, and processes that can use their differences to encourage exchange and creativity (Chanya *et al*, 1998:4).

Within the South African context, the South African government has recognised the role of partnerships in helping to achieve the goal of reducing unemployment to below 15% and halving the poverty rate by 2014. They posit that it will not be possible to achieve these goals without “effective partnerships between government and stakeholders such as labour and business” (South African government Website, 2007).

PPPs are perhaps the most common and widely publicised form of inter-sectoral partnership in South Africa (for example Wettenhall, 2003, PPP Website, 2007, Roelofs, 2007 and Policy Business Unit, 2000) and they are used in many ways. A study conducted in 2000 highlighted and explored six case studies of PPPs in South Africa. The services provided by these PPPs included the provision of water and sanitation services, solid waste removal, pre-paid electricity meter systems and municipal bus services (Policy Business Unit, 2000:1).

This study particularly focuses on three-way ISPs that exist between civil society and the public and private sectors. A public-civil society partnership may be defined as existing when a government department partners with a civil society non-profit organisation in order to address a specific issue or provide goods or services to the public (Evans, Oldani, Keck, Kinsella, Monroe and Zouev, 2004). If one extends this to include the private sector, a public-private-civil society partnership is one in which all three parties work together to achieve a public goal with greater efficiency.

In terms of the South African context, there is limited literature surrounding the use of three-way ISPs to address social issues and it is not clear to what extent these

partnerships are being used in achieving public goals. Swilling and Russell (2002:84) question the emphasis that is currently placed on PPPs in South Africa, and on the public and private sectors as being the only relevant actors in policy making and service delivery. They posit that although it is present in a number of policy documents, more needs to be done to both emphasise and strengthen the idea of three-way relationships between the state, the private sector and the non-profit sector (Swilling and Russell, 2002:84). This study seeks to further explore how inter-sectoral partnerships may be used to contribute to the addressing of social issues in South Africa.

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Chapter Three

The case of WorkNow in the social context of Hout Bay

Chapter two presented a brief overview of the challenges posed by unemployment in South Africa today. Bearing this discussion in mind, this chapter focuses on WorkNow, an intervention that seeks to contribute to the alleviation of unemployment in Hout Bay, a suburb in the Western Cape. The chapter begins with a presentation of the recent history of Hout Bay as well as the current unemployment problem that it is facing. This is then followed by an overview of WorkNow, its history and current operations. Finally motivation is provided for why this case was selected.

3.1. The suburb of Hout Bay

3.1.1. Overview of the suburb of Hout Bay

Hout Bay is a peripheral suburb of Cape Town, South Africa. Initially consisting primarily of farms and small-holdings, Hout Bay remained somewhat rural until the mid-1980s. Since then it has experienced rapid population growth and between 1985 and 2001 grew by 373%, from 9,005 to 42,632 inhabitants (SALDRU, 2006:2). The geographical location of Hout Bay in the Cape Peninsula is shown on the map depicted below.

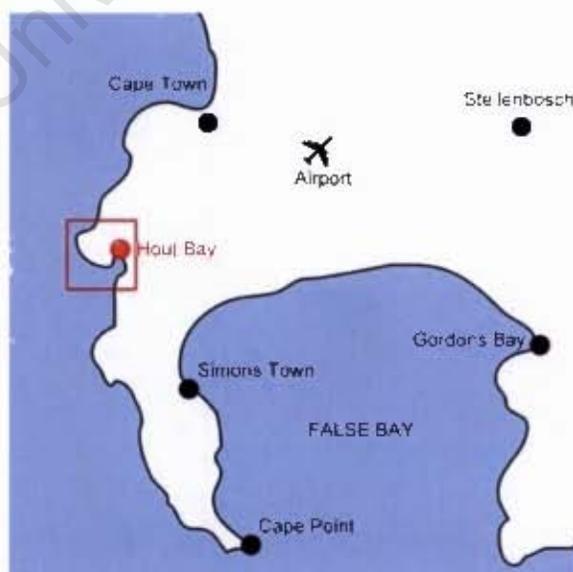


Fig. 1. Map of the Cape Peninsula (Bright Water Lodge Homepage, 2007)

Hout Bay is divided into three distinct settlements, the Valley, Imizamo Yethu (IY) and Hangberg or the Harbour, all of which exist within a relatively small geographical area. These settlements are divided largely along racial, and to a lesser extent, economic lines. The Valley is occupied predominantly by white people, Imizamo Yethu by African people and Hangberg or the Harbour, is a predominantly coloured area. Both Hangberg and Imizamo Yethu consist of both formal and informal settlements. The geographical breakdown of Hout Bay is shown in figure 2 depicted below. The Harbour settlement is indicated by the red circle on the left hand side, and Imizamo Yethu by the red circle on the right hand side of the map. The rest of the map is the Valley.



Fig. 2. Street map of Hout Bay (Map Studio cited in SALDRU, 2006:9)

Before 1989, Hout Bay was home to middle to upper income white residents who lived in the Valley and lower income coloured residents who lived in the harbour area under the Group Areas Act of 1950 (Oelofse, 1994 cited in Oelofse, 2003:265). The settlement of Imizamo Yethu began to be developed in 1991, in response to a land invasion that occurred in 1989. The national government of the time was wary of creating more tension in a society already expecting transformation, so instead of relocating the “illegal settlers” in a township far from Hout Bay, they allocated the settlers land in Hout Bay (Oelofse, 2003:265). Thus Imizamo Yethu arose as a result of complex social forces and the transition from the apartheid to the post-apartheid era (Oelofse, 2003:265). Originally it was designed to house 2,500 inhabitants, however, numbers continued to grow and by 2005 housed over 16,000 people (Oelofse,

2003:265, SALDRU, 2006:2). Hout Bay has been a hotly contested area in local elections, with the ward shifting between the ANC and DA (Joubert, 2007). This political battle mirrors the continued tensions between the settlements and there is suspicion and fear between and within all three race groups in Hout Bay (Rostron, 2004).

Hout Bay's population growth has not followed that of a normal population increase and has differed substantially across race groups. From 1985 to 2001, Hout Bay's white population trebled from 4,415 to 14,343, its coloured population more than doubled growing from 4,253 to 11,636 and its African population increased more than fifty fold, from 326 to 16,503 (SALDRU, 2006:2). During this same time period the population of the Cape metropole more than doubled from 1,2 million to 2,8 million, with the African population increasing more than eightfold from 111,600 to 911,138 (SALDRU, 2006:2). Hout Bay is no longer a rural farming area and the high level of population growth has brought with it many changes to the area.

3.1.2. Unemployment in Hout Bay

Despite its unusual population growth patterns and vastly changing demographic composition, Hout Bay is similar to many areas of South Africa in the social challenges that it faces. However, due to the economic diversity of the area, statistics that are calculated for the whole of Hout Bay do not fully reflect the problems of unemployment and poverty that face particularly the areas of Imizamo Yethu and Hangberg.

The Western Cape provincial government presents both the Human Development (HDI) and the City Development (CDI) indices for communities around the Western Cape, including Hout Bay. The HDI is a summary composite index that measures a country or community's average achievements in three aspects of human development: longevity, knowledge and a decent standard of living (Human Development Report, 2006). The CDI is found by calculating the average of four indices: industry, health, income and education. Hout Bay's HDI was 0.83 in 2005, which was above the provincial level of HDI of 0.72 (Western Cape Provincial government, 2006:35). Both of these values exceed the overall HDI for South Africa which was 0.653 in 2004 (Human Development Report, 2006). Similarly, the CDI level for Hout Bay was 0.89, which was also above the provincial CDI level of 0.81 (Western Cape Provincial government, 2006:35).

While these indicators appear positive, caution should be exercised when interpreting these results. Hout Bay is such a diverse suburb, that it could be argued that every element that makes up each of these indices is not experienced evenly over the three settlements. As a result, the inclusion of the Valley community in such calculations, while not incorrect, has the effect of masking the real situations facing both Imizamo Yethu and Hangberg.

In late 2005 and early 2006 a survey was conducted by SALDRU on 2,617 households in Imizamo Yethu and Hangberg. This survey revealed an unemployment rate of 30.5% in these two settlements, as 1,289 out of the 4,227 people who were identified as being economically active were defined as being unemployed (SALDRU, 2006:63). Of those who were identified as being employed the survey detailed the distribution of the industries in which they were working and the mean income of each group. These findings are presented in the table below.

Industry	Total	Percentage	Mean Income (in Rand)
Domestic	885	32.28	1232.23
Fishing	396	14.44	1858.55
Construction	334	12.18	1516.97
Hospitality	263	9.59	1465.04
Manufacturing	150	5.47	1442.17
Retail	142	5.18	1287.56
Botany/nursery	87	3.17	1546.37
Security	76	2.77	1520.98
Transport	69	2.52	1981.03
Commercial cleaners	38	1.39	1623.16
Office work	35	1.28	2521.29
Vocational	16	0.58	2217.63
Other	251	9.15	1406.83
Total	2742	100	1315.63

Table 1. Distribution of employment amongst survey sample (SALDRU 2006:66)

From the table depicted above it can be seen that the average income for an employed person was R1315.63 a month, in 2006 terms. If this amount is inflated by the CPIX of 6.3% for one year (StatsSA Key Indicators, 2007), the mean monthly income is R1398.51. The table reveals further that over 30% of the sample worked in domestic employment, while less than 1% were employed in more skilled vocational jobs such as teaching and nursing.

I would have liked to have compared the data presented in the previous table with the 2005 sectoral distribution of employment in the Western Cape, in an effort to see how well the employment within the suburb of Hout Bay mirrored that of the province. However, on comparison, it was noted that these figures were not directly comparable as SALDRU's survey did not include Hout Bay's white population, whereas the provincial figures included data from all population groups in the Western Cape.

3.1.3. Hout Bay as a case study

Hout Bay is a particularly interesting and unique suburb for several reasons. Firstly, despite being urban and part of the city of Cape Town, it is fairly isolated geographically from other communities as it is surrounded by two mountain ranges and the Atlantic Ocean. This relative separateness combined with the proximity with which the three distinct settlements exist has resulted in Hout Bay being hailed as a microcosm of the whole of South Africa (Rostron, 2004). It also exhibits ranging social situations which are expected to be representative of the lives of South Africa's urban population. Despite being different to other suburbs in South Africa in terms of its relative isolation, Hout Bay still has to face and address similar social challenges as other suburbs, such as unemployment, poverty, HIV/AIDS, education and crime.

As an area for study, Hout Bay's clear geographic boundaries make specific social impacts simpler to locate. The proximity with which the different population groups live also makes how the suburb as a whole addresses social issues that affect them all particularly interesting. All of these factors combined make for an insight-stimulating area to study and may allow for results found in this suburb to be generalised to the city of Cape Town and potentially even the Western Cape as a whole.

3.2. The case of WorkNow, Hout Bay

3.2.1. The history of the organisation

WorkNow was founded in June 2003 by Grahame Graham-Parker a Hout Bay business man and community member. Initially called the Community Employment Initiative (CEI), its purpose was to contribute to the alleviation of unemployment in Hout Bay, and particularly the communities of Imizamo Yethu and Hangberg. It planned to do this by providing the communities with an effective and efficient system that facilitated employment by matching unemployed people who were looking for work with employers looking for labour (Community Employment Initiative (CEI), 2005:1).

The CEI operated out of a small office which was located on the outskirts of Imizamo Yethu. Potential employees could go there and register their skills with the organisation. Their details would be captured onto the CEI's custom built database. Then when employers phoned looking for a specific category of skill on either a casual or permanent basis, the CEI office manager would arrange for an employee with the appropriate skill to work. Employers paid a fixed wage prescribed by the CEI. This wage was paid directly to the CEI, who would then take a 7.5% commission and would in turn pay the employees (CEI Homepage, 2006). The CEI did not employ any of the employees themselves, but rather played a matching function and provided a facility for employers to find labour and employees to find work.

The CEI had a clear vision, purpose and *modus operandi* and operated with some success, placing employees in employment for 95,000 man days of work, either through direct employment or through learnership placements, up until October 2005 (CEI, 2005:1). Graham-Parker was a charismatic leader, who was committed to the upliftment of the communities of Imizamo Yethu and Hangberg (CEI, 2005:5). The CEI was his vision and he was the driving force behind the operation. Within the organisation he held much of the responsibility, and conducted many of the core activities. Unfortunately Graham-Parker passed away in October 2005 and as a result the operations of the CEI declined dramatically. With his death came a leadership vacuum, as there was no one within the organisation to take over his role. Four of his friends and business colleagues, all of whom lived in Hout Bay, did not want to see his vision die with him and so decided to take responsibility for the CEI and became its trustees (Journal entry, 5 April 2006).

The 'new look' CEI did not wish to change Graham-Parker's vision for the organisation and wished to stay true to its original purpose. Although it had continued operating throughout the change in leadership, the leadership vacuum had led to a slowing in activities and a slump in the creation of employment contracts. The trustees realised that new action was required if the CEI was to continue functioning and carrying out its role as a facilitator of employment (CEI, 2005:1). They applied for and were granted funding from the Western Cape Department of Social Development, to the amount of R450 000 in three R150 000 tranches. This funding was given to allow them to both maintain their current operations and to develop a replicable model that could be set up in other communities within the Western Cape and potentially be rolled out within the country (CEI, 2005:1).

The trustees employed two independent consultants in April 2006 to assist them in improving initially just the marketing of the organisation. However, as the consultants worked on the project the many flaws in the design and the lack of any sort of business processes became evident (Journal entry, 19 July 2006). The consultants “adopted” the CEI as their “corporate citizenship” project and have spent much time improving its functioning over the past 18 months. During this process the CEI was renamed WorkNow. The life history of the CEI/WorkNow is presented diagrammatically below.

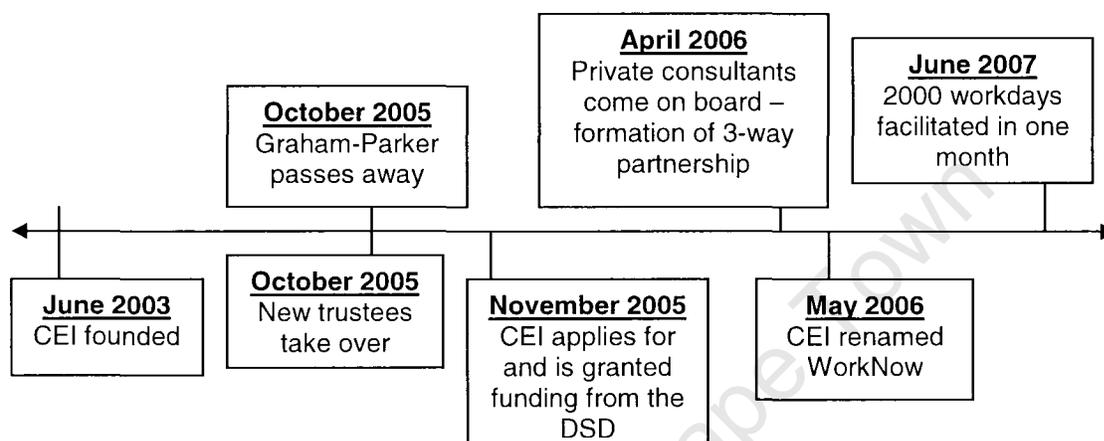


Fig. 3. Timeline depicting the history of the CEI/WorkNow

3.2.2. The current situation

Under the guidance of the private consultants, WorkNow has experienced and continues to experience high levels of growth in workdays being generated each month. The first four months of 2007 saw an average of 1,345 workdays generated each month. The monthly average for the same period in 2006 was 184 workdays (WorkNow strategic snapshot, 2007). WorkNow has implemented new minimum wages for employees being employed through them. These range between R110 and R150 a day, depending on the skill level of the individual (Journal entry, 6 September 2006).

WorkNow has maintained its primary function of facilitating employment through the matching of employees seeking work with employers looking for labour. WorkNow no longer charges any commission and the service provided is offered for free. The relationships between the organisation and programme participants are depicted in the diagram on the following page.

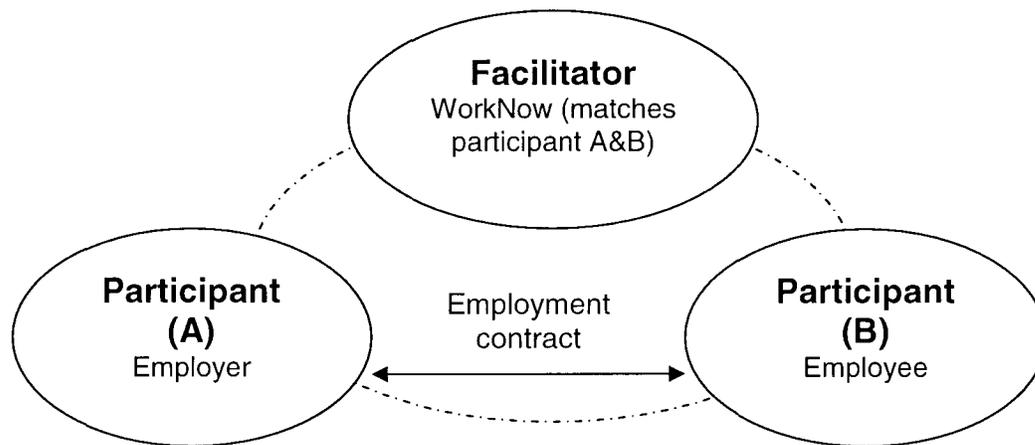


Fig. 4. Diagram depicting the relationships between WorkNow and the programme participants

Initially when I considered the organisation's relationships with the public and private sectors, I perceived WorkNow to operate in a public-civil society partnership with the Western Cape Department of Social Development (DSD). In terms of this partnership, WorkNow was responsible for the running of the organisation and the DSD for the funding and monitoring of WorkNow's progress. However, upon closer inspection it became evident just how integral the role of the private consultants was to the functioning of the organisation. Before the consultants came on board, the operations of the organisation were limited and WorkNow was only facilitating around 180 workdays every month. As a direct result of their involvement, considering that the roles of the other two partners have not changed since the consultants came on board, the activity in the organisation has grown considerably to a point where by mid-2007 they were facilitating in excess of 2000 workdays every month.

Based on the integral role of the private consultants as well as the non-market related fee that they are paid, I came to the conclusion that WorkNow in fact operates in an inter-sectoral public-private-civil society partnership (ISP). I do not think that all three parties in this partnership necessarily recognise that this is the type of relationship in which they are involved as it has never been explicitly said that WorkNow functions in an ISP. Nevertheless, I believe that this is the actual form of the relationship even if the parties involved do not refer to it as such.

This ISP can be represented by a triangle, with each point of the triangle representing one of the three partners. Each partner has a unique role to play to ensure that the best possible service is delivered with the greatest level of efficiency and efficacy. The

triangle diagram presented below illustrates the role of each of the three members as well as the resources flows.

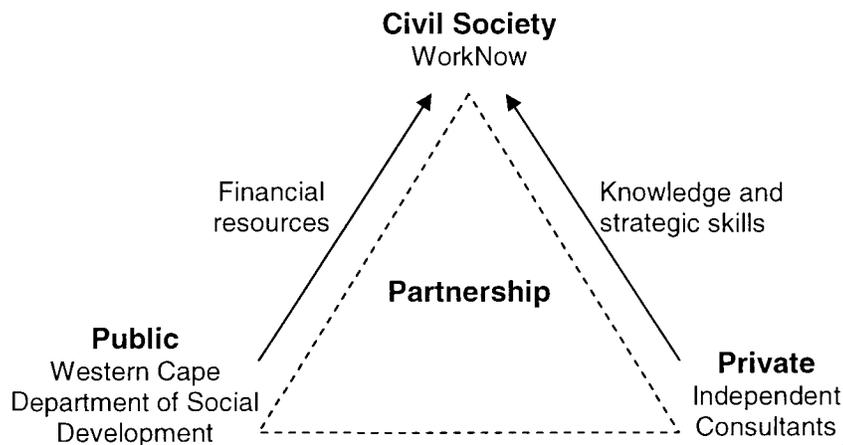


Fig. 5. Diagram depicting the public-private-civil society partnership, relationships and resource flows

3.2.3. WorkNow - a case study of an intervention that seeks to address unemployment one community at a time

The case of WorkNow has several key features that make it interesting and worthwhile to explore further. The first of these is the inter-sectoral partnership in which WorkNow functions. It is an example of a public-private-civil society partnership that operates to provide a public service free of charge. From this partnership lessons may be learnt about the synergies that can be generated by the three sectors of society working together to address social issues.

The second feature is WorkNow's uniqueness. WorkNow is the only organisation in South Africa that operates according to this particular model of employment facilitation within specific geographical boundaries. Its closest counterpart is the Men on the Side of the Road (MSR) project, but there are several key differences between these two programmes.

The primary purpose of these two organisations is different as MSR seeks to address the plight of men who stand on the side of the road waiting for work (MSR website, 2007). WorkNow on the other hand, aims to facilitate work for both men and women living in the Hout Bay area. WorkNow operates only in a specific suburb where employees live, whereas MSR does not have that limitation. While MSR also has a placement service, its services extend to include training and small business creation. WorkNow, Hout Bay can also be considered to be a pilot project as government has

identified the WorkNow model as being appropriate for roll-out to other communities in South Africa (CEI, 2005:1).

However, despite being identified by government as being appropriate for roll-out into other communities in the future, no research has been done on WorkNow, and it is not known what impacts, if any, this organisation is having on the programme participants, nor the effectiveness with which it is contributing to the addressing of structural unemployment in Hout Bay. All of these factors combined, along with the interesting suburb of Hout Bay in which this organisation functions, generates the platform for a very interesting and hopefully insightful case study.

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Chapter Four

Conceptualisation

This chapter states the central research question and defines the key concepts pertinent to the addressing of this question. It also outlines significant sub-questions dealt with in this study and several of the concepts essential to the addressing of the sub-questions.

4.1. Central Research Question

How is the WorkNow programme impacting on the lives of programme participants in Hout Bay, and in so doing how is it contributing to the alleviation of structural unemployment in both this suburb and in Cape Town as a whole?

In order to fully address this central research question, five key sub-questions, each of which speak into a key component of the central research question will also be dealt with. They are:

- i) What role does WorkNow intend to play in contributing to the alleviation of unemployment and how does it intend to effect the changes necessary to play this role?
- ii) What are the intended social impacts of the WorkNow programme and how do these compare to the actual social impacts being experienced by programme participants?
- iii) Given both the experienced impacts and intended role, what employment creation and labour market roles is WorkNow actually playing in Hout Bay, and in the city of Cape Town?
- iv) Who does the WorkNow programme aim to target, and what criteria are employed to select programme participants? What are the actual characteristics of the WorkNow programme participants?
- v) What is the significance of the public-private-civil society partnership in which WorkNow operates, particularly with regard to how this partnership contributes to the alleviation of structural unemployment in Cape Town?

The aspects of the central research question that each of the sub-questions seeks to address are presented diagrammatically on the following page.

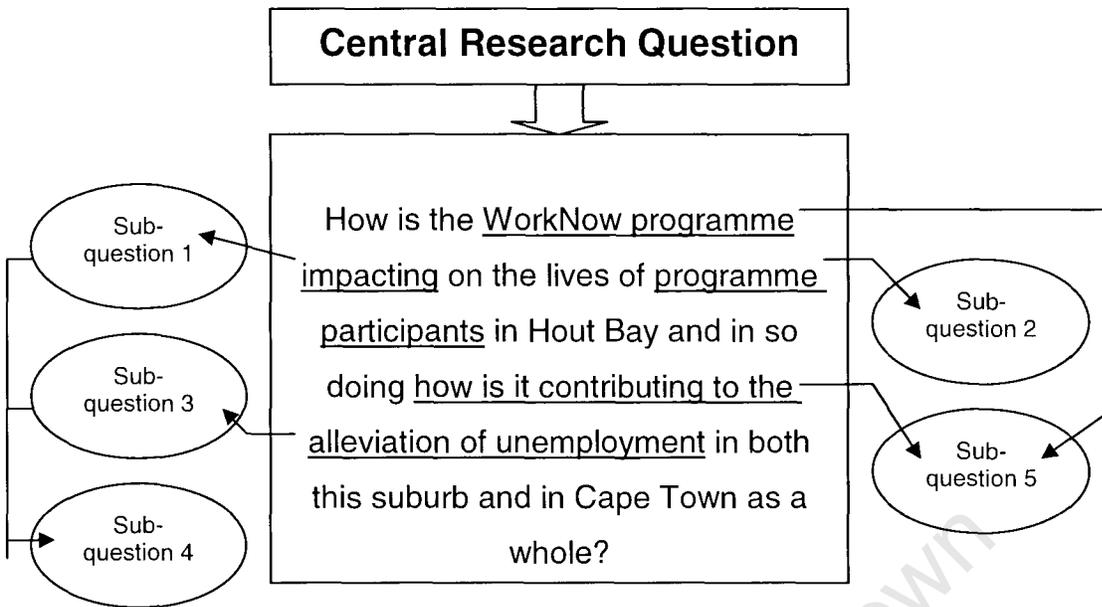


Fig. 6. Diagram depicting the relationships between the central research question and the sub-questions

4.2. Definition of key terms pertinent to the Central Research Question

In order to address the central research question, it is vital that the key terms that are pertinent to this question be fully understood. The key terms: “public-private-civil society partnership”, “social impact”, “unemployment” and “types of unemployment: frictional, cyclical and structural” are outlined in the sections that follow.

4.2.1. Public-private-civil society partnership

WorkNow does not operate as a civil society organisation which works independently of any other organisations but rather functions in a three-way public-private-civil society partnership. The three partners involved in the programme are WorkNow, the Western Cape Department of Social Development, and a Hout Bay-based private consultancy.

A public-civil society partnership may be defined as existing when a government department partners with a civil society non-profit organisation in order to address a specific issue or provide goods or services to the public (Evans *et al*, 2004). If one extends that definition to include the private sector, a public-private-civil society partnership may be defined to exist when a government department and civil society organisation link up with a private enterprise to address a specific issue or provide a

service to the public. The primary purpose for public-private-civil society partnerships is to achieve a desired goal or provide a public service with greater efficiency than would have been possible had any of the three parties sought to address the issue on their own.

4.2.2. Social impact

A social impact may be defined as being “a significant improvement or deterioration in people’s well-being or a significant change in any aspect of community concern” (Dietz 1987:56 in Cloete, 2006:260). When the term “impact” is used in this study, it is in reference to social impacts rather than environmental, financial or other impacts. It includes both observable and perceived changes that are both intended and unintended from the organisation’s perspective.

Social impacts are generally intangible phenomena which cannot always be measured directly. As a result both subjective and objective indicators need to be developed to measure these impacts. Dietz (1987) identifies subjective impacts as being results or changes perceived by those affected, while objective impacts are changes that can be measured directly (Dietz, 1987:56 in Cloete, 2006:261). The indicators selected for this study are explored further in the methodology chapter presented in Appendix A. Definitions of key terms pertaining to these impacts are presented in section 4.3.

4.2.3. Unemployment

Statistics South Africa makes use of two different definitions to measure unemployment in South Africa, the “narrow” or “official” definition and the “expanded” definition. According to the narrow definition, someone is defined as being unemployed when they are in the economically active population:

- i) But have not worked for seven days prior to being interviewed,
- ii) They want to work and are available to start work within two weeks of the interview, and
- iii) They have taken active steps to find employment or start some form of self-employment in the four weeks prior to the interview (Lehohla, 2004).

The expanded definition defines someone as being unemployed if they fulfil the first two criteria but not the third. The difference between these two definitions accounts for the group frequently referred to as “discouraged workers” (Pollin *et al*, 2007:1). Discouraged workers are willing to work should they be offered employment, but they have not sought employment in the past four weeks prior to the interview because they

are discouraged or cannot afford the costs, such as transport, associated with the job search process (Lehohla, 2004). For the purposes of this study, both definitions of unemployment are used, as they illustrate different things.

4.2.4. Types of unemployment

There are several different types of unemployment that can exist in an economy. Some form of unemployment is inevitable and economists argue that even when an economy is functioning at “full employment”, unemployment will still exist (Lipsey and Chrystal, 1995:506). These different forms of unemployment have different causes, and are intrinsically different. As a result it is vital that government identifies the type of unemployment that exists in a specific place in order to respond to it in an appropriate fashion. The three main types of unemployment: frictional, cyclical and structural are explained in the paragraphs that follow.

- i) **Frictional unemployment** consists of search unemployment and wait unemployment. It exists in the time between when someone has left one job and is either searching for a new job or waiting for another form of employment to begin. It implies that the labour market does not operate perfectly or instantaneously, and is inevitable and generally not problematic (McConnell and Brue, 1999:152). This form of unemployment will exist even when an economy is functioning at full-employment.
- ii) **Cyclical unemployment** occurs in an economy when that economy is in the recession phase of a business cycle. It is created by a deficiency in total overall spending in the economy as a decrease in demand for goods and services brings about a decrease in employment and a resulting increase in unemployment (McConnell and Brue, 1999:153). In order to address this type of unemployment, measures that stimulate demand need to be adopted.
- iii) **Structural unemployment** occurs when there is either a mismatch between the skills being provided by workers and the skills that are being demanded by employers, or between the location of workers and the location of the job openings. This type of unemployment is often the result of changes over time in technology and consumer demand, which in turn alters the structure or composition of the total demand for labour (McConnell and Brue, 1999:153). Structural unemployment is a long-term problem as

workers cannot easily be re-employed without retraining or changing their geographic location (McConnell and Brue, 1999:152).

4.3. Definitions of other key terms pertinent to the sub-questions

Several other key terms require further definition. Although not directly related to the central research question, these terms are pertinent to the sub-questions, especially to the operationalisation of the concept of social impacts. The terms that are defined below are, “empowerment”, “poverty line”, “minimum wage” and “employability”.

- i) **Empowerment** – The concept of empowerment is pertinent as the empowerment of programme participants has been identified as being one of the key intended impacts of the WorkNow programme.
- ii) **Poverty line** – Similarly, the alleviation of poverty was identified as one of the intended impacts of the WorkNow programme and it is useful to have a benchmark against which the income element of poverty can be measured.
- iii) **Minimum wage** – This concept is useful in analysing the role of WorkNow in regulating wages and provides a benchmark against which the wages prescribed by WorkNow can be measured.
- iv) **Employability** – The concept of employability is pertinent specifically to the discussion of the targeting of the WorkNow programme as well as the criteria that WorkNow uses to determine who to include in their programme.

4.3.1. Empowerment

The term empowerment has many different meanings, and the meanings associated with it are largely dependent on the sociocultural and political context in which it is used (World Bank Empowerment Homepage, 2007). It is a term that can encapsulate many different elements. In the context of this study, the concept of empowerment includes:

- i) Increased control over one’s life through the acquisition of knowledge and skills (Lyons *et al*, 2001:2),
- ii) The ability and freedom to make choices and to transform these choices into action (World Bank Empowerment Homepage, 2007),
- iii) Feelings of active inclusion and self-esteem, which are largely derived from being economically active, self-reliant and self-sufficient (Lyons *et al*, 2001:12; Julia, 1999:20).

In other words, in this context empowerment centres on one's self-esteem, feelings of inclusion, and one's ability to make choices and exercise control over one's life. It is enhanced through the acquisition of knowledge and skills as well as by being economically active and self-reliant and a participant in the workforce.

In the context of WorkNow and its people-centred approach to the facilitation of employment, the comments of Julia (1999) and Korten (1987 cited in Julia, 1999:20) are specifically relevant. Julia (1999:20) emphasises that people-centred socioeconomic development highlights the need to strengthen and support both the self-reliance and capacity of people. "The opportunity for advancement of economic power can facilitate and result in empowerment and a sense of self-worth brought about by economic self-sufficiency and self-reliance" (Julia, 1999:20). Korten (1987) further posits that this will occur "under conditions that give people both the opportunity and incentive to mobilise and manage resources in the service of themselves and their communities" (Korten, 1987 cited in Julia, 1999:20).

4.3.2. Poverty line

It was incredibly difficult to select a suitable income-related poverty measure for this study as there are so many different definitions and measures of poverty in use. There has never been one official measure of poverty in South Africa, however there is a move by the Treasury and Statistics SA to pilot one in the latter half of 2007 (Maclennan, 2007).

According to the Treasury, establishing an official poverty line is important as it will prevent the current situation where academics, researchers and government officials use different measures for poverty, which in turn, generate different results (Maclennan, 2007). However, it is difficult to know what sort of measure to use as the measure of poverty selected largely depends on what the results will be used for. To complicate matters further, poverty is not an objective concept and is in part a social construct that reflects one's customs and values (Maclennan, 2007).

A poverty line measure essentially divides a population into two groups, the poor and the non-poor. While this is useful for analysis purposes, it is really somewhat arbitrary as if two people's incomes are R1 apart, one can be qualified as poor and the other as non-poor (Woolard and Leibbrandt, 2006:18). However, the line has to be drawn somewhere and for the purposes of this study, I have selected to use a quantitative measure of poverty and have chosen the US\$2 a day measure as my benchmark. This

currently equates to approximately R434 per person per month. This income measure of poverty is one of the indicators used to measure the social impacts of WorkNow.

4.3.3. Minimum wage

There is no overall minimum wage in South Africa. Sectoral minimum wages do exist but these depend on the number of hours worked per week, one's job as well as the province in which one lives. The sectoral minimum wages are given in the table below for employees who live in the Western Cape and who work both more and less than 27 hours per week. For individuals that work more than a 27 hour week, wage rates are given on an hourly, weekly and monthly basis. However for individuals who work less than 27 hours a week, only the hourly wage is provided.

I have only included the figures for sectors relevant for this study, namely domestic, retail and wholesale and civil engineering sectors and have omitted sectors such as mining and agriculture which are irrelevant. I have calculated two average wages for the retail and wholesale sector, namely shop workers and drivers. Shop workers include all people who work on the sales floor from packers through to managers, and drivers include both truck and heavy machinery drivers. The data presented in the table below is in South African Rand and is taken from the Department of Labour Website (Basic Guide to Minimum Wages, 2007).

	Hourly rate	Weekly rate	Monthly rate	Hourly rate (if working less than 27 hours /week)
Domestic	5.47	246.21	1066.83	6.46
Sales work	12.08	533.05	2357.55	13.77
Drivers	10.60	476.94	2066.75	12.07
Civil engineering	6.60	Unavailable	Unavailable	6.60
Average	8.69			9.72

Table 2. Sectoral average minimum wages

4.3.4. Employability

According to the Institute for Employment Studies (Institute for Employment Studies Website, 2006), employability is defined as having the capability to gain initial employment, maintain employment and obtain employment if required. For an individual, employability depends on:

- i) Their assets in terms of the knowledge, skills and attitudes they possess,
- ii) The way they use and deploy those assets,
- iii) The way they present these assets to employers,

iv) The context within which they seek work.

The Institute for Employment Studies (2006) asserts that there are various categories of assets:

- **'Baseline assets'** are basic skills and essential personal attributes (such as reliability and integrity).
- **'Intermediate assets'** are occupation specific skills (at all levels), generic or key skills (such as communication and problem solving) and key personal attributes (such as motivation and initiative).
- **'High level assets'** involve skills that help to contribute to organizational performance (such as team work, self management and commercial awareness).

The concept of employability includes both being able to do the job that one is applying for and being able to market oneself and communicate this fact to the employer. (Institute for Employment Studies, 2006).

Chapter Five

Findings

The core purpose of this study was to determine the social impacts of the WorkNow programme on the suburb of Hout Bay and to extract lessons on the addressing of unemployment in both this suburb and Cape Town as a whole. Rather than presenting the findings from each set of interviews separately, the findings detailed below have been divided up according to key themes, each of which corresponds to one of the sub-questions. There are four main themes dealt with in this chapter. A discussion of the fifth sub-question is presented in chapter six, the discussion chapter. This question is dealt with separately as it is reflective and relies on the answering of the other sub-questions. This chapter is divided into:

- i) The intended role of the WorkNow programme and the changes that WorkNow needs to effect to play this role,
- ii) The impacts of the WorkNow programme,
- iii) The targeting of the WorkNow programme,
- iv) The three-way public-private-civil society partnership.

5.1. The intended role of WorkNow and the changes that need to be effected in order to play this role

This section begins with a presentation of WorkNow's organisational purpose. This is then followed by a statement of the intended role of the organisation that flows from this purpose. This section concludes by detailing the key change that WorkNow needs to effect in order to achieve its intended role, how it has attempted to effect this change and whether it has succeeded in doing so.

5.1.1. Exploring organisational purpose

Before proceeding with a discussion on the role and impacts of the organisation, it is necessary to first outline WorkNow's organisational purpose. The organisational purpose should be clearly linked to the model and *modus operandi* that the organisation employs and both the intended impacts and intended role should be derived from the organisational purpose.

WorkNow is not a registered non-profit organisation (NPO), and although it functions according to the principles of a NPO it has never drawn up articles of association or any documents that speak directly into its vision, mission and objectives. As a result, there is no one clear statement of purpose and there are different perspectives as to what exactly the purpose of the organisation is.

The project manager (and private consultant) identified the purpose of WorkNow as being, "To be the best job facilitator of choice in Hout Bay, focussing on pre-disadvantaged communities and empowering these communities." (E-mail correspondence, June 2007). The project manager stated further (Interview 2, February 2007) that the purpose of WorkNow is, "To create employment for the unemployed...as simple and as complicated as that!" The Department of Social Development (DSD) on the other hand, identified WorkNow as an organisation that focuses solely on poverty alleviation through the mechanism of placing unemployed people in jobs part- and full-time.

The chairman of the board of trustees, (hereafter referred to as the chairman) (Interview 1, December 2006) identified a far broader purpose for the organisation. He suggested that the purpose of WorkNow is,

To address some of the social issues...around poverty and around crime. But doing it through a vehicle through which people feel more in control of their destiny, have a higher degree of self-worth and are therefore naturally more a part of that community rather than being an outsider in that community.

He suggested further that he sees the WorkNow programme as,

A means of bridging the gap that exists between those three communities [Imizamo Yethu, Hangberg and the Valley]. It obviously won't do it on its own, it'll only make a small contribution in that regard. But that's really what it is aimed at doing. It is aimed at ultimately making Hout Bay a better place to live for everyone.

Taking all of these perspectives into account the one aspect that is common to all is that WorkNow is an organisation that seeks to create employment through the matching of unemployed people looking for work with employers looking for labour. The other objectives that flow from this core purpose are:

- i) To contribute to the alleviation of poverty in Hout Bay,
- ii) To empower the people of Imizamo Yethu and Hangberg.

Creating employment

It is important to establish what is meant by the term to “create employment” in the context of WorkNow, Hout Bay. WorkNow is an employment facilitator and as such does not create employment within its organisation. Both the chairman and the project manager emphasised the social call that WorkNow relies on to generate additional employment in the Hout Bay area. The project manager (Interview 2, February 2007) stated that,

It [WorkNow] is an opportunity for every person living in the community as an employer to be prodded and to say, 'You potentially can employ somebody for a day or a week or a month because you have the means'. So there's a huge social call as well to the community to say, 'We have people who don't work, you have the resources to create work, let's bring the two together.'

The chairman (Interview 1, December 2006) further emphasised the importance of the social call being made. He said

We're not obviously interested in replacing work currently being offered. This is about adding and to add we are actually reaching out to the affluent community through advertising and saying, that this is not just about your basic needs being met through this service... So it really is about creating work, it's not about replacing from our services.

From this it can be seen that WorkNow is relying on the social consciences of the wealthier people in Hout Bay to recognise the need for employment in their suburb. It is the belief of the organisation that people will respond to this social call by employing additional staff through WorkNow to do jobs that they would normally do themselves or that would otherwise be left undone.

Contributing to the alleviation of poverty in Hout Bay

Although there are no plans or projects run by WorkNow that explicitly deal with the addressing of either poverty or crime in Hout Bay, the programme directors have identified poverty alleviation as one of the main purposes of the organisation.

This objective is expected to be achieved as unemployment and poverty are closely linked in South Africa and addressing unemployment should result in a reduction in poverty (McCord, 2004a:3). The alleviation of poverty is identified as being an objective but also a spill over benefit of the WorkNow programme.

Contributing to the empowering of people living in Imizamo Yethu and Hangberg

The third objective that was identified was that of empowerment. In this context empowerment entails enhancing individuals' capacity to make choices, through teaching them about their self-worth and encouraging them to have dreams. It also includes increased self-esteem and feelings of inclusion in society that result from being economically active and having a role to play in the workforce. Empowerment was also identified as being one of the key intended impacts and so will be discussed further in the section that follows.

5.1.2. The intended role of WorkNow

From the organisational purpose, it is evident that WorkNow seeks to play a very specific role in the suburb of Hout Bay. Its intended role is that of:

An employment facilitator that matches unemployed people looking for employment with employers looking for labour. It intends to contribute to the reduction of unemployment and hence poverty in Hout Bay and to the empowerment of programme participants. It intends to reduce unemployment by stimulating the demand for labour in Hout Bay through the social call that it makes to potential employers.

5.1.3. Effecting the change

From this definition one can see that in order for WorkNow to fulfil its intended role, it needs to stimulate the demand for labour in Hout Bay. From the organisational purpose, one can further see that the other aspects of its intended role, namely contributing to the empowerment of programme participants and poverty reduction, are secondary to the goal of creating employment in Hout Bay. These two secondary roles are discussed further in section 5.2 and are presented along with the other intended and experienced social impacts.

The sub-sections that follow present WorkNow's strategy to stimulate the demand for labour as well as findings on how employers have responded to this strategy.

WorkNow's strategy to stimulate demand for employment

As was mentioned in the previous section, WorkNow relies heavily on the social consciences of the wealthier Valley residents to generate new employment. The goal of the organisation is not merely to exchange people who are in existing jobs and who live outside of Hout Bay with people in the same jobs from within Hout Bay, but rather to help to generate and facilitate new employment.

In order to stimulate this demand for labour and to increase awareness of the organisation as well as to boost the number of workdays that it was facilitating, WorkNow ran an advertising campaign in late 2006. This campaign centred around the concept of creating employment in one's own community and encouraged employers to employ people from Hout Bay rather than from outside of the Valley. This advertising campaign consisted of brochures that were delivered to all of the houses in the Valley and flyers, which were distributed in Hangberg and Imizamo Yethu. Posters were also put in public places and articles printed in the community newspaper, the Sentinel (Journal entry, 13 June 2006).

The advertising campaign as well as the reworking of the WorkNow model and business processes were headed up by the project managers, the private sector link of the ISP in which WorkNow operates. As a direct result of the advertising campaign, the community's awareness of the organisation increased dramatically. Seven out of the 11 employers interviewed indicated that they first heard about WorkNow through this advertising campaign, either receiving a brochure in their post box or reading about it in the Sentinel. Kitty² (Interview 7, May 2007) provided a typical response when asked about how she first heard of WorkNow. She said,

Actually, what I got was like a postcard size that was popped into my post box. And when I looked at it I said, 'This is a good idea. It's from the local people.'

The remaining four employers indicated that they heard about WorkNow through word-of-mouth.

Shortly after the commencement of this campaign the workdays facilitated each month began to climb and continued to do so well into 2007. Before the advertising campaign, WorkNow facilitated 200 workdays on average each month. In June 2007, just under a year after the commencement of the advertising campaign, in excess of 2,000 workdays were facilitated for the month. The board of trustees were quick to point out that the growth in workdays facilitated by WorkNow has come about primarily through the hard work and dedication of the project managers (Field-note, 5 June 2007).

Employment patterns prior to involvement in WorkNow

Before exploring how employment patterns of employers changed since their involvement with WorkNow it is useful to outline their employment patterns before joining the organisation.

² All names referred to in this paper are pseudonyms. I selected names in the same language, and that were similar to those given to me by the interviewees.

All of the employers indicated that they had at some point employed staff before becoming part of WorkNow. Violet (Interview 4, April 2007) provided a typical response when asked whether she had employed staff prior to using the WorkNow's services. She said, "Yes, [we employed] a full-time housekeeper, and the gardener, full time, and another full time guy who works in our guest house, and another part-time nanny."

When questioned about how they had located their previous staff geographically, no one clear method stood out. Three of the employers indicated having made use of casual labour in the past, which they located at the traffic lights in Hout Bay. All of the employers said they used either word of mouth or personal contacts to locate staff or would give work to people who knocked at the door. Eight of the employers indicated using more than one method to locate staff. Zayne (Interview 3, April 2007) provided a typical response when asked how he had located his staff previously. He said, "Sometimes, word of mouth, some through other employment agencies and some at the traffic lights in Hout Bay."

Six of the employers communicated that none of these methods were satisfactory and that they had difficulty in finding staff that met their requirements. This situation frequently arose as a result of not being able to interview potential employees properly first. WorkNow's screening process was identified as being one of the main benefits to them of the programme. Jane (Interview 6, May 2007) was particularly frustrated with the process of hiring staff and indicated that she made use of the services of WorkNow in order to interview job candidates. She said,

You don't know what you are getting beforehand and I find it very irritating because eventually I'm so frustrated because she doesn't do what I ask her to do and in the end it's chaos. I can't stand it. I know what I'm looking for but I never get it. So I thought that I would try them so that I could interview everybody beforehand.

It follows from this finding that there appears to be reduced staff turnover as employees found through WorkNow, rather than independently, are more likely to fit the criteria required by the employers. Mary (Interview 11, June 2007) indicated that she had experienced reduced staff turnover since being able to employ people with experience. She said, "Since WorkNow has begun I have managed to source a lot of ladies that actually do have experience and their papers."

Eight of the employers indicated that the staff that they had employed prior to employing through WorkNow all lived in Hout Bay. Of these eight, three employers communicated a preference for employing people who lived locally as it reduces

transport costs for the employee. Violet (Interview 4, May 2007) clearly emphasised the value of reduced transport costs. She said, "...the main focus [of WorkNow] being employment for people from Hout Bay within Hout Bay. That's huge, because otherwise so many people spend a fortune on taxi fares travelling out of Hout Bay." It was further found that the three employers who employed staff that lived outside of Hout Bay were either already employing them when they moved to Hout Bay from elsewhere, or had businesses that were located in other parts of Cape Town.

Changes in employment patterns

In order to determine whether employers had responded to the social call of the organisation and generated additional employment, employers were asked a cluster of questions about how their employment patterns had changed since becoming part of WorkNow. Changes in employment patterns were measured according to four criteria:

- i) The frequency or regularity with which employees were employed,
- ii) The types of skills that were employed,
- iii) The permanence with which employees were employed,
- iv) The wages that were paid.

The first and second criteria were indicators of whether any new jobs had been created by the employers since joining WorkNow, either through employing more frequently or employing new skills. The third criterion tested to see whether the facility provided by WorkNow to employ more casually had led to increased casualisation and decreased permanent staff. The final criterion tested to see whether the prescribed wage rate suggested by WorkNow altered in any way the wages paid by employers.

None of the employers indicated that either the frequency with which they employed or the types of skills that they employed had changed since becoming involved with WorkNow. It was found further, that all of the employers in the sample had employed the same skill that they were currently employing previously. Jamie (Interview 10, June 2007) provided a typical response when asked about whether the skills that she employed through WorkNow had changed. She said, "No [the skills I employ have not changed], I have considered a gardener because I do the garden myself...but we are not in a position to employ anyone else."

It was found further that despite not stimulating new employment, none of the WorkNow employers had replaced any employees already working, causing them to lose their jobs. All of the employers indicated that they primarily called on WorkNow to

help them to find a new employee when one of their employees left or retired or in order to fulfil a short term or casual post. Natasha (Interview 9, May 2007) offered a typical reason for making use of WorkNow's services. She said,

I had a maid that had been working with me that I had trained up. And then she decided to go home to the Transkei and resigned from me. And so I needed to get someone to replace her because she was also sick in the last few months.

In terms of casualisation of work, no trend was found to indicate that involvement with WorkNow played any role in either increased or decreased casualisation. It was found that employers either preferred to employ on a permanent or on a casual basis depending on their needs. If their need for a specific skill was likely to be ongoing and regular, then the employers indicated that they preferred to take someone on in a permanent capacity. There were many reasons cited for this including: the desire for stability in the lives of their children, the desire to build a relationship with the employee, to minimise training time caused by multiple employees and to minimise the inconvenience of organising an employee to come regularly. Similarly, the four employers that employed casually cited different reasons for doing so. These included: the short-term nature of specific jobs and the erratic demand for the skills provided by the employee. Natasha (Interview 9, May 2007) articulated her motivation for employing both permanently at home and casually in her business. She said,

I like to keep the same type of person. I think it's very important for my kids...I don't like casuals [at home]... The thing is that casuals are still required [in the business] because we often have a changeover of clients in a short period... So we need to then have somebody else on standby. So I can't give a permanent position and not have work for them to do.

In terms of wages paid, 10 out of the 11 employers interviewed were aware of the wages recommended by WorkNow. One employer was not aware that WorkNow set recommended wage levels. It was found that the six employers who employed on a part-time or casual basis chose to either comply with or pay above these wages. WorkNow does monitor the wages of its casual staff in order to ensure that employers are not exploiting their staff.

When questioned about WorkNow's policy with regard to monitoring the wages of full-time staff, the programme directors said that it was up to each individual employee to negotiate their own wage with their employer. WorkNow encourages employees to fight for a fair wage and they encourage them in their worth as employees, but WorkNow has elected not to get involved with the wage negotiation process of permanent

employment (Field-note, 5 June 2007). WorkNow views its role as being that of an employment facilitator and that once the employment has been facilitated then its obligations to both parties have been completed (Field-note, 5 June 2007). As a result of this policy it was not surprising that there was no clear trend of payment levels for full-time staff. The salaries reported by the employers for the same skills were largely divergent and four of the employers indicated that the wages they paid their staff were not influenced by those suggested by WorkNow. Debbie (Interview 2, April 2007) for example, articulated clearly that the wages she pays are not based on those suggested by WorkNow. She said, "I think they recommend a sort of basic, but it doesn't change what I pay."

Responding to the social call of the organisation

From the above section, it can be seen that involvement with WorkNow has not resulted in employers altering their employment patterns, especially in terms of the number of people employed and the types of skills that are employed. It appears that the employers have not responded to the social call of the organisation to create employment in their community and that they are not making use of WorkNow to create new jobs but rather to place new employees in already existing jobs.

Employers were asked about what motivated them to make use of WorkNow's services. There were several reasons given, none of which emerged as the clear trend. Only three employers indicated that they had joined WorkNow because they responded to the community aspect of the initiative, however none of them cited this as their sole reason for becoming involved. Toni (Interview 5, April 2007) for example, provided two key reasons for joining the WorkNow programme. She said,

I liked the idea of what they're doing. I think it's a wonderful idea, to provide employment. It's a slightly more channelled version to picking someone up at the traffic lights, which has previously been the other option.

Of the employers who did cite the social element as being important, none of them indicated that it had stimulated them in any way to change their employment patterns.

Other reasons frequently given for using WorkNow's services included the value placed on the convenience of the service, the ease of interviewing and the pre-screening conducted by WorkNow. Carin (Interview 8, May 2007) provided a typical response to the question of why she decided to make use of WorkNow's services. She said, "Obviously I needed someone. I didn't want to have someone employed full time and they were offering the choice of 'as and when'."

When I presented the findings of employers' lack of response to the social call made by WorkNow to the programme directors and trustees, the chairman suggested to me that he still believes that Valley residents will call on WorkNow more to do jobs that they would normally do themselves, or that would get left undone (Field-note, 5 June 2007). However, none of the employers indicated that this was in fact the case.

From this section, it is evident that WorkNow has not been able to stimulate demand for labour in Hout Bay. Despite the increase in the number of workdays being facilitated by the organisation as a result of the advertising campaign, it appears that these jobs were already in existence and that employers were using the services of WorkNow to recruit new employees for already existing jobs. From this finding, it is clear that WorkNow is not achieving its intended role of contributing to the alleviation of unemployment in Hout Bay. This being said, it is already evident that WorkNow is playing other roles in the labour market. The role that WorkNow is actually playing will be explored further in the discussion chapter.

5.2. The social impacts of the WorkNow programme

The findings presented in this section directly address the sub-question that is concerned with both WorkNow's intended impacts and those experienced by the programme participants. This section begins with a presentation of the intended impacts of the WorkNow programme. It details how these impacts are measured by the organisation and explores issues surrounding this measurement. The final two sub-sections present the impacts, benefits and disbenefits experienced by both the employer and employee groups.

5.2.1. Intended social impacts of the WorkNow programme

The programme directors identified several intended social impacts which flow from the purpose of the organisation presented in section 5.1. These social impacts entail the specific people-centred outcomes that the programme directors expect to result from the WorkNow programme.

The intended impacts of the WorkNow programme have been identified as being:

- i) Reduced total unemployment in the communities of Imizamo Yethu and Hangberg,

- ii) Increased levels of empowerment and ability to function in society for employees,
- iii) Increased demand for goods and services in Hout Bay as a result of more people having access to income,
- iv) A reduction in the crime in Hout Bay as a result of the reduced income disparity between settlements,
- v) Decreased levels of poverty in Hout Bay as a result of increased employment,
- vi) Increased community spirit.

Despite all of these impacts being identified as being intended, the organisation only has direct influence over the first two. The other intended impacts are expected spill over benefits that the programme directors believe will occur as WorkNow seeks to help the first two impacts to take place. The way in which WorkNow measures the two impacts that it has control over is detailed in the section that follows.

5.2.2. Measuring intended impacts

The only measures of impact that are currently being used are quantitative measures that centre on the number of workdays generated each month and the split between daily, weekly and monthly employment. The yardsticks against which WorkNow's performance is measured are:

- i) The budgeted number of workdays that WorkNow is expected to generate,
- ii) The cost budgets that the organisation is required to adhere to.

Both of these were laid out in the organisation's application for funding.

Reducing unemployment - number of workdays

The funding proposal stated that the objective of each WorkNow office was to:

Provide at least 8 days of work per month for 10% of the unemployed pool in a low-income community. Assuming a population of 10,000 with 60% employable persons and 50% of those unemployed, this is equivalent to finding employment for 300 people, or 2,400 man days per month. At a labour rate of R100 per day, achievement of the social objective equates to the generation of R3 million per annum of economic wealth into that community.

(CEI, 2005:1).

In the budget presented to the DSD, the expected number of workdays that would be facilitated was plotted for each month for a two-year period. By the end of this period in February 2008, it was budgeted that WorkNow would generate 2086 workdays per

month, thus facilitating employment for 261 people at eight days of work each (CEI, 2005:1).

However, since the proposal was presented to the DSD, WorkNow has revised these budgeted figures and adjusted upwards the workdays that they expect to generate. This was done as a result of higher than expected growth in workdays in the latter half of 2006. For the period January-April 2007, the budgeted workdays and actual workdays generated are presented in the table below.

Month	Workdays budget	Workdays created
January	1215	1268
February	1015	1039
March	1065	1433
April	1065	1761

Table 3. Workdays facilitated by WorkNow, January – April 2007

From this table and according to this measure, it may be seen that the number of workdays being facilitated by WorkNow has exceeded the budgeted amount in each month.

Split between daily, weekly and monthly employment

WorkNow identified the movement of workers from daily employment, to weekly and ultimately to monthly as being important to the continued growth of the organisation. WorkNow recognises the importance of permanent work over casual labour, and the benefits that come from income security. In order to measure this change, the growth of the monthly employees is monitored. The project manager (Interview 2, February 2007) emphasised the importance of monitoring the split between daily, weekly and monthly employment. He said,

The one indicator is that we move from weeklies to full-time and from casuals to full-time. That's a key indicator for us. Another key indicator is that we should be getting chunks of work from all three categories, daily, weekly and monthly.

It should be noted that there are no strategies in place to address changes in the split between the three categories, however monthly employment has not yet fallen to the point where there is a need to address this issue. The split between daily, weekly and monthly workdays for the January-April 2007 period is presented in the table on the following page.

Month	Workdays split		
	Monthly	Weekly	Daily
January	550	271	447
February	682	225	132
March	1056	240	137
April	1188	262	192

Table 4. Split between monthly, weekly and daily employment, January – April 2007

As can be seen, the monthly figure has grown significantly over this four-month period, while the daily figure has declined considerably. It would seem that the increase in monthly employment is not due to daily employees becoming permanent, but rather that the high level of daily employment in January may well have come from the Vodacom beach cleaning project in which many WorkNow participants took part. The increasing monthly employment may have arisen as a result of the increased number of WorkNow candidates being employed at the Hout Bay branch of a major retailer on a permanent basis.

Return on investment and costs

The final way in which WorkNow measures its success is in terms of the return on investment on the government funding, the return on cost of operations and the 'income created' from every R1 invested. Even though none of these measures are indicative of social impacts, they are relevant for the continued funding of the programme and are measures of the efficiency with which money is spent and its efficacy in facilitating employment.

The return on investment (ROI) of government funding is calculated using an average daily income of R130, and an average number of workdays per month equal to the average days of the first four months of 2007, 1,346. The annual funds received from government are R225,000.

$$\begin{aligned}
 \text{ROI} &= (\text{Workdays} \times \text{Rate}) / \text{Funds} \times 100 \\
 &= (1346 \times 130) / 225000 \times 100 \\
 &= 932.88\%
 \end{aligned}$$

From this calculation it may be seen that the return on investment in terms of employment facilitated is approximately 932.88% per annum. Similarly, according to WorkNow calculations the return on cost of operations is 1,146% and the income "created" from every R1 invested is R11.46. The chairman (Interview 1, December 2006) argued that this programme is a very efficient way of creating income. "Our

argument to government is that this is a very cost-effective way, a high return investment for them”.

Empowerment of programme participants

WorkNow seeks to empower potential employees through several mechanisms. Firstly, during the preliminary interview and screening processes, employees are taught about their self-worth and encouraged to have dreams for their future. The project manager (Interview 2, February 2007) described the process of encouraging and beginning to empower the potential employees in their initial interview. He said,

We are going through a massive empowerment component here, because of what we [the private consultants] have been through with interviewing. It's literally inspiring and empowering every single person that comes here. We ask them questions like, 'What's your dream for your life?'

WorkNow also identified the act of working for pay as being an empowering one. The chairman (Interview 1, December 2006) identified the empowerment that comes from working. He said,

People feel more in control of their destiny, have a higher degree of self-worth and are therefore naturally more a part of that community rather than being an outsider in that community.

Despite being a key intended impact that WorkNow actively seeks to achieve, no mechanisms have been put in place to assess changes in empowerment of programme participants. The concept of empowerment is an intangible one, which unlike workdays is difficult to measure. It is also a concept that can be used in many different ways and has a host of different meanings and connotations. The social impacts associated with empowerment are also difficult to quantify directly, and as a result indicators would need to be developed to measure any changes in levels of empowerment. However, the organisation has neither properly defined its interpretation of the meaning of empowerment, nor have indicators been developed to measure changes in programme participants' empowerment. As a result, it is very difficult for the organisation to determine whether or not it is achieving this key intended impact.

5.2.3. Comments on the measuring of the intended impacts

Number of workdays

In their proposal to the DSD, WorkNow identified its main social objective as being to “provide at least 8 days of work per month for 10% of the unemployed pool in a low-income community” (CEI, 2005:1). However, when one considers the calculations

performed to come to the total number of workdays required to address this percentage, it is clear that no research was done into the size of the “low-income community” in Hout Bay. This has led to grossly inaccurate predictions regarding what is required to address 10% of the unemployment problem in Hout Bay.

Based on the research and unemployment statistics presented by SALDRU the residents of Imizamo Yethu and Hangberg totalled 28,139 in 2001 (SALDRU, 2005:2). A survey conducted by SALDRU, which had a sample size of 6,730 people, found 62.8% to be economically active in 2004. Of the 4,227 people who were reported as being economically active, 30.5% reported that they were unemployed (SALDRU, 2005:2). Based on the 2001 population this translated to a pool of approximately 5,390 people who were unemployed.

In order to address 10% of this total, employment would have to be facilitated for 539 people every month. Based on WorkNow’s 8 days of work per person per month, their goal should actually be to facilitate 4,312 workdays every month. Clearly WorkNow has underestimated the unemployment problem in Hout Bay considerably. At the level of 2,400 workdays a month WorkNow would not be facilitating employment for 10% of the unemployed, but rather 5.6%.

Calculating averages

Currently WorkNow makes use of averages to determine how many days each employee is working every month. All of the workdays are added up and then divided by the number of people employed through the programme in the month, in order to come to an average number of workdays per employee. However this approach is problematic as it can easily mask the real situation. If for example WorkNow reaches its target of 2,400 workdays in a month, and 240 employees have worked that month, one might be tempted to say that 240 people were working for 10 days each and so the targets were met. However, on closer inspection it may be found that actually 80 of those people were working full-time and worked 22 days in the month while the other 160 only worked four days each. Clearly then this is a different story, as working for four days in a month is very different to working 10 days in a month and has major implications for the living standards that the employees can achieve.

Return on investments and costs

WorkNow’s methods of calculating the return on investment and the return on cost of their programme don’t necessarily make financial sense. The return on investment and

costs should only be positive if the employment that is being facilitated through WorkNow consists of new jobs that have been stimulated by the WorkNow programme. These new jobs must be made up of employment that has been created as a result of employers responding to the social call of the organisation, rather than employers needing new staff as a result of the growth in their businesses or any other extraneous factor. If WorkNow is merely facilitating the employment of new employees in jobs that already existed and for which employers were already using alternative methods to find staff then there are no financial returns to the funder, only costs.

5.2.4. Impacts and changes experienced by employers

The majority of the intended impacts outlined by the programme directors related only to the employee group, as they are the group that the programme seeks to assist. This being said, the employer group is a vital part of the WorkNow programme and has also experienced impacts.

Responding to the intended impacts

The only intended impacts identified by WorkNow that could be experienced directly by the employer group were a reduction in crime as a result of reduced income disparity between settlements and increased community spirit.

The employer group was asked whether they felt that WorkNow was impacting on the community of Hout Bay in any way and if so, how. There were no clear trends about perceived changes that have been brought about by the organisation and three of the 11 employers indicated that they did not know if WorkNow was having any impact at all. Four employers indicated that they would like to think that WorkNow was making an impact but they struggled to identify what sort of impact it was making. Toni (Interview 5, April 2007) provided a response that was representative of this group. She said, "It's difficult to say. I think it's providing a facility for respect, or self-respect, but I haven't observed that."

Only three of the 11 employers identified factors associated with poverty, namely reduced hunger and crime, as being the key impacts of the organisation on Hout Bay. Carin (Interview 8, May 2007) provided a response that was representative of this group. She said, "Well every job that gets offered and taken, it's one less hungry family." Three employers further identified less tangible impacts such as increased hope amongst employees and increased feelings of working together in the community. Mary (Interview 11, June 2007) identified hope as being one of the key impacts of

WorkNow. She said, "I think it gives the people a little bit more hope... At least they've got someone to go to and feel like they're actually doing something about getting work."

Other experienced benefits and disbenefits

Seven of the 11 employers identified that the main benefit to them of using the services of WorkNow was related to the recruitment process. These employers particularly indicated that they valued the screening process carried out by the organisation. This process ensured that the candidates that were put forward by the organisation for a particular job actually were skilled in the area that they said they were. Natasha (Interview 9, May 2007) provided a typical response when questioned about the benefits that she had experienced. She said,

I think the fact that they are already doing the pre-screening. I don't have to interview 25 different people for a kind of job that they have already taken the basics on. But they've also pre-qualified them [the candidates] in terms of their IDs, what they're expecting to earn, what kind of jobs they can do. It just takes out that painful process of then having to interview 20 people as opposed to three or four.

Three of the employers did not identify any benefits associated with using WorkNow's services. One employer indicated that the main benefit that she experienced was a feeling that she was contributing to the community in a positive way.

Ten of the employers indicated that they were happy with the service that they had received from WorkNow and only one employer indicated that she had had a bad experience with the organisation and would neither use their services again, nor would she recommend them to friends or colleagues.

5.2.5. Impacts and changes experienced by employees

The WorkNow programme was constructed to contribute to the alleviation of unemployment in the low-income areas in Hout Bay. The programme participants that constitute the employee group are identified as being the main beneficiaries of the programme and it is expected that the majority of positive social impacts that arise from the programme accrue to them.

In presenting the findings relating to the impacts and benefits to the employee group, three subsets of benefits and impacts were identified and are presented in the sections that follow. These are:

- i) Intended impacts that have been experienced by employees,
- ii) Intended impacts that have not been experienced by employees,
- iii) Unintended impacts that have been experienced by employees.

The fourth section briefly presents a discussion of the causes of the impacts and benefits experienced by the employee group.

Intended impacts that have been experienced by employees

The programme directors identified six key intended impacts of WorkNow, which were outlined in section 5.2.1. In order to determine which of the intended impacts were experienced by employees and to what extent, the responses of the employees were weighed up according to the indicators that are presented in the methodology chapter (Appendix A).

Employees reported having either experienced or observed five of the six intended impacts since becoming part of WorkNow. These included: reduced levels of unemployment, increased levels of empowerment, increased demand for goods and services in Hout Bay, decreased crime and decreased poverty levels.

Reduced overall levels of unemployment in Hout Bay

Fourteen of the 16 employees interviewed reported that they had observed a reduction in unemployment in Hout Bay since the inception of WorkNow. Melanie (Interview 16, July 2007) provided a typical assessment of the role of WorkNow in Hout Bay. She said,

What I can tell you about WorkNow, they give a lot of people a lot of work. Lots of people were not working but if you can just stay there in the settlement early on in the morning, you see that people they go there, the other one goes there. WorkNow do a lot of jobs for a lot of people...

However, despite identifying that WorkNow is contributing to the reduction in unemployment, five of these employees identified that unemployment was still a problem in the area. Jean (Interview 6, May 2007) summed up the problem that continues to face Hout Bay,

Let me tell you about unemployment. Unemployment in this area...I think about, if you look properly. Say 40% of people are not working. And it's mostly young ones. They come maybe out of school, or drop school or that. They hang around and it's mostly the people from Mandela Park. If you go past there in the morning, you will see how they stand on the road for work.

Three of the 16 employees further cited that they were aware that much of the employment facilitated by WorkNow was on a temporary basis and that while it did not provide a permanent solution to the employment problem, it contributed to addressing it

in the short-term. Lisa (Interview 9, May 2007) for example said, “A lot of people from our community got jobs from there, although it’s not permanent but... like cleaning the beaches and all that.”

It is interesting to note how employees’ perceptions of decreased unemployment are in stark contrast with employers’ reported unchanged employment patterns. It appears that there has been a slight increase in the favouring of local staff, which is expected to result in a modest reduction in the overall levels of unemployment in Hout Bay, *ceteris paribus*, as a result of the Work Now programme. However, the reduction in unemployment that is actually occurring is not to the extent identified by employees.

Despite a potentially low overall impact on the net levels of employment in Hout Bay, for the WorkNow programme participants in the employee group, the impact of WorkNow on their lives has been considerable. Since joining WorkNow, 13 of the employees interviewed have moved from a place of unemployment to a place of employment. All 16 employees reported significant positive changes to their well-being since being employed through WorkNow. Charlotte (Interview 14, June 2007) provided a typical response when articulating clearly the positive impact of WorkNow. She said, “Most of my colleagues...have come from WorkNow and haven’t been working for quite a long time. And myself it has made a really huge difference for me.” Thus when considered on an individual basis, this programme is indeed impacting on the lives of programme participants in a significant way.

Increased levels of empowerment and ability to function in society

As was detailed in the methodology chapter, I identified five indicators that were collectively used to measure changes in empowerment. These are:

- i) Changes in employment status,
- ii) Changes in skill level,
- iii) Changes in feelings of self-worth,
- iv) Changes in aspirations and the ability to dream,
- v) Changes in spending and savings patterns.

As was mentioned above, 13 of the 16 employees interviewed experienced a change in employment status and through the programme have gone from being unemployed to employed. The second indicator used to measure empowerment was a change in employees’ skill levels. Eleven of the 16 employees indicated that they had acquired new skills since working in the jobs facilitated for them by WorkNow. These increased

skills have translated into increased confidence in their own ability to do their jobs, and for one employee, has resulted in a promotion! Charlotte (Interview 14, June 2007) clearly expressed how the new skills that she has acquired since working through WorkNow had impacted on her. She said,

My occupation is baking...baking and serving the customers. I can't even wait for the next morning to get up out of my bed and just start the day. I didn't have the experience that I've got now at Woolworths bakery. At that time [three years before] when I worked in the bakery at SPAR, I only served the customers, now I do the baking.

The third indicator is a change in feelings of self-worth. Ten out of the 16 employees interviewed identified having experienced an increased level of self-esteem and self-worth through their involvement with WorkNow. Alexia (Interview 8, May 2007) for example said,

I'm a little bit confident because I never thought I can be so good at working with people... I never thought I can do this work but now after they gave me this opportunity, I at least know I can do this.

The other six employees indicated that WorkNow had not impacted on how they felt about themselves, or their levels of self-worth.

Seven of the employees indicated that they felt that WorkNow had encouraged and supported them and that WorkNow really cared for their programme participants. This encouragement too brought about increases in empowerment as it helped employees to feel valued and built their self-esteem further. Irene (Interview 13, June 2007) said of WorkNow, "The good thing about it [WorkNow] is that they really help people. They really take care. They're dedicated to what they do for you." David, (Interview 15, June 2007) further said, "There are so many good things because always the people from the agency [WorkNow] come here to look after me. Always they come and ask me if I am good and to check up on me." The remaining nine employees did not mention whether or not they felt supported and encouraged by WorkNow.

The fourth indicator that was used to measure changes in empowerment was changes in aspirations and the ability to dream. Fifteen out of the 16 employees interviewed indicated that they had dreams and aspirations for either themselves or their children. Nine of these employees further indicated that their dreams and aspirations had changed since working through WorkNow. Sally (Interview 7, May 2007) explained how her ability to have aspirations, even if they were small had changed since working. She said,

So now with my work, I am feeling fine because everything I do...if I want something I do it, the small one. If maybe I like these shoes I know I am going to buy it because I am working. You see because the other people they want these shoes but they don't have money.

The remaining six employees indicated that being economically active did not impact on their aspirations. One employee indicated that she had not yet thought about her goals and did not have any dreams.

The quotation above is also indicative of Sally's ability to transform her choices into actions. This quotation illustrates the fifth indicator that was used to measure empowerment, namely changes in employees' saving and consumption patterns. This indicator is important as it measures whether employees have the ability and the freedom to make choices and to transform their desired choices into actions. Six of the 16 employees indicated that since working through WorkNow they were able to begin saving while a further three indicated that they had always saved. Lionel (Interview 10, June 2007) clearly articulated the changes in his saving patterns since being employed through WorkNow. He said, "I actually save every month, R300 in a Pure Save account at Standard Bank. I started saving since I've been working here." Seven employees indicated that despite working, they were still unable to save.

Nine of the 16 employees indicated that their consumption patterns had changed since working through WorkNow and that now they were buying more things as a result of earning a higher income. Andile (Interview 11, June 2007) provided a typical response when asked about his consumption patterns before and after joining WorkNow. He said, "Every month is food, clothes, transport and weekend activities and then money to my family [remittances]. But transport isn't too much because sometimes we walk, when it is good weather...Before, it was just on the food." The remaining seven employees did not indicate that their consumption patterns had changed since joining WorkNow.

From this cluster of indicators it appears that overall employees' levels of empowerment have been enhanced through their involvement in the WorkNow programme and through working. Even though not all of the employees indicated that they had experienced changes in all of the areas measured by the indicators, the majority of employees had experienced most of the changes.

Increased demand for goods and services in Hout Bay

The programme directors identified increased demand for goods and services in Hout Bay as being a key spill over benefit that would result from the WorkNow programme. Although the increased demand for goods and services is not specifically beneficial to WorkNow participants, it should have the result of improving the overall economic health of the area.

As was mentioned above, nine employees reported increased consumption since working through the WorkNow programme. However, six employees also indicated that their savings patterns had increased since being employed through WorkNow. Seven out of eight of the African employees interviewed further indicated that they send money to their families that live in other areas every month. As a result of both increased savings and remittances, the increase in demand for both goods and services in Hout Bay, will be less than the increase in overall income.

Another factor that may limit the increase in demand for goods and services in Hout Bay is employers' employment patterns prior to being part of WorkNow. If an employer was employing someone from Hout Bay before employing through WorkNow, it is not expected that the demand for goods and services in Hout Bay would change dramatically as the income being paid to the employees had merely been transferred from one consumer to another. Changes in consumption that do occur would thus be dependent on the difference between the old employee and the new employee's wages and spending patterns.

Reduced levels of crime as a result of decreased income disparity between settlements

Seven of the 16 employees identified either observing or expecting reduced levels of crime as a result of WorkNow. All of these employees identified crime as being perpetrated by young people and said that it was primarily economically motivated. Vuyo (Interview 3, May 2007) provided a response that was representative of this group. He identified both the economic motivation for crime as well as the potential of WorkNow to impact the levels of crime in Hout Bay. He said,

Maybe it [WorkNow] has changed a lot of things because some people get jobs through WorkNow. So maybe the robbery is going to slow down because the young ones, when they've got no money, they can't think of another thing. They think of robbing people when they're coming from work.

The remaining 9 employees did not mention crime when asked about how WorkNow was impacting on their communities.

None of the employees suggested that crime arose as a result of the income disparities between communities, as was suggested by the programme directors. Rather the employees say that people, specifically the youth, become involved in crime when they are unemployed and in need of money. Lisa, (Interview 9, May 2007) said,

I think that people's attitude changes when they get jobs because once you're at home, that's where the crime comes in. Because you're sitting, you're miserable, no income and it is then that all the wrong ideas start.

Despite seven employees believing that the crime levels in Hout Bay have been reduced as a result of the WorkNow programme, it is impossible to say whether this has actually been the case.

Decreased levels of poverty in Hout Bay

I identified six indicators, presented in the methodology chapter, that were collectively used to measure changes in poverty. These were both monetary and non-monetary indicators. They were:

- i) Changes in income,
- ii) How employees acquired income whilst unemployed,
- iii) Changes in consumption patterns,
- iv) Changes in saving patterns,
- v) Changes in feelings of self-worth,
- vi) Changes in aspirations and the ability to dream.

The measure of income poverty selected for this study was the US\$2 a day measure, which translates to approximately R434 a month per adult. Based on this figure only six of the employees interviewed were surviving on less than this per month before joining WorkNow. All of employees interviewed currently earn more than R434 per month through WorkNow. Nine out of ten employees who lived above the poverty line before joining WorkNow were either supported by family members, particularly their partners or parents, or worked casually. It was found further that both child support grants and pensions served valuable roles in income provision when the employees were unemployed. These survival strategies are detailed further in section 5.3.2.

As was detailed in the section above, nine employees reported increasing their consumption since working through WorkNow. Five of the 16 employees further indicated that when they were unemployed, they were only able to spend money on food. Lindiwe (Interview 1, April 2007) expressed this clearly. She said, "Yes, it was enough to buy food. Sometimes I take the food from the spaza and then at the end of

the month, they take the money. Yes, and I was not even buying something nice for me.”

Since working the employees indicated spending money on food, rent, transport, remittances and clothing. Expenses relating to children, such as school fees and nannies were also high on the list of priorities for those with young children. Irene (Interview 13, June 2007) provided a typical list of her monthly expenses. She said,

I would say transport for work and definitely the children's school fees, food, clothes and rent. But I haven't bought them [the children] clothes because there was no money...Before, the only thing that did me in then [when the children were small] was the diapers!

Employees indicated further that very little money, if any, was spent on cell phones, weekend activities and furniture.

As was mentioned in the previous section, six of the employees reported that they had begun to save since working through WorkNow and a further three employees said that they had always saved. All nine indicated that they saved either in a bank or post office account. Seven employees indicated that they did not save and that although they would like to save they are constrained by the amount of income they earn relative to their monthly expenses. Vuyo (Interview 3, April 2007) provided a typical response when asked what prevented him from saving. He said, “It is not easy [to save] because there is too little money and lots of people to support.”

Interviewees were also questioned on non-income elements of poverty, such as their feelings about themselves and their goals for the future both before and after joining the WorkNow programme. Ten employees indicated that their feelings about themselves were affected by their economic position and that they felt much better about themselves when they were working. Melanie (Interview 16, July 2007) said,

I am myself now because I've got money. I can do what I want to do...then I just felt that I was not a mother for my children because if they asked me for something, then inside my heart was sore because I didn't have anything to give them. But now if they ask for something, I am working now, then I do have something and I can do something for them.

As was detailed above, 15 of the 16 interviewees indicated that they had dreams and aspirations for both themselves and their children, most of which centred on education and owning their own houses. Eleven of the participants said that the goals that they set for themselves were affected by the income that they earned, and that earning

more facilitates goal setting. Mandy (interview 2, April 2007) said, "It [earning a salary] makes a lot of difference. Because I can save and when I have enough I can buy the car I want or start the preschool I want."

From this cluster of indicators it appears that both employees' income and non-income levels of poverty have been reduced through their involvement in the WorkNow programme and through working. Even though not all of the employees indicated that they had experienced changes in all of the areas measured by the indicators, the majority of employees had experienced most of the changes.

Intended impacts that were not experienced

The only intended impact that very few employees reported having experienced was increased community spirit. I asked the employees about the ways in which they thought that WorkNow was contributing to change in their community and listed areas such as increased community spirit and the reduction in crime as being areas where WorkNow may be having an impact. Only two employees indicated that they had experienced some form of change in community spirit. They both said that they liked that through WorkNow, one could get to know other people from Hout Bay. Nadia (Interview 12, June 2007) said, "You see, we pass each other everyday but we don't really know each other. But now, working together, it is growing our relationships." All of the other employees picked up on other issues, such as the levels of crime and unemployment and did not mention that WorkNow was impacting on Hout Bay's levels of community spirit in any way.

Unintended impacts and benefits that were experienced

The majority of the benefits that employees identified as having experienced can be categorised in the intended benefits section. However, there are two noticeable exceptions namely: benefits arising from working closer to home and the value placed on the structure of the WorkNow programme.

Working closer to home

There were two key benefits that were identified as being associated with working closer to home, namely increased leisure time and low travelling costs. Six employees indicated that transport was not one of their main monthly expenses. The three employees that had worked or still work far away from Hout Bay, all identified both the cost and length of time that travelling takes as being two of the major disbenefits of

working outside of Hout Bay. Nadia (Interview 12, June 2007) identified the changes she experienced as a result of working in Hout Bay. She said,

I am totally different now working [in Hout Bay]. Because I am working until 5, at 5:10 I am home. And when I used to work in Salt River I had to travel in the morning 6:30 and then I came home 6:30 at night. So it really changed my life.

The structure of the WorkNow programme

Thirteen of the 16 employees interviewed indicated that they were unemployed when they joined up with WorkNow, and these 13 cited the search for employment as being their primary motivation for joining WorkNow. Further, all of these employees indicated that they had been unemployed for at least several months before joining the programme. While the length of time that they were unemployed varied from just a few months to three years, these employees joined the WorkNow programme because they believed that WorkNow could assist them in their quest for employment. Alexia (Interview 8, May 2007) provided a typical response when asked about why she joined WorkNow. She said, "I was desperate for a job!"

Despite 15 of the 16 employees having been employed before, employees expressed having experienced difficulty in finding employment after their previous employment ended. Charlotte (Interview 14, June 2007) for example said, "I was at home for three years. I didn't have work for three years." From this it may be found that employees place value on the structure of the organisation. They found it beneficial to have a central place where they know that they are able to go to search for employment.

Disbenefits

No employees identified any disbenefits that arose from being part of the WorkNow programme. Irene (Interview 13, June 2007) provided a typical response when asked if she had experienced any disbenefits as a result of the WorkNow programme. She said, "No bad things, not that I can say from WorkNow, definitely not! They were very generous and very good."

Causing impacts – WorkNow or employment

Whilst all the impacts and benefits identified by the employees have arisen since they became part of the WorkNow programme, it is difficult to determine exactly which of the impacts were caused directly by WorkNow and which would have happened even if the employees were not part of the WorkNow programme. Many of the benefits and changes in well being that the employees identified as having experienced since becoming part of WorkNow relate directly to benefits that have accrued as a result of

their employment rather than their involvement specifically in the WorkNow programme. For example, had they managed to find employment on their own, they would have been lifted out of poverty through that income, rather than the income facilitated by WorkNow.

However, as WorkNow grows and employers continue to make use of their services to recruit new staff, the number of available jobs in Hout Bay for independent job seekers is declining. For example, a major retailer in Hout Bay only recruits staff through WorkNow and will not accept independent CVs (Field-note, 7 June 2007). From this point of view, employees are increasingly likely to find employment through WorkNow rather than independently. Further, they are more likely to be paid higher wages through WorkNow, as WorkNow regulates the wages paid in part-time employment that it facilitates.

However, as mentioned in the methodology section, in order to determine more accurately which impacts and benefits were occurring as a result of WorkNow, a test and control group structure would have been useful. Despite this being outside of the scope and timeframe for this project, it would provide an interesting study in the future.

5.3. The targeting of the WorkNow programme – whom to employ

This section directly addresses the sub-question that focuses on the targeting of the employment facilitated by WorkNow. The first subsection presents findings on WorkNow's intended target population and the criteria that the organisation considers when selecting programme participants. The characteristics of the actual employees, focussing specifically on their previous employment, motivations for joining WorkNow, and their survival strategies when unemployed are then presented.

5.3.1. WorkNow's intended target population

As with the programme purpose and intended impacts, each programme director provided different answers to the question of whom exactly WorkNow is attempting to target. Both the chairman and the project manager concurred that the programme is focussed specifically on facilitating employment for unemployed people that live in Hout Bay only. However, the chairman (Interview 1, December 2006) was quick to point out that "we [WorkNow] are targeting 10% and not trying to tackle the whole problem". The

chairman further emphasised that because of this, WorkNow tried to place “quality” employees that they deemed to be employable in employment. However, employability can have different meanings and the chairman and the project manager highlighted different aspects of employability that were important to them.

In defining what he meant by “quality”, the chairman (Interview 1, December 2006) included three criteria: credibility, and evidence of both employment history and basic skills. He said,

...the people that come onto the programme and that are found work do need to have at least convinced us in an interview that they are credible, that they've got some sort of track record, and that they show evidence of some sort of basic skills.

With these criteria the chairman focussed only on certain aspects of employability, namely employees' intermediate assets, particularly their occupation specific skills as well as the way in which they present these assets.

The project manager on the other hand, in addition to focusing on these things, emphasised the importance of the employees' baseline assets, specifically their essential personal attributes (Institute for Employment Studies, 2006). The project manager (Interview 2, February, 2007) said, “We've moved from quantity to quality and we've moved from moving people with resources and skills development...into the absolute human heart part of the business.” The attributes that he highlighted as being of particular significance were the employees' personalities and demeanour. He suggested further that these baseline assets were more important than an employee's work history, as although some people may be fantastic at a specific job, they have not necessarily had the opportunity to work in that job or be exposed to that type of employment before. The project manager (Interview 2, February, 2007) said further,

We find out who this person really is. Not that you're a domestic and how many months of work you've had and that you can cook and you can clean but you don't like child minding and you can sleep in, thank you very much and have a nice life! Is that really a domestic sitting in front of you? They actually could be a Woolworths employee, they could be great on the mountain, they could be great on the beach project!

Due to employees often having limited employment experience and education, WorkNow builds an “experiential” curriculum vitae for each employee. These are designed to help potential employers experience something of what the employee is like rather than just providing them with information surrounding their past work experience (Field-note, 6 September 2006). The project manager (Interview 2,

February 2007) further emphasised the importance of this. He said, "It's got to be a model where you get to know the person and you get the quality of that personality down on their CV."

Despite taking the perspectives of both the chairman and the project manager into consideration in determining the criteria that WorkNow employs when screening potential employees, that of the project manager should be given more weight as he is the one that is in charge of the day-to-day functioning of the organisation, and he controls who is accepted onto the programme. Another two criteria for inclusion in the WorkNow programme are: the ability to communicate in English and that every candidate must own their own cell-phone (Field-note, 6 September 2006). All of the paperwork and the interviewing processes are conducted in English only, and without this skill it would be very difficult for a potential employee to be accepted onto the programme. WorkNow also requires that all programme participants either own or have permanent access to a telephone so that they can be contacted easily.

In summary, the WorkNow programme is targeted specifically at people that fulfil all or most of the criteria listed below. The three crucial criteria are listed first. The potential programme participant must:

- i) Be a Hout Bay resident,
- ii) Be able to communicate in English,
- iii) Possess strong baseline assets, such as a dynamic personality and willingness to work,
- iv) Own their own cell-phone,
- v) Show evidence of credibility,
- vi) Show evidence of an employment history,
- vii) Possess intermediate assets, such as occupation specific skills.

5.3.2. Employee characteristics

Of the employees interviewed, no specific demographic trends emerged, except for the neighbourhood in which they lived. All of the employees lived in Hout Bay, they were both male and female, African and coloured and worked in a range of occupations. They were a host of ages, although none of the employees interviewed were over the age of 60. All of the employees interviewed, except one, indicated having worked at some point prior to joining up with WorkNow. The employee that had not worked previously had not done so as he had only recently completed his studies.

Previous employment

Of the 16 employees that were interviewed, 13 reported having been unemployed before getting their current job through WorkNow. Three reported never having been unemployed, and one was only unemployed for a short time whilst waiting for a new job. Those that reported never having been unemployed were making use of the services of WorkNow to either change careers or to get additional, second or third jobs. Nadia (Interview 12, June 2007) clearly expressed her reasoning for making use of WorkNow's services. She said, "I was working too far from home. I was working in Salt River and I wanted to work near to home."

Thirteen employees indicated that they had been employed previously on a full-time basis, in employment that they had found for themselves. Thus, they all exhibited the ability to acquire employment independently. Various reasons were cited for leaving their previous employment including: retrenchment, ending of contracts or being fired. However, three employees cited other personal reasons, such as family and health, for leaving their previous employment.

Motivations for joining the WorkNow programme

A distinction emerged within the employee group between those who joined the WorkNow programme for financial reasons and those that joined for other, non-financial reasons. Twelve employees joined for financial reasons, citing unemployment as their main motivation for coming on board. Sally (Interview 7, May 2007) gave a typical reason for why she joined up with WorkNow. She said,

I decided to join WorkNow because it is helping us to find a job. Because if maybe there is no WorkNow, we are not working. So I find WorkNow is nice for people because it is giving us bread to eat.

Four of the employees, on the other hand, cited entirely different motivations for joining WorkNow. These were not directly financially related but were rather to do with their occupation or the proximity to home that they worked. Jean (Interview 6, May 2007) for example, said,

It [joining WorkNow] was because I was in retail for almost 26 years and I was tired of doing this retail work. So I said I need something else for my end of years that I'm going through. So I decided on domestic work.

Survival strategies when unemployed

Employees' means of surviving whilst being unemployed were also explored further. It was found that whilst unemployed, employees made use of different strategies in order

to acquire money and fulfil their basic needs. The strategy selected depended primarily on their situation and the resources available to them. The three strategies identified were:

- i) Family support structures,
- ii) Reliance on grants and pensions,
- iii) Casual and informal sector work.

Family support structures

Of the 13 employees that indicated that they had been unemployed before joining WorkNow, six reported that they had relied heavily on family support structures to help them to survive during these times. These support structures specifically manifested in the form of money and goods transfers from other employed members of their family to help to pay for essential items such as food and children's clothing. Those that were working in the family would help those who were not working. This was a reciprocal arrangement as if a working person lost their job, and a previously unemployed person gained a new job, they would then help to support those who were not working. Alexia (Interview 8, May 2007) clearly detailed these arrangements. She said,

Every week I had to go to my sister and say, "Listen here, I don't have groceries. Give me groceries." This week it will be this sister and the next week it will be the other sister...

It was found further that these arrangements involving the financial support of extended family members were more prevalent in the African community. Seven out of eight of the African employees interviewed indicated that now they were employed, they were supporting extended family, both in Hout Bay and in other parts of South Africa. Andile (Interview 11, June 2007) provided a typical response when asked how many people he supported financially. He said, "I support my family in the Eastern Cape, five people. It's my mother, one sister, two brothers and my nephew." The same phenomenon was not found amongst the coloured interviewees. Four of the employees indicated that they were not the primary breadwinners in their homes but were supported by their partners or parents.

Reliance on grants and pensions

The second strategy employed by employees was reliance on grants, specifically child support grants and pensions. This was another manifestation of the family support networks. Three employees indicated that they relied primarily on these grants to survive during periods of unemployment. Irene (Interview 13, June 2007) indicated that she was unemployed for a period of two years. When asked about how she survived

during this time she said, “I got a grant for the kids. It went up so I get R200 for each child.”

Casual and informal sector work

The final survival strategy was working casually or in the informal sector. Four of the employees indicated that they were employed either casually or in the informal sector during the period in which they said that they were unemployed. Employees indicated that they would either wait at the traffic lights for casual employment, or get occasional char jobs by advertising in the Hout Bay SPAR. These jobs were on the whole poorly paid, however as David (Interview 15, June 2007) said, “...but at that time, it [casual labour] was better than nothing.”

5.4. The three-way public-private-civil society partnership

This section directly addresses the sub-question that focuses on the significance of the three-way public-private-civil society partnership in which WorkNow operates. It begins with a presentation of the benefits of this partnership. It then considers the potential role of this partnership in the future considering issues surrounding funding, succession and finally expansion.

5.4.1. Increasing efficiency - benefits of the three-way partnership

As was mentioned in chapter three, before WorkNow entered into the relationships with the DSD in late 2005 and the private consultancy in early 2006, it was at quite a different place in terms of its operations, facilitating on average of 200 workdays per month (Journal entry, 12 April 2006). This low level of employment facilitation was indicative of the fact that WorkNow was not functioning at optimum efficiency.

The functioning of WorkNow at that time was severely constrained by a lack of resources, both financial and non-financial. In order to address these constraints, WorkNow linked up with both a public and private sector organisation. Each of these organisations plays specific roles and has brought resources to the WorkNow table, which have served to assist the organisation in improving the efficiency and efficacy with which it provides its service.

Government and financial resources

In terms of financial resources, WorkNow was operating with a very small monthly income. They were levying a 7.5% commission, which was paid by employers, on all work that they facilitated (CEI Homepage, 2006). However at R100 a day and 200 workdays a month, that only amounted to R1,500 a month which was not enough to keep the office running and was definitely not enough to spend money on marketing so as to grow awareness of the initiative. WorkNow applied for and was granted funding of R450,000 from the DSD, in late 2005, which was to be paid out in three R150,000 tranches over a 24-month period. These additional financial resources allowed money to be spent on marketing, staff and on improving the quality of the service that WorkNow is able to offer.

Aside from being WorkNow's only funder, the DSD also plays a monitoring role. It monitors the activities of WorkNow in terms of the requirements that were laid out in WorkNow's application for funding. This is done through monthly reports that WorkNow prepares for the DSD. The DSD representative (Interview 3, June 2007) emphasised the importance of WorkNow complying with the specifications laid out in their proposal for funding and the monitoring role played by government. She said,

They do have obligations towards the department [DSD] in terms of the financial aspect. They filled in their application form regarding the terms of reference, there is criteria set in there where they have to follow. If they don't conform to that and there's discrepancies within the requirements... because there's a continual reporting and monitoring and evaluation.

The DSD does not play any other role in the functioning of WorkNow, aside from the provision of the funds and monitoring the activities of the organisation.

The private sector and non-financial resources

In terms of non-financial resources, WorkNow was in need of the time of qualified individuals who could provide the business experience and intellectual capital needed to help to boost its operations. The trustees identified that the problem with the organisation was the community's lack of awareness and so they hired a small brand development firm from Hout Bay to help "build the brand" (Journal entry, 20 April 2006).

However, as was mentioned in Chapter Three, the private consultants discovered that there were severe organisational flaws and lack of business processes and that merely improving the marketing would not aid the organisation since it was barely functioning. These consultants worked first on building a strong organisation and then second on the marketing (Journal entry, 19 July 2006). They have facilitated the growth of the

organisation through their marketing efforts and have greatly increased the efficiency and functioning of the office through their reworking of the business process and their training of the office manager.

The consultants have selected to become involved with WorkNow as they wish to help address the social problems facing the suburb in which they too live. Interestingly enough, I think that the private consultants view themselves as being part of the organisation rather than being external to it. This could be due to the extent of their involvement. The project manager (Interview 2, February 2007) identified his role in the organisation as being, “to build the business model and strategically direct it. But having said that I am involved on a day-to-day, actually project managing, interviewing employees, solving work disputes... setting up systems.”

Overall benefits

From these two subsections it is clear that all three parties contribute to ensuring that the organisation functions at full efficiency and that they deliver the best service possible. Outside of this partnership, although WorkNow was still operational, it was severely constrained in its operations by a lack of both financial and non-financial resources. These resources have been provided by the public and private sectors respectively, the DSD and the independent consultants.

Although all three parties in this partnership are necessary for the organisation to function, it is important to note that the private consultants were essentially the catalyst for the growth of the organisation, as it was not until they helped to ensure that the organisation was administratively strong, that the growth in the facilitation of employment began to occur (Journal entry, 8 August 2006).

5.4.2. Looking to the future – continuing the three-way partnership

Funding Issues

Both the chairman and the project manager indicated that they would like the three-way partnership to continue into the future and that both the trustees and the private consultants are committed to the programme in the long term. The project manager (Interview 2, February 2007) said, “So what I am actually saying is that the directors and Tarryn and I are actually committed to making it work... we would like it [WorkNow's relationship with government] to stay the same if they would give us continued funding.” However, both the chairman and the project manager recognise the potential for the DSD funding not to be renewed. The project manager (Interview 2,

February 2007) identified the ability to get funding from the department as being largely dependent on politics and on whether the person allocating the funds is sympathetic to the cause that they were advocating. He said that in the future, "...the funding is going to depend on the right person in the Department of Social Development and maybe it's going to be the Department of Labour."

The project manager (Interview 2, February 2007) further identified the need for government, business and the community to be involved in the project in order to create a really strong model. He said, "It's going to be a three-legged thing so that everybody starts to get involved, business, government and the community. Then I think we will really build a strong model." He stated further, "I think that eventually it has to be three, government putting in something, corporates putting in something, and the community like ourselves running it."

Because WorkNow has no way of generating income on its own, it has no way of becoming self-sustaining. Should it not be able to acquire additional funds from the DSD at the end of the 24-month period, WorkNow will have to look to other sources for funding. However, it is interesting to note that such sources have already begun to present themselves to the organisation. WorkNow has taken on the recruitment function for the Hout Bay branch of a major South African retailer. In response to this and to the service that it is receiving from WorkNow, this retailer has offered to give donations to WorkNow for any employees that it retains for more than three months (Field note, 7 June 2007). When questioned on the importance to the DSD for the organisation to be financially self-sustaining, the DSD representative (Interview 3, June 2007) was evasive and said that she was "not going to answer on behalf of the organisation."

Succession issues

Currently the efficient functioning of WorkNow is dependent on the knowledge of the office manager and private consultants. There is no computerised database, and these three people keep much of the information regarding the potential candidates in their heads (Field-note, 12 July 2007). This generates a problem in terms of succession as should any of them need to leave, they would essentially take the database and knowledge of the candidates with them.

This challenge was identified by both the chairman and the project manager. However the project manager (Interview 2, February 2007) said that despite WorkNow still not

quite having the model right yet, he believes that this model has to be based on personal knowledge of the candidates in order for it to work properly. He said, "It has got to be a model where you get to know the person [the candidates]." From this perspective, succession issues will always exist and should necessarily arise because of the form of the WorkNow model. However, an effective method of addressing this challenge so that it doesn't become problematic has not yet been devised.

The chairman (Interview 1, December 2007) viewed these succession issues as being a bit more problematic. He emphasised the need for the community itself to assume responsibility for the functioning of the organisation and he indicated that it was not sustainable for the private consultants to be needed there all the time. He said,

The system can over a medium term period become self-supporting without the need for intensive higher paid help to run it that way. So it needs to be something that's founded on processes and systems and some branding which in time can maybe be taken on by a broader section of the community and not just the types of people that are needed to be there to run it at the moment.

From this quotation, it appears that the chairman envisages a three-way partnership in which the private sector perhaps takes a more backseat role, and limits its involvement in the day-to-day functioning of the organisation.

Expanding into the future

All three of the programme directors interviewed indicated that they expect WorkNow to expand its services to other communities in South Africa in the future. Both the chairman and the project manager conceded that the WorkNow model would not work in every community in South Africa. The chairman (Interview 1, December 2006) said, "It [the WorkNow model] certainly translates better to communities like Hout Bay and there may not be so many of them that are set up like that." The project manager, (Interview 2, February 2007) was the most optimistic about the expansion of the WorkNow operations to other communities. He said,

My vision is to take it to take it [WorkNow] where it is needed in various pockets across the country, not everywhere, but where there are disadvantaged communities lying side-by-side with advantaged communities. There are probably three or four sites in the Western Cape alone. We could start at Fishhoek, Stellenbosch, Parkwood, Mannenburg and those sorts of areas.

There are currently no immediate plans to expand the operations of WorkNow to include any other communities, although this is expected to happen at some point in the future. There are further no clear plans about the future of the inter-sectoral

partnership that has served to move WorkNow from a place of facilitating less than 200 workdays a month to a place of facilitating in excess of 2,000 workdays every month. As with all other aspects of WorkNow's operations, there is little cohesion between the three partners on their vision for the future of both the organisation and the partnership.

University of Cape Town

Chapter Six

Discussion

At the core of this study is the central research question: How is the WorkNow programme impacting on the lives of programme participants in Hout Bay, and in so doing how is it contributing to the alleviation of structural unemployment in both this community and in Cape Town as a whole? In order to fully address this question, a discussion based on both the literature surrounding the alleviation of unemployment in South Africa as well as the findings is presented in the sections that follow. The five key areas of discussion centre on:

- i) Whether WorkNow is achieving its organisation purpose and what labour market roles it is actually playing in Hout Bay,
- ii) Reflections on the impacts of WorkNow on both the programme participants and the suburb of Hout Bay,
- iii) WorkNow's employment targeting strategy and who they are seeking to facilitate employment for,
- iv) The three-way public-private-civil society partnership in which WorkNow operates, its significance and usefulness in addressing social issues and providing public services,
- v) Areas of adjustment that would ensure that WorkNow could be better equipped to function effectively in the future.

The first four of these discussion topics link directly to all five of the sub-questions that were posed in order to answer the central research question. The fifth topic presents a more general discussion on the adjustments that WorkNow could consider making to enhance the effectiveness with which it provides its service in Hout Bay.

6.1. The actual role of WorkNow in Hout Bay

The intended role of WorkNow was defined in Chapter Five as being that of an employment facilitator that matches unemployed people looking for employment with employers looking for labour. It intends to reduce unemployment by stimulating the demand for labour in Hout Bay through the social call that it makes to the wealthy people of Hout Bay to create additional jobs.

In order to determine whether WorkNow was in fact contributing to the alleviation of unemployment through the social call placed on employers, employers were asked about the changes in their employment patterns since joining WorkNow. Out of the 11 employers interviewed, none of them indicated that they had created even one additional day of employment as a result of their involvement with WorkNow. This finding indicated that WorkNow was failing to stimulate the demand for labour in Hout Bay and that employers were not responding to the social call made by the organisation. From this finding, it was clear that despite facilitating in excess of 2,000 workdays of employment every month, WorkNow was failing to achieve its organisational purpose and key intended impact of contributing to the alleviation of unemployment in Hout Bay.

However upon closer inspection, it was found that both employers and employees identified benefits of being part of the WorkNow programme. WorkNow is achieving its secondary role and is contributing significantly to the empowerment of the programme participants in the employee group. I believe that WorkNow also plays another important role in Hout Bay that has not been identified by any of the members of the ISP. I believe that WorkNow is contributing significantly to improving the efficiency and efficacy of the labour market in Hout Bay.

The South African labour market does not operate efficiently or perfectly. Frictional unemployment arises as a result of timing differences between the supply and demand of labour and structural unemployment when there is a mismatch between the skills being demanded and those being supplied in the market (McConnell and Brue, 1999:152). These imperfections are unlikely to be self-correcting and scholars have suggested that interventions to address the way in which the labour market functions are necessary to alleviate unemployment (Banerjee *et al*, 2006:43). Such interventions can take many forms and are essentially dependent on the inefficiencies that exist.

As was mentioned above, WorkNow contributes significantly to increasing both the efficacy and efficiency with which the Hout Bay labour market functions. This contribution manifests itself in four key ways. These are:

- i) Providing people with a means to move from informal sector to formal sector employment,
- ii) Providing discouraged workers and the long-term unemployed with a re-entry point into the labour market,

- iii) Helping to centralise the employment process thereby resulting in decreased resources being spent on both the job search and recruitment processes,
- iv) Assisting people with the job search process.

Each of these aspects of WorkNow's labour market role is extremely significant and could potentially be useful in helping communities to move from a place of high unemployment to lower unemployment. Each of WorkNow's labour market contributions and their significance in addressing unemployment are detailed in the sections that follow.

6.1.1. Assisting people in making the transition from informal to formal sector employment

The first labour market role played by WorkNow is that of assisting people in making the transition from informal sector to formal sector employment. As was mentioned in Chapter Two, the South African labour market is essentially divided into two segments, the formal and informal sectors. The formal sector is governed by legislation and characterised by higher wages, whereas the informal sector is not governed by legislation and is characterised by lower wages (Kingdon and Knight, 2005:7). As a result, it is preferable to be employed in the formal sector. However it can be difficult for poor people to gain formal sector employment.

Torres *et al* (2000:75) and Banerjee *et al* (2006:4) identify that poor people are often relegated to the informal sector or the secondary market of the formal sector and have difficulty transitioning to the primary market. This difficulty in transitioning is due to barriers to entry to the formal sector, which can include direct discrimination, as well as recruitment practices that emphasise stable work-histories and skills, which are prerequisites that poor work-seekers can rarely satisfy (Torres *et al*, 2000:75).

Overcoming barriers to entry

The WorkNow programme seeks to address the plight of unemployed people from the low-income communities of Imizamo Yethu and Hangberg in Hout Bay. It is expected that these people are likely to be excluded from the primary labour market through the barriers to entry mentioned above as their education and skill-levels are limited and they are unlikely to have stable employment histories. WorkNow recognises that poor people have frequently had little exposure to different types of employment and few opportunities for education and training. As a result the WorkNow programme seeks to

assist these people in overcoming these barriers to entry and helps them enter into formal sector employment.

WorkNow achieves this end through the way in which it both selects programme participants and the way in which it markets these participants to potential employers. Rather than stable employment histories and skills training certificates WorkNow first seeks potential candidates who exhibit dynamic personalities and a willingness to work³. In other words, WorkNow focuses first on seeking potential employees with strong personal baseline and intermediate assets, such as reliability and motivation as well as an ability to communicate these assets to the WorkNow team. These assets are not dependent on any prior work experience or skills training but are rather dependent on the character traits of each candidate. Although the possession of occupation specific skills and stable employment histories are advantageous, they do not determine whether potential participants are accepted onto the WorkNow programme.

In order to market programme participants to potential employers, WorkNow builds “experiential” CVs which are designed to help potential employers experience something of what the employee is like rather than just providing them with information surrounding their past work experience. This further helps to overcome the employers’ reluctance to employ someone with limited work experience. WorkNow puts forward candidates for formal sector employment who have little or no previous formal sector employment history if WorkNow believes them to be employable. In so doing WorkNow helps programme participants to overcome the traditional barriers to entry into formal sector employment.

Aside from the barriers to entry mentioned above, people may be hindered from moving from informal to formal sector employment because they are working full-time in the informal sector and do not have the time to undertake a job search in the formal sector. Seeking formal sector employment can be both expensive and time-consuming. People may further be discouraged from giving up their current employment, even if it is poorly paid, in order to try and get something better, which is by no means guaranteed. As a result, despite wanting to move from informal to formal sector employment, their circumstances frequently do not allow them to do so.

The structure and location of the WorkNow programme make it possible for informal sector workers to find formal sector work through WorkNow, while retaining their

³ See findings in section 5.3.1.

informal sector job during the search process as the registration process is not time consuming and the office is located in Hout Bay. In order to register for the WorkNow programme, potential candidates are required to visit the WorkNow office once to fill in registration forms. They are required to visit the office a second time to be interviewed. If they are accepted onto the programme after the screening interview then they are only required to visit WorkNow for any interviews with potential employers if and when these arise. The WorkNow office is located on the outskirts of Imizamo Yethu and is quickly and easily accessible for all Hout Bay residents. WorkNow's location means that there are no transport costs that could potentially prohibit people from going there and even Hangberg residents could potentially walk there if they were unable to afford the R5 taxi fare.

Placing employees in the primary and secondary labour markets

The formal sector in South Africa is divided further into two segments, namely the primary and secondary labour markets (Torres *et al* 2000:74). The primary labour market is regulated and is characterised by higher wages, opportunities for training and promotion, an organised workforce and higher skill requirements. The secondary labour market on the other hand, is characterised by lower wages, lower skills levels, less regulation and limited opportunities for upward mobility and training (Torres *et al*, 2000:74). From this analysis it can be seen that it is preferable to work in the primary segment of the formal sector. However these jobs can have high skills requirements, which poor people are frequently unable to fulfil, and so they are relegated to the secondary labour market.

WorkNow does not make the distinction between the primary and secondary labour markets and it facilitates employment for both. WorkNow will facilitate employment for any job that is offered, as long as the employers are prepared to adhere to the wage and working hour specifications laid out by the organisation.

WorkNow programme participants are either low-skilled or semi-skilled workers. Their skills profile frequently hinders them in their ability to move out of the secondary labour market, as this is where the demand for primarily low-skilled labour is highest. For example, WorkNow facilitates employment for many domestic workers as their services are in demand in Hout Bay. Domestic work can be classified as employment arising out of the secondary labour market due to the lower statutory wages, low required skills levels and limited opportunities for upward mobility and training.

WorkNow does attempt to make employment from the secondary labour market more akin to that of the primary labour market through its regulation of both the working hours and wages that must be paid for the part-time work that it facilitates. For example, if one considers domestic workers, the minimum wage required by law is R5.27 an hour for employees that work in excess of 28 hours a week and R6.67 for employees that work less than 28 hours a week. However, WorkNow requires that domestic workers are paid a minimum of R110 for an eight hour day, which is equivalent to R13.25 an hour. Through this wage regulation, WorkNow helps to overcome perhaps the main disadvantage of secondary labour market employment, namely lower wages.

Out of the 16 employees interviewed, it was found that four of them had been working in the informal sector before joining the WorkNow programme and WorkNow had assisted them in making the transition to the formal sector. These employees cited wanting a formal sector job, due to both the stability and higher levels of income associated with formal sector employment, as being their key motivation for joining the WorkNow programme.

6.1.2. Providing discouraged workers and the long-term unemployed with a re-entry point into the labour market

The second labour market role that is currently being played by WorkNow is that of providing discouraged workers and the long-term unemployed with a re-entry point into the labour market. Two of the 16 programme participants interviewed indicated that they had been unemployed for more than two years before joining WorkNow and that it was the WorkNow programme that helped them to re-enter the workforce.

Discouraged workers do not actively seek employment, not because they do not want to work, but because the returns to searching for a job are low and there is a limited likelihood of gaining employment (Kingdon and Knight 2005:10). Kingdon and Knight (2005:10) find further that the non-searching unemployed are significantly more deprived than the searching, and that the job search process is hampered by poverty, the cost of the job search process, specifically from rural areas, and high local unemployment (Kingdon and Knight, 2005:10).

The finding presented by Kingdon and Knight (2005:10) that discouraged workers select to stop searching for employment due to the low returns to searching and the high job search costs, are also expected to be the reasons for workers becoming

discouraged and stopping the job search process in Hout Bay. Five out of the 16 employees interviewed indicated that there are high levels of unemployment in Hout Bay. Charlotte (Interview 14, June 2007) emphasised that it is difficult to find employment in Hout Bay and so Hout Bay residents are forced to look for work further afield. She said, "Especially in Hout Bay, it is very difficult finding work because when you go to a place there are no vacancies and no application forms."

Although Hout Bay is not a rural area, it is not close to the centre of Cape Town and formal sector job search costs can be prohibitively high for unemployed people. A WorkNow programme participant, Lionel (Interview 10, June 2007) for example indicated that before joining WorkNow, his main expenses were associated with the job search process. He said, "Actually I spent it [money] on going around, searching for a job all the time, making CVs."

Through the centralisation of the recruitment function and by providing an inexpensive and easy way for potential employees to seek employment, WorkNow is able to assist both discouraged workers and the long-term unemployed to re-enter the labour market. Due to WorkNow's location on the outskirts of Imizamo Yethu, it is easily accessible to Hout Bay residents. It is not necessary for potential programme participants to bring their own CVs when applying for the WorkNow programme, as WorkNow builds a CV for every person that is accepted onto the programme. As a result there are no monetary costs associated with this method of searching for employment.

Discouraged workers may also have lost confidence in their ability to be employed due to long periods of economic inactivity. WorkNow further contributes to helping discouraged workers to become economically active through encouraging them in their self-worth. During the preliminary interview and screening processes, employees are taught about their self-worth and encouraged to have dreams for their future. Through this process WorkNow seeks to build potential candidates up and boosts their confidence to the point where they begin to regain their belief in their own abilities and are able to have aspirations.

6.1.3. Helping to centralise the employment process

The third way in which WorkNow contributes to increasing the efficient and effective functioning of the Hout Bay labour market is through the centralisation of the whole employment process. This centralisation results in fewer resources being spent by both

potential employees and employers on the job search and recruitment processes respectively.

The employee group

As was mentioned in the previous two sections, WorkNow provides a way for employees to seek employment that is both cost-effective and does not take up large amounts of time. As a result, involvement in the WorkNow programme can result in savings of both time and money for potential employees, as they no longer have to spend resources on the job search process.

WorkNow does not assume that potential employees' employment histories should dictate their employment futures. WorkNow recognises that the employment opportunities that programme participants may have been exposed to, in areas other than those offered by the informal or secondary labour markets, may have been limited in the past. As a result, WorkNow focuses on finding out about the employees' personalities as well as their dreams, aspirations and goals. This ensures a good match between the employee and the employment facilitated. As a result it is expected that the employee is more likely to thrive in the employment that WorkNow facilitates and is less likely to leave that employment.

The employer group

From the employers' perspective, WorkNow's screening process ensures that the candidates that are put forward by the organisation for a particular job actually are skilled in the area that they say they are. This saves employers' time as they are able to conduct fewer interviews in order to find an employee with the appropriate skills⁴.

WorkNow also assists employers in finding employees that match their employment criteria. By finding a good fit between employer and employee, the result is likely to be reduced staff turnover and fewer resources being spent on the recruitment process by employers. This role is illustrated well by an example. Mary (Interview 11, June 2007), one of the employers, has a painting company that employs women only. She indicated to me that before using WorkNow, she had really struggled to get staff, but since WorkNow she was able to find experienced staff and had experienced a reduction in staff turnover.

⁴ See findings in section 5.2.4.

6.1.4. Assisting people with the job search process

The fourth labour market role currently being played by WorkNow is that of assisting people with the job search process. Torres *et al* (2000:85) identify that providing people with assistance in the job search process is one of the key interventions that could help to contribute to the reduction in unemployment for both people with labour market experience and some education and the young unemployed with no labour market experience. Banerjee *et al* (2006:59) identifies further that an intervention that could be pursued to assist school leavers in finding their first job is search subsidies. This policy too implies assisting young job seekers in their employment search.

WorkNow is currently playing this role and is assisting not only young job seekers with no labour market experience, but any unemployed person who meets WorkNow's criteria, with their job search process. This assistance occurs in three forms:

- i) WorkNow constructs CVs for all of their programme participants,
- ii) They put candidates forward for appropriate employment,
- iii) They coach the programme participants to prepare them for the job interview process.

By carrying out these three activities WorkNow assists people to find better employment than they could potentially have found on their own, as WorkNow is aware of what jobs are on offer as well as what skills are required for the available jobs. This role of assisting people with the job search process is particularly important for school leavers with no labour market experience who have not managed to secure employment for themselves previously. WorkNow can help these people to gain valuable work experience as well as teaching them important skills, such as interview techniques, that will stand them in good stead for their futures.

6.2. Reflecting on the impacts of the WorkNow programme

WorkNow is a very small programme, facilitating employment for just over 130 employees every month. As a result it is not expected that in its current state it would be able to have any large impacts on either Hout Bay, a suburb that is home to over 43,000 people, or indeed on the city of Cape Town. However, it is important to note that the WorkNow programme has had several significant impacts on programme participants' lives, specifically those in the employee group.

The findings indicate that the key social impacts that were actually experienced by programme participants were:

- i) Perceived reduction in the levels of overall unemployment in Hout Bay,
- ii) Increased levels of empowerment for the employee group,
- iii) Reduction in the level of poverty for some of the employee group,
- iv) Perceived or expected reduction in the levels of crime in Hout Bay.

Evidence suggests that aside from the employment that WorkNow has facilitated for these employees, the key impact that WorkNow is having on employees' lives, is increasing their levels of empowerment. WorkNow is helping employees to become more empowered and better equipped to make their own decisions and to transform these choices into action. Specifically those who have been placed in full time positions in the primary labour market, are earning salaries that are sufficient to enable them to save and to move from a place of living hand-to-mouth.

On thinking about the big issues that WorkNow is trying to address, specifically those of unemployment and poverty, and about whether it is a suitable model to contribute to the alleviation of these social challenges, I was left feeling somewhat torn. As was mentioned in the previous section, the findings reveal that employers did not indicate that their involvement with WorkNow had stimulated them to generate additional employment. Perhaps some additional employment has been created by employers who were not interviewed, but from this finding one must draw the conclusion that if additional employment has been generated it has not been of the magnitude that programme directors envisaged.

I believe that the WorkNow model, as it stands, is incredibly limited in its ability to impact the suburb of Hout Bay. These limitations are self-imposed by the extremely narrow scope that the organisation has given itself. WorkNow recognises the limitations of their programme. They suggest that they are only trying to facilitate employment for 10% of the unemployed in Hout Bay (CEI, 2005:1). If they achieve this, then the unemployment rate in Hout Bay will have decreased from 30.5% to 27.45%. However, they do not provide a solution for the remaining 90% of unemployed people.

WorkNow is only providing a partial solution to the problem of structural unemployment in the Western Cape. Although they are contributing to the improvement of the efficiency of the labour market, they are neither contributing to the alleviation of unemployment nor addressing the structural nature of this unemployment. Neither are

new jobs being created, nor are people that are deemed to be unemployable being equipped with skills that are in demand in the market in order to increase their employability. In order to have more extensive impacts in the future, WorkNow needs to expand its perspective about what it means to alleviate unemployment. How WorkNow could expand to provide a more comprehensive service is discussed further in section 6.3.1.

6.3. The targeting of employment

This section builds on the findings presented in Chapter Six regarding the targeting of the WorkNow programme and seeks to further address the sub-question that focuses on the targeting of the employment facilitated by WorkNow. It begins by exploring WorkNow's current selection criteria and the ramifications of these criteria. The importance of strong links between the targeting of programmes and the specific programme goals is then presented. The section concludes with a discussion on how WorkNow could better target the categories of the unemployed found in the Western Cape.

6.3.1. Employability and ignoring the structural aspect of the unemployment problem

WorkNow does not have a particular strategy as to the category of unemployed people in Imizamo Yethu and Hangberg that it is seeking to target. However, WorkNow has highlighted seven criteria, all or most of which potential participants are required to fulfil in order to be considered for the WorkNow programme⁵.

WorkNow acknowledges that they are unable to facilitate employment for everyone and does not even guarantee employment to those who have been accepted onto the programme. In fact only 61% of the programme participants in the employee group have ever acquired any form of employment through the organisation. WorkNow further does not accept everyone that applies to the organisation and it rejects those that it views as having limited employability. People can be considered by WorkNow to have low levels of employability for various reasons including: an inability to communicate in English, being unreliable and missing interviews or not exhibiting a dynamic personality and a desire to work. As a result employability is primarily compromised by people

⁵ See findings in section 5.3.1.

either not being in possession of strong personal assets or being unable to communicate the possession of these personal assets to the programme directors.

As a result, the WorkNow programme only undertakes to facilitate employment for people that they define as being of a high “quality” (The chairman, interview 1, December 2006). However, this policy generates a concern, because although WorkNow is facilitating employment, it is only doing so for people that it deems to be employable. It simply rejects those that it deems to be unemployable and there are no structures in place to help the unemployable people to become more employable.

Instead of viewing limited employability as something to be addressed, WorkNow prefers to focus on helping those that are already employable. WorkNow takes programme participants’ skill-sets and personal assets as being fixed and facilitates employment based on the skills that are already in place. However this approach fails to address the underlying problem of the South African economy, namely, that there is a mismatch between the skills that are being demanded in the economy and the skills that are being supplied in the market.

WorkNow has consciously decided not to get involved in training and has elected to rather focus on their core business of facilitating employment. They suggest that they are constrained in terms of both financial resources and administrative manpower and simply do not have the capacity to extend their services to training. However, if the WorkNow model is to be one that is rolled out to other communities and extended beyond Hout Bay, these financial and human resource constraints need to be addressed so that WorkNow can provide a more comprehensive service.

I believe that in its current form WorkNow is seeking to treat the symptoms of unemployment, through the facilitation of work, but they are failing to address one of the most important root causes, namely the underlying structure and skill profile of the workforce. Even if WorkNow elected not to assume the training function itself, it could potentially link up with other training bodies to provide occupation specific skills that are in demand in the economy. By doing this WorkNow could potentially offer some way of assisting those that it deems to be unemployable to become more employable.

Kingdon and Knight (2005:29) posit that there is a lack of clarity in the debate about skills in South Africa. They suggest further that the belief that skills development and education are important tools in combating employment has arisen from the

observation that unemployment has been highest in the portions of the population that exhibit the lowest levels of education. However, it has yet to be proven that better education and skills training improve one's chance of being employed and further research is required in this area to determine the links between skills training and employment (Kingdon and Knight, 2005:30).

Although it is true that improving the quality of the workforce is unlikely to stimulate demand for additional labour, structural unemployment does not exist primarily as a result of the lack of demand for labour as is the case with cyclical unemployment. It exists rather as a result of a mismatch between the skills being demanded and those that are supplied in the market (McConnell and Brue, 1999:152). Training has the potential to bring these two into alignment and thus to reduce the levels of structural unemployment in the economy. It is not as simple as this however, as the trend in the South African market is towards employing higher and higher skilled positions (Banerjee *et al*, 2006:57), while those that are unemployed exhibit very low skill levels. As a result, long term training interventions would be required to help people to bridge the gap and move from a place of unskilled to high-skilled work.

Seeing as there is still debate around whether additional skills training heightens people's employability it may be prudent for WorkNow to embark first on a skills training programme on a relatively small scale. It could then observe whether the additional skills impact on the employability of some of the potential programme participants that it had previously deemed to be unemployable. Such a programme could contain educational elements that extend beyond occupation specific skills and include life skills and communication skills. Where occupation specific skills are taught, these should primarily be the skills that are currently in demand in the economy. Careful thought and consideration would have to go into how this training programme could potentially be run and its impacts would need to be carefully monitored.

6.3.2. Linking programme targeting and goals

In the context of chronic mass unemployment, low rural wages and the limited employment opportunities offered by Public Works Programmes (PWPs), McCord (2004b: xii) emphasises the importance of the clear targeting of employment programmes. She posits that it is essential to clearly define programme objectives in order to ensure the participation of the appropriate group. By way of example, she posits that if the purpose of an intervention is to enhance labour market performance, then the youth would be the most appropriate group to target. However, if the purpose

is poverty alleviation, then female-headed households in remote areas where poverty is highest would be the most appropriate group to target. By having dual objectives, PWPs are prone to targeting errors and neither the social protection nor labour markets benefits accrue to their full potential (McCord, 2004b: xii).

If one applies McCord's analysis to WorkNow, one can see that WorkNow is seeking to operate with a dual purpose. As was mentioned in Chapter Five, WorkNow does not have one clear statement of purpose and there are different perspectives as to what exactly the purpose of the organisation is. This was clearly evident when speaking to the programme director group as each person that I interviewed gave me a different answer about what they thought the purpose of the organisation to be.

WorkNow suggest that they are simply seeking to "to create employment for the unemployed" (The project manager, interview 2, February 2007). From the Western Cape Department of Social Development's perspective however, WorkNow's key purpose is to contribute to the alleviation of poverty through placing unemployed people in part-time and full-time employment. These are two very different perspectives on the purpose of the organisation, and if both are pursued could potentially lead to confusion in the targeting of employment that is facilitated.

In order to ensure that WorkNow does not suffer from poor targeting, WorkNow needs to decide whether it wants to be an organisation whose primary goal is to contribute to the alleviation of unemployment or the alleviation of poverty through the mechanism of job facilitation. If they select the former, it may also be useful for them to identify the category of the unemployed that they are seeking to assist. This will be addressed further in section 6.3.3.

If WorkNow selects poverty alleviation as its main objective then its employment targeting needs to be far more structured than it currently is. In order to address poverty, WorkNow would have to seek out those in Hout Bay who were most vulnerable to poverty and seek to facilitate employment for those people first. This group could include those living in female-headed households or households headed by young school leavers with no labour market experience.

However, the way in which the WorkNow programme is currently structured and the criteria employed in selecting programme participants, does not lend itself to the addressing of poverty. For example, that it is necessary for all programme participants

to either possess a cell phone or to have a landline in their home to even be accepted onto the programme, could be a factor that prohibits the very poor from joining WorkNow, as they are unlikely to be able to afford such things. As a result, the criteria imposed by WorkNow could have the effect of creating further barriers to entry into the formal labour market.

6.3.3. Targeting the types of unemployed people found in the Western Cape

As was outlined in Chapter Two, it is expected that the unemployed in the Western Cape and therefore Hout Bay can be classified into two key groups, the urban poor who have little education and young school leavers who are seeking their first job and have no labour market experience (Klaasen and Woolard, 1997 cited in Torres *et al* 2000:83). WorkNow does not currently employ any strategy in the targeting of the employment that it facilitates. By targeting one of the two groups of unemployed people that one expects to be found in Hout Bay rather than no one in particular, WorkNow could potentially increase the effectiveness of its programme.

If WorkNow selected to have a more focussed employment targeting strategy, it would need to decide on which of these groups it was primarily seeking to target and adjust the criteria according to which it accepted programme participants accordingly. If WorkNow sought to overcome the labour market constraint posed by the vast numbers of school leavers with no labour market experience that were struggling to find their first job, then criteria for inclusion in the WorkNow programme could include:

- i) That applicants have to be below a specific age or have left school in the past five years,
- ii) That the applicants should not have any prior labour market or employment experience,
- iii) That the applicants should have a minimum level of schooling.

If however, WorkNow decided to rather focus on the urban poor who have labour market experience but little education, then the criteria for inclusion in the programme could include:

- i) That applicants must be able to show evidence of employment history,
- ii) That applicants must be in possession of occupation specific skills.

From these two sets of criteria, it can be seen that the groups being targeted will necessarily consist of different types of people. It is advisable for WorkNow to adopt a

strategy for the targeting of the employment that it facilitates that is in line with its programme objectives. This would eliminate the potential for the targeting errors that are currently being experienced.

At the moment, WorkNow will facilitate work for anyone who meets its criteria, regardless of whether they are unemployed or not. The findings revealed that three of the 16 employees who were interviewed had never been unemployed, but made use of the services of WorkNow to change careers or to work closer to home. This is indicative of a targeting error as WorkNow is an organisation that seeks to match unemployed people looking for work with employers looking for labour. This emphasises further the need for WorkNow to decide on whom exactly it is seeking to target.

6.4. The significance and usefulness of public-private-civil society partnerships in addressing social issues and providing public services

This section builds largely on the findings presented in Chapter Five surrounding the inter-sectoral partnership (ISP) in which WorkNow operates. It further seeks to address the sub-question that was concerned with the significance of partnerships and how they can contribute to the addressing of social issues in both Cape Town and South Africa as a whole.

This section is divided into three key parts. Firstly I touch briefly on the role that the South African government has identified for partnerships going into the future. From the case of WorkNow, Hout Bay lessons are then extracted that focus on the part that can be played by each of the partners in an ISP. The section is concluded by a discussion on the importance of all three sectors of society becoming involved in the addressing of social issues in general and structural unemployment in particular.

6.4.1. The role of partnerships in South Africa

As was mentioned in Chapter Two, the term “partnership” has become a dominant buzzword in recent discourse on government and governance (Wettenhall, 2003:80). The South African government has recognised the importance of the role that ISPs can play in helping to address social issues. They posit that state goals to reduce both

poverty and unemployment will be unachievable without partners in both the private sector and civil society (South African government Website, 2007).

This study is concerned with the role of three-way public-private-civil society partnerships to address social issues facing South Africa. The primary purpose of such partnerships is to achieve a desired goal with greater efficiency than would have been possible had any of the three parties sought to address the issue on their own. Swilling and Russell (2002:84) question the emphasis that is currently placed on public-private partnerships (PPPs) in South Africa, and on the public and private sectors as being the only relevant actors in policy making and service delivery. They posit that although it is present in a number of policy documents, more needs to be done to both emphasise and strengthen the idea of three-way relationships between the state, the private sector and the non-profit sector in South Africa (Swilling and Russell, 2002:84).

6.4.2. The roles and competencies of each partner in a three-way inter-sectoral partnership – lessons from WorkNow, Hout Bay

The key benefit and purpose of an inter-sectoral partnership (ISP) is the achievement of creative synergies and end results that could not have been accomplished by any of the partner organisations had they been working on their own (Caplan, 2003:4; Chanya *et al*, 1998:1). This view of ISPs is based on the perspective that sectoral differences are beneficial in generating creative solutions to social problems (Chanya *et al*, 1998:3).

This principle is clearly illustrated through the case of WorkNow. It was only since the establishment of this ISP, that the operations of the organisation have begun to grow. WorkNow currently facilitates more than 10 times the number of workdays each month than it did before the establishment of this partnership and it can be clearly observed that this partnership has resulted in the organisation functioning more efficiently and providing its public service more effectively.

The WorkNow ISP further illustrates how different sectors of society can come together to contribute to the addressing of a social issue. This can be accomplished either, as with WorkNow, on a small, community level or on a much more extensive national level. Such partnerships can involve community-based civil society groups, local or provincial government, and small to medium sized businesses. Alternatively, they can include national non-governmental organisations (NGOs), national government departments, and big corporates. Whatever the size and scope of the intervention, the

underlying premise of working together to provide the efficient and effective delivery of public goods and services, is the same.

Caplan (2003:2) further identifies that ISPs should also be based on the concept of Core Complementary Competencies. According to this line of thinking, partners should contribute what they do best (Key Competencies) to the partnership in order to add value to the areas that the other partners do best (Complimentary Contribution) (Caplan, 2003:2). From the case of WorkNow, it can further be seen that each partner brought different resources, skills and competencies to the table. These different strengths have facilitated the delivery of a far more efficient and effective public service than WorkNow was able to offer when it functioned alone. If one extrapolates the roles and competencies observed in the case of WorkNow to the generic level one can clearly see how each of these partners contributed to the partnership.

Civil society

Civil society groups have two unique areas of contribution in ISPs, namely their knowledge of the communities involved and the credibility that they bring to interventions. A civil society group that has arisen in response to a specific social issue in a particular area is likely to have a much better idea of the dynamics of the area and how it functions, than either government or a private enterprise. As a result, they will be able to better identify the types of interventions that are needed and should be able to assist in the targeting of such interventions.

The second contribution that civil society groups make to such partnerships is that they can bring credibility to interventions, as they are credible within their communities if their commitment to the long-term well-being of the area is known. Potentially, they are more likely to be able to facilitate access to the community than either of the other two partners. This role is particularly useful in communities that have complex social dynamics. Civil society groups can also provide volunteers who want to see their communities changed or transformed, to assist in the operation of the intervention. As with the case of WorkNow, civil society groups that run interventions alone can be constrained by both a lack of financial resources and business know-how which can limit the effective functioning of such interventions.

Government – the public sector

As with civil society, government's role in three-way ISPs is two-fold. Firstly, government can bring financial resources to the table, which can greatly aid the way in

which interventions are run. Government is also able to contribute lessons learnt from past experiences of interventions, which should contribute positively to the functioning of the partnership to ensure that the same errors are not made again. Government involvement would further be vital if the intervention, which sought to provide a public service or address a social issue, started out on a small scale and needed to expand into other communities. While it may be inappropriate for a civil society group based in a specific community to lead such an expansion, it would be most appropriate for government to do so and to get civil society groups in other areas on board.

Business – the private sector

The nature of the role of business or the private sector in ISPs depends on the type of business that is involved and here a distinction should perhaps be made between big corporates and small to medium sized businesses. Both types of business can provide valuable skills which will greatly enhance the effectiveness and efficiency of the functioning of interventions. These skills include: project and operations management, legal and financial skills and advice, and strategy generation. Big business in particular can also provide much needed financial resources to assist the functioning of such interventions.

Accountability

Accountability is a vital part of ensuring the success of ISPs. Accountability refers to a chain of relationships that must exist:

- i) **Upwards** – with organisations that are in authority over partnerships,
- ii) **Downwards** – with beneficiaries and other groups,
- iii) **Within** – to organisational missions and values.

As a result there is a three level accountability in partnerships. There must be accountability between each partner and its stakeholders, between the partners, and between the partnership and its stakeholders (Blagescu and Young, 2005:5).

The ISP in which WorkNow functions has also increased the accountability of the organisation. All three parties are accountable to one another for their actions and although the DSD monitors the activities of WorkNow formally, the project managers and trustees check in with one another regularly and each monitors the other's actions. This ensures that the organisation is transparent and that all of the operations are above board.

6.4.3. Further lessons from the case of WorkNow, Hout Bay

The WorkNow model is similar to that of the Jobcentre Plus in the UK. Jobcentre Plus also plays the role of a community-based employment facilitator, which seeks to assist people to re-enter the workforce and to move from a place of relying on welfare to a place of economic self-sufficiency. Jobcentre Plus recognises its main aim as being to “increase the effective supply of labour by promoting work as the best form of welfare and helping unemployed and economically inactive people move into employment” (Jobcentre Plus Website, 2007).

Aside from the welfare function carried out by Jobcentre Plus which is not carried out by WorkNow, perhaps the key difference between these two models is that Jobcentre Plus is solely a government initiative and is spearheaded by the UK Department of Work and Pensions (DWP) (Jobcentre Plus Website, 2007), whereas WorkNow was initially a civil society initiative that now operates in an ISP.

That WorkNow was a civil society initiative that now functions in an ISP is significant in the South African context, as the chronic and mass problem of unemployment requires that all sectors of society come on board and get involved to help to address it. By government, in particular, coming on board with the WorkNow programme and recognising the value of such a project, it encourages other civil society groups to take initiative and to start working towards addressing the social issues facing the communities in which they live.

Social challenges are not just a government problem, but are everyone's problem because they impact on all sectors of society. Unemployment for example, has negative impacts on communities because it leads to poverty as well as social ills such as crime and domestic violence. Unemployment also has negative implications for business. Crime that arises as a result of unemployment, serves to discourage foreign investment. Structural unemployment specifically, implies that companies cannot necessarily get the skills that they require to grow their business. Thirdly, if unemployment is high many people do not have any money, and the demand for goods and services provided in the market is likely to be lower than it could be if more people were working. So, from a business point of view, contributing to the alleviation of unemployment is a very positive thing.

The involvement of business in addressing social issues through longer term strategic partnerships with NPOs is becoming more and more prevalent in South Africa with the

rise in the importance of 'corporate citizenship'. This strategic approach is beginning to replace the 'corporate social responsibility' (CSR) approach that focused more on handouts rather than development (Swilling and Russell, 2002:92). There is also a growing emphasis towards triple bottom line accounting in South Africa. The triple bottom line concept recognises that a "bottom line" should not only reflect the economic return of a business, but rather should reflect three things, the economic prosperity, social responsibility and environmental sustainability of a business' operations. In other words it focuses on both the financial and non-financial returns to shareholders. The ability of a business to operate in a truly sustainable way will result from it producing a balanced return in all three forms of capital, namely economic, social and environmental (Ethics and Compliance and Custodian Organisation, 2007).

By all three sectors of society working together, in partnership, to address the social issues that affect them all, valuable synergies can be created, where the value of the whole intervention and partnership exceeds the sum of the parts if each had to exist in isolation.

6.5. Looking to the future and making adjustments

The purpose of this section is to add to all of the other sections presented before it, and to highlight two key issues that WorkNow should consider addressing if it is to move forward into the future. These issues are the formalisation of the WorkNow programme and the partnership in which it operates, and the necessary choice that WorkNow must make between its goals and its actions.

6.5.1. Formalising WorkNow and the partnership in which it operates

As was mentioned in previous chapters WorkNow is not a registered non-profit organisation (NPO), and although it functions according to the principles of a NPO it has never drawn up articles of association or any documents that speak directly into its vision, mission and objectives. As a result there is no coherence between the parties involved in this programme as to exactly what the purpose or vision for the future of the organisation is. This lack of vision, I believe, greatly compromises the operations of WorkNow and its potential to grow in the future as the different players are currently not all working towards the same goal.

I appreciate that WorkNow is a dynamic organisation and that it is still learning and evolving. However, I think that there is value in formalising what is already in existence, even if that value simply is that all of the parties involved have the same expectations of both the programme and one another and are able to work towards the same goal. Thus, I believe that it is necessary and vitally important that WorkNow registers itself as a NPO.

Another area that requires formalisation is the ISP in which WorkNow operates. Blagescu and Young (2005) emphasise that when partnerships are formed, partners need to go through an in-depth analysis of each others' strengths and weaknesses in order to identify their complementarity (2005:3). This ensures that they can find the most advantageous synergies so that the partnership can function effectively. Blagescu and Young (2005:5) emphasise further that it is critical that each organisation's roles are understood from the outset, so that each partner has clear responsibilities and expectations of one another, and also that these roles are continuously revisited and revised as the partnership progresses (2005:5).

The existence of this partnership is perhaps WorkNow's greatest strength and this partnership should be nurtured going in the future. Currently, however this ISP has not been explicitly agreed upon by the three parties involved. It is crucial that WorkNow sits down with the relevant government department and the private consultants to come to a place of understanding about what the role of each is in the organisation and how they can support one another. By setting such parameters and boundaries, each party will be able to have realistic expectations of the others and this will greatly assist them in moving forward knowing which responsibilities rest with each party.

It is also important to note that there is a disjuncture between the primary goal being pursued by WorkNow and the goal that the DSD believes WorkNow to be pursuing. The primary objective of the DSD is the alleviation of poverty and they believe that WorkNow is an organisation that seeks to alleviate poverty through the facilitation of employment. WorkNow on the other hand, suggests that their primary goal is the alleviation of unemployment, which may or may not have the side effect of reducing poverty. The difference between these two approaches is not merely semantic as they necessarily imply the targeting of completely different groups. As a result, it appears that there is somewhat of a mismatch between the goals of the funding government department and WorkNow. As a result, I believe that it would make more sense for

WorkNow to be linked to either the national Department of Labour or the Western Cape Department of Economic Development and Tourism going into the future.

6.5.2. Choosing between goals and actions

There is further a noticeable disjuncture between what WorkNow aims to do and what it is actually achieving in Hout Bay. WorkNow's organisational purpose was identified in Chapter Five as being the creation of employment through the matching of unemployed people looking for work with employers looking for labour, all within the geographical boundaries of Hout Bay. However, it was found that despite facilitating over 2,000 workdays per month, WorkNow was failing to stimulate the demand for additional labour.

Despite WorkNow failing to achieve its primary objective, it is playing other important labour market functions in Hout Bay. These functions include: helping people to transition from informal sector to formal sector employment, providing discouraged workers with a re-entry point into the labour market and assisting unemployed people with the job search process.

I believe that WorkNow needs to choose between pursuing its current actions or its current goals as the two do not go hand-in-hand. If WorkNow seeks to be an organisation that addresses unemployment through the stimulation of the demand for labour and the facilitation of employment, then it needs to contemplate how to stimulate this demand for labour beyond the social call that it currently relies on, as employers do not seem to be responding to this social call. On the other hand, WorkNow could choose to maintain its current operations and change its organisational purpose and goals. Rather than considering itself to be an organisation that contributes to the alleviation of unemployment, WorkNow could operate as a kind of labour market auxiliary organisation. In this capacity, WorkNow can perform equally vital labour market functions that help to improve both the efficiency and efficacy of the functioning of the Hout Bay labour market.

Chapter Seven

Conclusion

The overall purpose of this study was to contribute to the body of knowledge surrounding the alleviation of unemployment in South Africa. This study focussed specifically on a single case, that of WorkNow, an employment facilitation intervention that operates in a three-way inter-sectoral partnership (ISP), in the suburb of Hout Bay, Cape Town. The central research question posed at the outset of the study asked how the WorkNow programme was impacting on the lives of programme participants in Hout Bay, and in so doing how it was contributing to the alleviation of structural unemployment in both this suburb and in Cape Town as a whole. This question was unpacked into five sub-questions, which centred on four areas: the role of WorkNow, the social impacts of the WorkNow programme, the targeting of the employment facilitated by WorkNow, and the ISP in which WorkNow operates. Each of these areas was addressed in order to fully answer the central research question.

The first area of exploration revealed that WorkNow was not achieving its core role of generating employment through the social call that it put to wealthy Valley residents to create jobs. It was found that Valley residents were not responding to this social call but were making use of the services of WorkNow to place new employees in already existing jobs. The study revealed that WorkNow cannot be said to be contributing to the alleviation of structural unemployment in Hout Bay as they are neither reducing unemployment levels, through the creation of new jobs, nor are they addressing the problem of the mismatch between the skills being supplied in the market and those being demanded. It was found that WorkNow had elected not to become involved in skills training, which could potentially increase the employability of those they deem to be unemployable, but rather elected to focus on their core activity of employment facilitation.

Despite not achieving its core role, it was found that WorkNow is playing other significant labour market roles and is contributing to increasing the efficiency with which the Hout Bay labour market functions. Its roles in this capacity are fourfold. They include: assisting people to move from informal to formal sector employment, providing discouraged workers and the long-term unemployed with a re-entry point into the labour market, assisting people with the job search process and, helping to centralise the recruitment process.

However, this study revealed that there is still a disjuncture between the goals and intended role of WorkNow and its actions and the role that it is actually playing. It is not achieving what it has set out to achieve, but rather something entirely different. In order to alleviate this mismatch WorkNow needs to select whether it wishes to pursue its current goal of contributing to the alleviation of unemployment in Hout Bay, in which case it needs to adapt its operations, or whether it will carry on as it has been functioning, in which case it should adjust its organisational purpose.

WorkNow is a very small programme and so it is unlikely that at its current level of operation it is having any significant impacts on the social issues facing Hout Bay. However, the second area of focus found that on an individual level, through the facilitation of employment, WorkNow is having significant impacts on the lives of programme participants, especially those in the employee group. The key impacts that WorkNow was found to be having on programme participants included: increased levels of empowerment, decreased poverty for some of the programme participants, and a perception and expectation that unemployment and crime in Hout Bay have and will continue to decrease as a result of WorkNow. It was found that all of these social impacts have contributed positively to improving the programme participants' overall levels of well-being.

The third area of exploration revealed that WorkNow does not have a clear strategy as to whom they are trying to facilitate employment for. Even though there are two distinct groups into which the majority of the unemployed in the Western Cape fall, namely the young with no labour market experience and urban dwellers with labour market experience but little education, WorkNow seeks to target neither but will facilitate employment for anyone who approaches them and who they deem to be employable.

This lack of targeting strategy has led to some ineffective targeting practices. The study revealed that WorkNow facilitated employment for whoever met their employability requirements, whether they were unemployed or not. It was found that by facilitating new employment for those who were never unemployed, and as a result of the lack of a clear targeting strategy, the potential of the organisation to impact positively on the lives of both the programme participants and Hout Bay in general was compromised. It was found further that WorkNow's ability to effectively target the employment that was facilitated was constrained by its lack of clear organisational purpose and goals, as the

targeting should necessarily be linked to the organisational goals to ensure that the purpose is fulfilled.

The fourth area of focus revealed what is perhaps WorkNow's greatest strength, the three-way inter-sectoral partnership in which it operates. The study revealed that the ISP between WorkNow, the private consultants and the Western Cape DSD has assisted WorkNow in overcoming the financial and human resource related constraints that were limiting the growth of the organisation. It has resulted in the creation of synergies that have been the catalyst and cause of the growth in employment contracts that WorkNow has facilitated over the past 18 months.

However WorkNow is suffering from a lack of formalisation. Despite this partnership being WorkNow's greatest asset, it has never been formalised and it operates without agreed upon objectives, roles or responsibilities. WorkNow would benefit greatly from a formalisation process in which partner's key competencies and the areas of complementarity could be established. I believe that this would further increase the benefit that WorkNow is experiencing through operating in this ISP.

Beyond formalising the ISP, WorkNow is constrained by its own lack of formalisation. The study revealed that WorkNow does not have a clear mission, values or organisational objectives, nor are they a registered NPO. As a result there is little co-ordination within the organisation or between the partners regarding the purpose or future of the organisation. This registration process would have the effect of unifying the vision of what WorkNow is trying to achieve. I believe that this would greatly improve the direction and the functioning of the organisation, as everyone would be operating in order to achieve the same goal.

In its current state, I believe that WorkNow is playing some important labour market functions. However, these are not sufficient to contribute to the alleviation of structural unemployment in South Africa. WorkNow needs to undergo extensive formalisation and potentially expand to include activities, such as training, if it is to contribute significantly or provide any sort of sustainable solution to the unemployment crisis facing South Africa. WorkNow needs to further strengthen and formalise the ISP in which it operates, in order to fully benefit from the creative synergies that such partnerships can provide.

An area for further research is the state of three-way ISPs in South Africa, how they are currently being used, the impacts that they are having as well as their potential use in the future. Another important area for further research is the correlation between skills training and employment and employability in the South African context. Finally, further research could also be conducted in order to determine the extent to which WorkNow is contributing to improving the efficiency of the labour market and to the alleviation of unemployment in Hout Bay. This research should be conducted based on a test and control group structure where both groups consist of unemployed people, but the test group have access to the WorkNow programme, while the control group do not.

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Appendix A

Research design and methodology

This appendix outlines the methodology and research strategy and design used in this study. It presents the sampling, method of data collection and data analysis used to answer the research questions and motivates why this particular strategy has been selected. In addition it includes ethical observations considered in this study and notes the methodological constraints faced.

1. Overall design

This study uses a single-case case study research strategy that is focussed on WorkNow, Hout Bay. The case study design was selected as being the most appropriate research strategy to address the central research question, which focuses on both the impacts of the WorkNow programme on programme participants as well as on the implications of these impacts for job creation efforts in Cape Town in general and Hout Bay in particular.

This single-case design was selected over a multiple-case design for several reasons. The primary reason was that WorkNow is unique to Hout Bay and there are no other organisations that operate according to the same model in South Africa. However, the value of this case study does not stem from its uniqueness alone. I believe that lessons learnt from this case have broad implications for the addressing of unemployment at a community level. WorkNow is both a pilot project that has the potential to be rolled out to other communities in South Africa, and an example of a not-for-profit organisation that operates in an inter-sectoral partnership (ISP) with provincial government and the private sector. The Western Cape Department of Social Development (DSD) has identified the WorkNow model as being a viable strategy to contribute to the alleviation of unemployment and poverty in the Western Cape, and there are plans to expand the operations of WorkNow to other communities in the Cape Town area. Thus both its potential for expansion in the future and its intimate link with both government and the private sector make it an unusual and worthwhile single-case case study.

Prior to this study, no research that focussed specifically on the WorkNow programme or its model of job creation had been conducted. This model has the potential to be

rolled out to many other communities in South Africa, yet it is not known what sort of impacts, if any, this programme is having. As a result this case study is primarily exploratory in nature as it seeks to determine how the WorkNow programme is impacting on Hout Bay and the implications of these impacts on Cape Town in general (Yin, 2003:6). This case is an “insight stimulating” example (Babbie and Mouton, 2001:80) of addressing unemployment one community at a time.

Case studies are multiple method research strategies (Yin, 2003:1). For this study three main research methods were employed. These were:

- i) Direct observation,
- ii) Documentation, and
- iii) One-on-one semi-structured face-to-face interviews with programme participants and informants from the organisation, government and the private sectors.

Each of these three sources contributed different information that assisted me in addressing the central research question and associated sub-questions. However, beyond the provision of different information, this multiple method strategy also played an important role in the verification of the research findings. Each of these research methods and how they were used are detailed in the sections that follow.

2. Direct observation

My involvement with WorkNow began in 2006, when I participated in an internship with the organisation. It was then that I began to get to know the organisation and the people involved there. During this time I participated in strategy-generation, was involved in interviewing potential programme participants, and conducted research for the organisation. Through this process I was able to develop relationships and rapport with the trustees, office manager and private consultants. This internship, which extended from April to October 2006, gave rise to this research project and so my involvement with the organisation continued into 2007.

I identified myself as a student and researcher throughout both the internship and this study and I did not attempt to involve myself with the organisation under any other guise. My role within and interactions with the organisation have changed since I first began my internship in April 2006. During the internship, I was engaged in participant

observation, as I was both a member of the group being studied as well as a researcher doing a study (Babbie and Mouton, 2001:293). I continued to conduct fieldwork for this particular study in 2007 after the internship ended. The organisation changed its policies with regard to volunteerism and in 2007 no longer accepted the help of volunteers. Despite my attempts to remain a part of the organisation as a volunteer, I was unable to do so. As a result the observation that took place in 2007 was far more detached and I was no longer able to conduct participant observation, but only simple observation (Babbie and Mouton, 2001:293).

During the internship, I kept a detailed reflective journal, in which I recorded my experiences with the organisation, my interactions with the programme directors and participants, as well as my observations about the changes in the organisation and the way in which it functioned. Much of the information contained in this journal addressed the structure of the organisation and how it evolved. I have drawn on both information contained in my journal as well as field notes made after the completion of the internship in the preparation of this report. Where possible, field notes were made in the field. However, some were made reflectively, as it was not always appropriate to make notes whilst in the field.

3. Documentation

The second method used was documentation. Beyond the use of academic literature to inform the theoretical component of this research, several written sources of data were accessed and used. These were:

- i) Organisational documentation,
- ii) Correspondence,
- iii) Internet information,
- iv) Newspaper articles.

This study makes extensive use of the data acquired from organisational documentation, specifically the monthly “strategic snapshots” that WorkNow prepares. This information provided quantitative information surrounding the number of workdays facilitated by WorkNow, as well as the split between monthly, weekly and daily employment. Another key organisational document that was used was the proposal for funding prepared by WorkNow (then the CEI) and presented to the DSD. WorkNow

seeks to be transparent in their operations and so the acquisition of this information was not difficult to negotiate.

I also made use of information contained in e-mail correspondence between myself and the programme directors, specifically the independent consultant. This correspondence took place specifically to clarify facts about the organisation and its operations.

The final sources of documentation, internet information and newspaper articles were used to acquire publicly available information surrounding the organisation, the media's perceptions of the organisation as well as Hout Bay in general. I drew on information provided on the organisation's website, articles written in the press that focussed on WorkNow, as well as newspaper articles about Hout Bay to acquire this information.

As with direct observation, the documentation played two roles. Firstly, it provided me with additional information that assisted me in the addressing of the central and sub-research questions and secondly it was used to verify the findings that emerged from the interview process. Due to the quantity of information available, all documentation that I accessed was thoroughly read, and only the useful sections extracted and used in this study.

4. The interview process

As mentioned above, substantial data were collected through one-on-one, face-to-face interviews that were conducted over a 10-week period, from the end of April to the beginning of July 2007. The target population, sampling method of data collection, the instruments and indicators as well as the method of data analysis are presented in the sections that follow.

4.1. Target population

Two distinct groups of people were interviewed for this study, namely programme directors and programme participants. Within each of these two groups, were two sub-groups, making a total of four groups. The groups which were interviewed and the purpose of these interviews were:

- i) **Government:** in order to determine its perspective on its relationship with WorkNow as well as on the goals, purpose and intended benefits of the WorkNow programme.
- ii) **WorkNow trustee and project co-ordinator:** in order to determine the organisational goals and purpose, the intended benefits of the programme, as well as their perspective on the three-way partnership in which they operate.
- iii) **Employers:** in order to determine the actual impacts of the programme and how participation in the WorkNow programme has impacted on their lives in general and on their employment patterns in particular.
- iv) **Employees:** in order to determine the characteristics of this group as well as how participation in the WorkNow programme has impacted on their lives both financially and non-financially.

The first two of these sub-groups have been classified as programme directors and the second two as programme participants. The sampling of each group is presented below.

4.2. Sampling

Programme directors

The programme directors group of interviews was the smaller of the two and consisted of three one-on-one face-to-face semi-structured interviews with three key informants, each of whom provided a distinctly different picture of the functioning of the organisation. Each of these informants is representative of one corner of the public-private-civil society partnership triangle in which WorkNow functions.

WorkNow is overseen by a board of four trustees. I felt that a good starting point to determine the goals and intended impacts of the organisation would be to consider the trustees' perspective. So the first interview that I conducted was with the Chairman of the Board of Trustees. The second interview was with the private consultant and project manager of the WorkNow programme. The third interview that was conducted was with the social development worker at the Western Cape Department of Social Development, the government department that funds the WorkNow project.

As mentioned above, the purpose of these interviews was to gather information about the organisational goals and purpose, the intended role of the WorkNow programme, as well as the criteria through which WorkNow's success is measured. I was also

seeking to discover the model or theoretical framework on which the WorkNow programme was built. Finally, how the parties viewed the nature of their relationships with one another as well as their plans for the organisation for the future were explored.

Programme participants

The programme participants group of interviews was the bigger of the two and consisted of two distinct subsets, namely employers and employees. The sampling of these two groups proved to be somewhat of a challenge as WorkNow had stopped using their database in mid-2006 and had yet to replace it with a new one when the interviews were conducted. There was only a manual system in place where all of the information was recorded on paper rather than electronically and this information was not compiled into any sort of database. As WorkNow is a dynamic organisation which grows and changes all the time even the paper information was difficult to work with.

This lack of database combined with the weekly, and often unpredictable, changes in the programme participant pool made proper probability sampling impossible as it was not possible to determine the characteristics of either group. However, as this was a qualitative study which did not seek to draw statistical inferences, I was able to use purposive non-random sampling, and to conduct a small number of fairly in-depth interviews.

With purposive non-random sampling, the sample size is less important than the criteria that are used to select the sample. For this study, the interviewee selection criteria were extracted both from background insights and understanding, such as the inclusion of employees from both Imizamo Yethu and Hangberg rather than just one or the other, as well as from the monthly records of the type and permanence of work that had been facilitated for each month. These criteria were selected to capture a relatively broad cross-section of programme participants involved in WorkNow. The employee and employer selection criteria were different and are detailed further in the relevant sub-sections that follow. Based on these criteria WorkNow put together a subset of the database, for me, with employer and employees names, contact numbers and the job for which each employee had been employed.

The average number of active employers for the January-April period 2007 was 87 per month and the average number of active employees for that same period was 130 (WorkNow Strategic Snapshot, 2007). The total number of employees that were available for employment at some point in the period between August 2006 and May

2007 was 450, however only 275 of those were actually ever employed. The final number of interviews conducted was 11 employers and 16 employees.

Employee subgroup

The employee interviewees were selected from the manual subset of the database compiled by the organisation. This subset included only employees who were either working or who had worked at some point through the organisation, whether permanently or casually on either a full-time or part-time basis. Only 61% of the employees who are registered with the WorkNow programme have ever acquired any form of employment through the organisation. I decided to only interview those who had at some point been employed through the organisation as I expected that those who had never worked through WorkNow would have experienced few, if any impacts, as a result of being part of the WorkNow database.

The final sample included interviewees who fell into all of the variables categories given in the table below.

Variable	Variable categories	
Sector	Domestic	Commercial
Gender	Male	Female
Area of residence	Hangberg	Imizamo Yethu
Race	African	Coloured
Frequency of employment	Part-time	Full-time
Permanence of employment	Casual	Permanent
Skill-level	Low skill	Higher Skill

Table 5. Variables according to which interviewees were selected.

Employer subgroup

A range of employers who employed employees with a range of skills, both domestically and commercially on both a full-time and part-time and permanent and casual basis were selected and interviewed. Given the monthly records that are prepared and that indicate which skills were employed in each month and with which level of permanence, it was felt that both of these groups selected for interviews reflected as much as was possible the employer and employee profiles of the broader group.

4.3. Method of data collection

There were four different interview schedules used, one for each of the four subgroups. I did not pilot the programme directors' interview schedules as the sample group was

very small and only three interviews were conducted with two different interview schedules. These interview schedules were less structured than the programme participants' schedules and conversation took place in and around the schedules.

In order to test the instruments designed for the programme participants, two pilot interviews were conducted with one employer and one employee being interviewed. Through this process any questions that were ambiguous or difficult to answer or that did not yield useful data were identified and the schedules were sharpened and adjusted accordingly.

In conducting the employees' interviews I chose not to adopt the conventional distanced, dispassionate approach of the interviewer. The distanced approach has the potential to reinforce the gulf between researcher and informant, and I was keenly aware of the existence of this gulf entering into the interviews, based on my age, ethnicity and status as a student. I felt that many of the employees viewed me as being more akin to their employers than to themselves and I felt that this had the potential to inhibit them in the answers that they gave me, and therefore the usefulness of the data.

The purpose of changing my approach to the interviews was to help the interviewees to feel more comfortable and to encourage them to speak more freely. I adopted the approach suggested by Denscombe (2003) when the primary purpose of the interview is to enable the interviewee to speak freely. He suggests that under these circumstances "*the researcher will be inclined to show emotion, to respond with feeling and to engage in a true dialogue with the interviewee.*" (Denscombe, 2003:171)

Denscombe (2003) does not define what he means by the term, "true dialogue", but I have interpreted it to mean conversation that not only flows naturally, but a dialogue in which the interviewee is able to give responses to questions that are true rather than being what the interviewee thinks is either correct or what the researcher wants to hear. In order to engage in this true dialogue, I began the interviews by asking questions about the employee and looked out for areas that the employee seemed to like to talk about. I then asked them questions about that specific area, all the time encouraging them and showing interest in their lives. I found that people particularly liked to talk about their children and so I would frequently spend a few minutes chatting to them about their families.

Some of the interviewees in particular were very nervous and I tried to help them to relax by adopting relaxed, yet attentive body language and by sitting either next to them or at 90 degrees to them. I tried to avoid sitting opposite them where possible as I was aware that this could be intimidating. I was sure to adopt appropriate facial expressions according to the information that they were sharing and always looked out for an opportunity for a joke or a place where we could laugh together. I found that this greatly assisted me in helping employees to relax. Whilst being unconventional, I believe that this approach aided me greatly in the interviews that were conducted with the employees as it served to help to overcome the gulf which can exist between researcher and informant.

None of the employees interviewed were mother-tongue English speakers, although they were all able to speak English, as this is a prerequisite for involvement in the WorkNow programme. However, in order to avoid any confusion or misunderstanding about the meaning of questions, the interview schedule was translated into both Afrikaans and *isiXhosa* and the interviewees could, and did, refer to the schedule in their mother tongue language as and when they needed to. The full interview schedule, in all three languages, is presented in Appendix B. One interview that was conducted was with a refugee from the Democratic Republic of Congo. This interview was conducted in a combination of French and English as the interviewee was more comfortable speaking in French and I am conversant in French.

In order to ensure the integrity of the data, all interviews were recorded onto audio tape, with the permission of the interviewees. These were later transcribed and the resulting data was used for analysis purposes.

4.4. Instruments and indicators

The interview schedules were designed to speak directly into the five sub-questions posed at the outset of this study. Specifically they sought to determine both the intended and experienced impacts of the programme, the targeting of the employment being facilitated, the intended and actual role of the organisation as well as the nature and purpose of the three-way partnership in which WorkNow operates. The key themes that are dealt with in each of the sub-questions and the interviewee groups that speak into each theme are outlined in the table presented on the following page.

Sub-Question	Key Theme	Source of information
i) What role does WorkNow intend to play in contributing to the addressing of unemployment and how does it intend to effect the changes necessary to play this role?	Intended role of the organisation	Programme directors
ii) What are the intended impacts of the WorkNow programme and how do these compare to the actual impacts being experienced by programme participants?	Impacts	Programme directors
		Employers
		Employees
iii) Given both the experienced impacts and intended role, what employment creation and labour market roles is WorkNow actually playing in the suburb of Hout Bay, and in the city of Cape Town?	Actual role of the organisation	Employers
iv) Who does the WorkNow programme aim to target, and what criteria are employed to select programme participants? What are the actual characteristics of the WorkNow programme participants?	Employment targeting	Programme directors
		Employees
v) What is the significance of the three-way partnership in which WorkNow operates, particularly with regard to its ability to contribute to addressing structural unemployment in Cape Town?	3-way partnership	Programme directors

Table 6. Sources of information and key themes pertaining to the sub-questions

From the table above it can be seen that the employee interviews were constructed to speak into sub-questions 2 and 4, the employer interviews to sub-questions 2 and 3 and the programme director interviews to sub-questions 1, 2, 4 and 5.

David and Sutton (2004:141) define operationalisation as being “the process of turning abstract or theoretical concepts into observable and measurable entities” (David and Sutton, 2004:141). The concept of operationalisation is frequently associated with quantitative research. However it also has great value in qualitative research, specifically to convert intangible concepts that can have multiple meanings into sets of indicators that can easily be observed or measured. The operationalisation of key concepts is a process referred to by De Vaus (2001 cited in David and Sutton, 2004:142) as the “ladder of abstraction”. The first step of this ladder is to define the concepts pertinent to the research. The next stage involves deciding on the dimensions through which the concept can be measured. Then it is necessary to consider whether sub-dimensions exist within each dimension. Lastly a working definition of each dimension that can be observed or measured must be devised (David and Sutton, 2004:142).

The first step of this “ladder of abstraction”, namely the definitions of some of the concepts pertinent to the study was presented in chapter four. The sections that follow

present the dimensions through which these concepts may be measured as well as detailing how these dimensions can be observed.

The employee group

The purpose of the employee group of interviews was twofold and the interview schedules were constructed to address this dual purpose. The purposes were:

- i) To determine the impacts experienced by the employee group as a result of being involved in the WorkNow programme,
- ii) To establish the actual characteristics of the employee group, especially in terms of their demographics and past work experience.

Both of the key terms outlined above, namely “impacts” and “employee characteristics” are intangible concepts and could imply a variety of meanings. The indicators that have been used to measure them have been unpacked and operationalised in the sections that follow.

Indicators – experienced impacts

The concept of a social impact was outlined in Chapter Four. The specific social impacts that were explored in these interviews were the intended impacts of the WorkNow programme identified by the programme directors. These included: reducing unemployment, increasing programme participants’ levels of empowerment, reducing poverty, increasing the demand for goods and services in Hout Bay, reducing crime and increasing feelings of community spirit. In particular this set of interviews focused on four of these intended impacts. The two impacts that were not dealt with explicitly were changes in both the overall levels of employment and demand for goods and services in Hout Bay. In constructing the clusters of indicators used to measure these intended impacts, both subjective, or perceived, and objective, or measurable, indicators were used.

The concept of a social impact implies a change in well-being. Due to the construction of this study and the absence of data from before the employees were involved with WorkNow, the questions posed relied on recall. Participants had to think back and remember what their lives were like before joining the WorkNow programme. This was not problematic for most of the participants however, as many had only been part of the organisation for a few months.

Each impact, the selected indicators and an example of interview questions pertaining to each indicator are given below.

The concept of empowerment was measured using several indicators, which stemmed from the elements of the definition outlined in chapter four. The indicators that were selected were:

- i) **Changes in employment status** (e.g. Why did you decide to join WorkNow? This question usually produced information about the employee's employment status prior to joining the programme),
- ii) **Changes in skill level** (e.g. What things can you do now that you couldn't do before joining WorkNow?),
- iii) **Changes in feelings of self-worth** (e.g. Has being part of WorkNow changed how you feel about yourself? If so, how?),
- iv) **Changes in aspirations and the ability to dream** (e.g. Does having money help you to think about and plan for the future? Does it make a difference to what goals you set?),
- v) **Changes in spending and savings patterns** (e.g. Do you save money? If so, how much did you save last month? If not, what prevents you from saving?).

The way in which these indicators fit together and relate to the definition of empowerment presented in chapter four are depicted in the diagram given below.

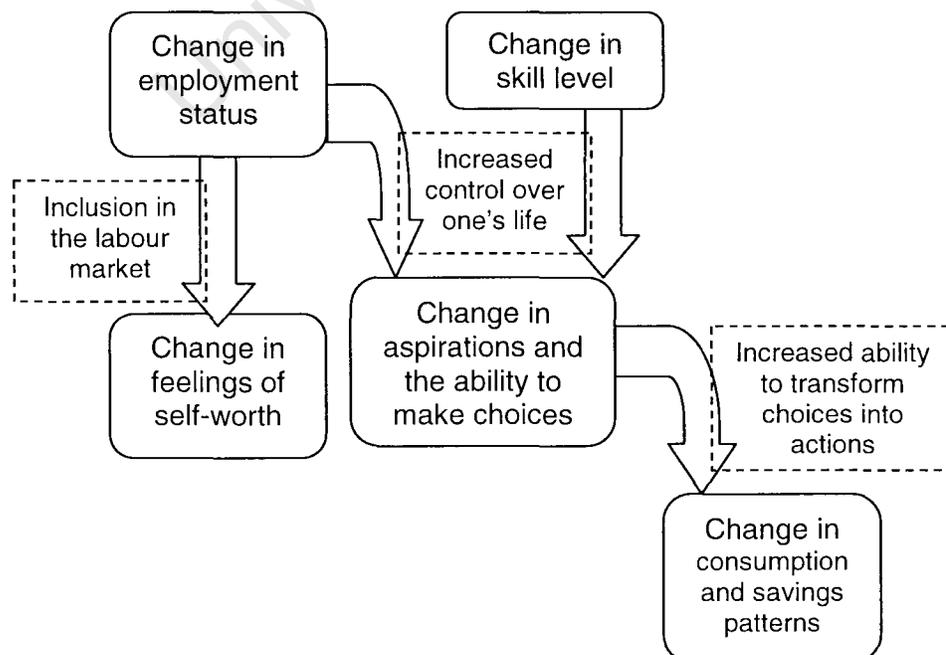


Fig. 7. Diagram depicting empowerment indicators

The second intended impact that was explored in the employee interviews was the reduction of poverty. The concept of poverty was split into two dimensions, namely income and non-income poverty. The indicators that were selected to measure poverty as well as examples of questions that were posed in order to capture each indicator are given below:

- i) **Changes in income** (e.g. How much money did you earn per month before joining WorkNow?),
- ii) **Survival strategies whilst unemployed** (e.g. Picture when you were not working for WorkNow. How did you earn money?),
- iii) **Changes in consumption patterns** (e.g. Rank the following expenses in order from the one that you spend the most money on every month to the one that you spend the least money on...),
- iv) **Changes in saving patterns** (e.g. Do you save money? If so, how much did you save last month? If not, what prevents you from saving?),
- v) **Changes in feelings of self-worth** (e.g. Has being part of WorkNow changed how you feel about yourself? If so, how?),
- vi) **Changes in aspirations and the ability to dream** (e.g. Do you think about the future? Do you have any goals or dreams for your own future or for the future of your children?).

The third and fourth intended impacts of reduced crime and increased community spirit were dealt with somewhat briefly in the interview schedule. Employees were asked if they felt that WorkNow had changed their community in any way, specifically with regard to community spirit or crime. This question sought to determine whether programme participants were able to identify any broader impacts of the programme that did not necessarily accrue to them specifically and whether there was any evidence or perception of spill-over benefits to the whole community. Employees were asked, "Has WorkNow changed how your community (IY, Hangberg) functions? Has it changed people's attitudes, beliefs or the way in which they relate to one another? Has it changed the crime levels?"

Employees were further given an opportunity to articulate if they had experienced any other benefits that had not been mentioned in the questions. They were asked:

- i) What are the benefits (good things) that come from being a part of WorkNow?
- ii) What are the disbenefits (bad things) that come from being a part of WorkNow?

Employee characteristics

The second purpose of the employee interviews was to determine some of the key characteristics of the employee group. The questions posed centred on their current employment, financial situations, previous employment patterns and consumption and savings patterns. An example of a question posed to determine each characteristic is given below:

- i) **Current employment** (e.g. What sort of work do you do through WorkNow?),
- ii) **Financial situations** (e.g. How many people live in your household and how many people do you support? Are you the primary breadwinner?),
- iii) **Previous employment patterns** (e.g. Picture when you were not working for WorkNow. How did you earn money?),
- iv) **Consumption and savings patterns** (e.g. Do you save money? If so, how much did you save last month? If not, what prevents you from saving?),

The employer group

As with the employee group, the purpose of the employer group of interviews was also twofold. These purposes were:

- i) To determine impacts of being involved in WorkNow on the employer group
- ii) To determine how employers' employment patterns have changed as a result of being part of WorkNow.

While this first purpose is fairly self-explanatory in terms of its link to the sub-question, the second perhaps requires some more unpacking. In order for WorkNow to fulfil its role as a job creation organisation, it needs to stimulate the demand for labour in order to generate new jobs. In order to measure whether demand has been stimulated, it is necessary to determine whether employers involved with the organisation have altered their patterns of employment in any way since joining WorkNow.

Indicators - impacts

Only two of the intended impacts were able to be experienced by the employers, namely a reduction in crime and an increase in the levels of community spirit. These two impacts were operationalised and measured in the same way as for the employee group. As with the employees, employers were further given an opportunity to articulate if they had experienced any other benefits that had not been mentioned in the questions. They were also asked about the benefits and disbenefits they had experienced as a result of being part of WorkNow.

Changes in employment patterns

As was mentioned above, the second purpose of the employers' interviews was to determine whether their involvement in the WorkNow programme had altered their employment patterns in any way. A cluster of questions were posed to measure these changes, each of which dealt with a specific aspect of employment. The employers were asked how their employment patterns had changed since being involved with WorkNow in terms of:

- i) The frequency with which they employed people (i.e. the regularity of employment),
- ii) The permanence with which they employed people (i.e. has there been an increased casualisation of labour?),
- iii) The types of skills they employed,
- iv) The wages paid to their employees.

The programme directors

The programme directors' interviews were constructed around four key purposes. These purposes corresponded to the four sub-questions that this set of interviews sought to address. They were:

- i) To determine the intended role of the WorkNow programme,
- ii) To determine the intended social impacts of the programme,
- iii) To determine who the programme aims to target,
- iv) To determine the nature and purpose of the three-way public-private-civil society partnership in which WorkNow functions.

It was not necessary to construct indicators in order to acquire any of this information and programme directors were asked about each of these topics in a fairly direct manner. It is important to note that these interviews were less structured than the programme participants' interviews and conversation took place in and around the loose interview schedules. Examples of questions that address three of the four purposes of the interviews are given below:

- i) What is it that WorkNow aims to achieve both in Hout Bay and in general? (i.e. what are the intended impacts of the programme both on a community level and an individual household level?)
- ii) How would you define the purpose of WorkNow?
- iii) How would you define WorkNow's relationship with government currently?

No questions were included in the interview schedule that addressed the targeting of employment specifically. However, due to the relatively unstructured nature of the interviews, it was discussed.

4.5. Method of data analysis

The data analysis was guided by the writings of Babbie and Mouton (2001), Miles and Huberman (1994), De Wet and Erasmus (2005) and Davies (2007). Since there were three distinct groups of interviews, the programme directors and the two subgroups of programme participants, the data analysis process was carried out three times, once for each group. Each process was similar and so only the generic process that was adhered to in conducting the data analysis is detailed below.

The data transcription process did not happen at one time but was rather conducted as the fieldwork progressed. As the data was transcribed I read and reread it in order to identify key themes or interesting pieces of information that could inform or be expanded on in later interviews. About midway through the interviewing process, I carried out some first-level coding on the data that had been collected. First-level coding entails drawing up a code list according to the themes of the interview question and assigning segments of data to these codes. It is the first level of analysis, as relevant pieces of information are identified linked with specific concepts (De Wet and Erasmus, 2005:29). From this preliminary first-level coding exercise I was able to extract some themes and findings from the data that had been collected. From this information I was able to prepare an interim case summary, as suggested by Miles and Huberman (1994:77) which synthesised my knowledge about the case at that time. This helped me in later analysis and interviews to focus my questions even further. I did not refer to this case summary for several weeks as I was completing the interview process and the transcriptions. However I referred to it again later as a verification mechanism. The observations and findings extracted from this preliminary analysis were compared to later findings.

Once the fieldwork had been completed and all of the interviews transcribed I conducted a thorough reading of all of them, as suggested by De Wet and Erasmus (2005:29). The purpose of this was to familiarise myself with the data, interact with the data as a whole, as well as be on the look out for any recurrent information or themes.

After this had been done, I took the codes that I had extracted from my interim review and began a more formal first-level coding process, as suggested by Miles and

Huberman (1994:56). One of the foci of this step was to ensure a strong conceptual structure and that the codes linked together in “study-important ways” (Miles and Huberman, 1994:62). Once the data had been coded on a descriptive level, I proceeded to carrying out second-level coding. This level of coding focuses on patterns, causal links and relationships between the data and is more analytical than the first level coding (Miles and Huberman, 1994:69).

I focused specifically on extracting hierarchies of codes and spent much time depicting diagrammatically the relationships between the portions of the data in order to fully understand how it all fitted together. This was particularly important when considering the data from the three interview groups surrounding a specific theme. I further identified patterns and repetitions in the data and how many respondents adopted each different position. Throughout the analysis the central research questions were borne in mind and were the focus of the process. However, this was not done to the exclusion of other information and due consideration was also given to interesting and potentially insight-stimulating issues that were raised by respondents.

Where possible each finding was verified with another independent source of information. In order to do this I drew on the four subsets of interviews, the documentation, the interim case summary and my field notes and journal entries. This verification process was conducted to ensure the validity of the findings (Miles and Huberman, 1994:266).

Denzin (1978, cited in Miles and Huberman 1994:267) identifies several types of triangulation. They are triangulation by data source, by method, by researcher and by theory. Miles and Huberman (1994:267) add triangulation by data type to this list. Since this study makes use of a multiple method approach, and uses several sources and types of data, various types of triangulation were conducted. In view of the fact that I conducted this research on my own, and due to the lengthiness of my interview transcripts, I did not make use of triangulation by researcher. I was aware, however of the potential for findings to be skewed by the researcher’s own biases, so returned to the transcripts regularly, reading and rereading them in an attempt to extract the essence of what they were communicating.

5. Ethical considerations

In conducting this study the ethical practices presented by Babbie and Mouton (2001) were adhered to. Before conducting the interviews, as many participants as possible were contacted either telephonically or via e-mail. They were informed of the nature and purpose of the research and were asked whether they would consent to being interviewed. On meeting with all interviewees the subject of the research as well as what it was to be used for were explained clearly. Interviewees were again asked if they were happy to participate and were given the opportunity to decline. Interviewees were assured of the confidentiality of the interviews and they were further informed that should they want to read the findings of the research, a report would be made available to them.

In order to protect the confidentiality of the interviews and the privacy of the interviewees, pseudonyms were assigned and are used in the findings presented in the chapter that follows.

6. Methodological constraints and self-critique

Before continuing it is important to highlight a methodological constraint faced in this study, namely the lack of baseline data. This constraint was much like that experienced by McCord (2004b) in her study on the impact of two public works programmes in South Africa and lessons have been taken from her approach to dealing with this constraint. McCord identifies a difference-in-difference methodological approach as being the most appropriate for determining the impact of specific interventions on programme participants' lives (McCord, 2004b:15). This approach measures the impact of an intervention on programme participants through viewing conditions in people's lives, both before and after the intervention in two distinct groups, a test group and a control group. This construction serves the purpose of ensuring that the impacts observed were actually caused by the programme being investigated rather than some other extraneous variable (Babbie and Mouton, 2001:82).

However, despite being ideal, this approach was not possible since, as with McCord's study, neither the conditions nor the characteristics of the programme participants were known *a priori*. As a result, it was not possible to include a control group and the data obtained from the test group had to be obtained through recall. This introduced a

limitation in the study, in terms of causality, as it was difficult to tell whether some of the impacts experienced would have been experienced anyway if the particular person was able to find employment without the help of WorkNow.

Had the scope and timeframe of this project allowed, I would have constructed the study differently in order to address this issue of causality. In order to determine specifically the impacts caused by the WorkNow programme I would have made use of a test and control group structure. Both groups would have consisted of unemployed people living in both Imizamo Yethu and Hangberg. The characteristics of the participants in the control group in terms of their skill sets, employment history and length of time being unemployed, would as far as possible have mirrored those in the test group. The test group would then have access to WorkNow's services, while the control group would not. Both groups could then be monitored in order to determine what changes occurred in each group in terms of their employment, poverty levels and overall well-being. This construction would ensure the overcoming of this particular methodological constraint and would provide an interesting study in the future.

In hindsight, there are one or two things that had I to conduct this research again I would do differently. Firstly, in constructing the employee and employer's interview schedules I did not pay adequate attention to all of the intended impacts. I specifically should have included a cluster of questions that focused on crime. As a result, the findings relating to this issue are fairly thin. Although I asked people about the changes that they had perceived in their community as a result of WorkNow, mentioning crime as one of the potential areas of change, there was no cluster of questions surrounding this issue.

Another oversight was the lack of questions surrounding the targeting of employment in the programme directors' interview schedules. Although I was able to observe how the employees were selected and to discuss the targeting of the programme informally in the programme directors' interviews, a cluster of questions should have been constructed to deal with this issue in a more systematic and complete fashion.

Appendix B – Employee interview schedule

English

Joining WorkNow

1. How long have you been part of WorkNow?
2. How did you find out about WorkNow?
3. Why did you decide to join WorkNow?

Working for WorkNow

4. What sort of work do you do through WorkNow?
5. How frequently are you employed? (daily, weekly, monthly) roughly how many days each month?
6. How much do you earn each day?

Personal information- gauging impact

7. How many people live in your household and how many people do you support? (this includes people in the Eastern Cape etc... remittances)
8. Are you the primary breadwinner?
9. Are there other income earners living in your household? (including those receiving grants/pensions)
10. Picture when you were not working for WorkNow. How did you earn money? (permanent job, casual work, hawker, man-on-the-side-of-the-road, grants)
11. How much money did you earn a month before joining WorkNow? (think back to last month, the month before etc)
12. Do you save money?
 - a. If so, how much did you save last month? And the month before that? And the month before that?
 - b. How much did you save the month before joining WorkNow?
 - c. If not, why can't you save/what prevents you from saving?
13. Rank the following expenses in order from the one that you spend the most money on every month to the one that you spend the least money on.
 - a. School fees
 - b. Food
 - c. Clothes
 - d. Cell phone

- e. Furniture
- f. Fun activities/ weekend activities
- g. Rent
- h. Transport
- i. Other

14. Before you joined WorkNow, which of these expenses did you spend the most money on? (i.e. Has the order changed)
15. What things can you do now that you couldn't do before joining WorkNow? (i.e. have you learnt any new skills)
16. Has being part of WorkNow changed how you feel about yourself? If so, how?
17. Do you think about the future? Do you have any goals or dreams for your own future or for the future of your children?
18. Does having money help you to think about and plan for the future? Does it make a difference to what goals you set?

Benefits/disbenefits of being part of WorkNow

19. What are the benefits (good things) that come from being a part of WorkNow?
20. What are the disbenefits (bad things) that come from being a part of WorkNow?
21. Has WorkNow changed how your community (IY, Hangberg) functions? Has it changed crime, people's attitudes, beliefs or the way in which they relate to one another?
22. Any other issues that you would like to raise?

Afrikaans

Joining WorkNow - Aansluiting by WorkNow

1. How long have you been part of WorkNow?
Hoe lank is jy nou al deel van WorkNow?
2. How did you find out about WorkNow?
Hoe het jy van WorkNow uitgevind?
3. Why did you decide to join WorkNow?
Hoekom het jy besluit om by WorkNow aan te sluit?

Working for WorkNow - In diens van WorkNow

4. What sort of work do you do through WorkNow?
Watse soort werk doen jy deur WorkNow?
5. How frequently are you employed? (daily, weekly, monthly) roughly how many days each month?
Hoe gereeld werk jy? (daaglik, weklik of maandelik) ongeveer hoeveel dae per maand?
6. How much do you earn each day?
Hoeveel geld verdien jy per dag?

Personal information- gauging impact

Persoonlike inligting – ondersoek van impak

7. How many people live in your household and how many people do you support?
(this includes people in the Eastern Cape etc... remittances)
Hoeveel mense is deel van jou gesin en hoeveel mense ondersteun jy finansiell
(dit sluit mense in die Oos Kaap in)?
8. Are you the primary breadwinner?
Is jy die hoof inkomste verdiener?

9. Are there other income earners living in your household? (including those receiving grants/pensions)

Verdien enig iemand anders in jou gesin 'n inkomste (dit sluit persone wat pensioen of ander toelaë ontvang in)?

10. Picture when you were not working for WorkNow. How did you earn money?

(permanent job, casual work, hawker, man-on-the-side-of-the-road, grants)

Hoe het jy geld verdien voordat jy by WorkNow aangelsuit het (voltydse werk, los werk, smousery, as 'n man wat op die kant van die pad gewag het, skenkings)?

11. How much money did you earn a month before joining WorkNow? (think back to last month, the month before etc)

Hoeveel geld het jy in 'n maand verdien voor jy by WorkNow aangesluit het (dink terug aan verlede maand, die maand voor dit ens.)?

12. Do you save money?

- a. If so, how much did you save last month? And the month before that? And the month before that?
- b. How much did you save the month before joining WorkNow?
- c. If not, why can't you save/what prevents you from saving?

Spaar jy geld?

- a. Indien wel, hoeveel het jy verlede maand gespaar? En die maand voor dit? En die maand voor dit?
- b. Hoeveel het jy gespaar in die maand voor jy by WorkNow aangesluit het?
- c. Indien nie, hoekom kan jy nie gelp spaar nie/wat weerhou jou daarvan om geld te spaar?

13. Rank the following expenses in order from the one that you spend the most money on every month to the one that you spend the least money on.

- a. School fees
- b. Food
- c. Clothes
- d. Cell phone
- e. Furniture
- f. Fun activities/ weekend activities
- g. Rent

- h. Transport
- i. Other

Rangskik die volgende uitgawes in die volgorde van dit waaraan jy die meeste geld spandeer elke maand tot dit waaraan jy die minste geld spandeer.

- a. Skool fooie
- b. Kos
- c. Klere
- d. Selfoon
- e. Meubels
- f. Pret / naweek aktiwiteite
- g. Huur
- h. Vervoer
- i. Ander

14. Before you joined WorkNow, which of these expenses did you spend the most money on? (i.e. Has the order changed)
Waaraan het jy die meeste geld spandeer voor jy by WorkNow aangesluit het (het die volgorde verander)?
15. What things can you do now that you couldn't do before joining WorkNow? (i.e. have you learnt any new skills)
Wat kan jy nou doen wat jy nie kon doen voor jy by WorkNow aangesluit het nie (het jy enige nuwe vaardighede by geleer)?
16. Has being part of WorkNow changed how you feel about yourself? If so, how?
Het deel wees van WorkNow jou selfbeeld verander? Indien wel, hoe?
17. Do you think about the future? Do you have any goals or dreams for your own future or for the future of your children?
Dink jy aan die toekoms? Het jy enige doelwitte of drome vir jou toekoms en die toekoms van jou kinders?
18. Does having money help you to think about and plan for the future? Does it make a difference to what goals you set?
Maak geld dit makliker om oor die toekoms te dink en te beplan? Maak dit 'n verskil aan jou doelwitte?

Benefits/disbenefits of being part of WorkNow

Voordele/nadele van deel wees van WorkNow

19. What are the benefits (good things) that come from being a part of WorkNow?
Wat is die voordele van deel wees van WorkNow?

20. What are the disbenefits (bad things) that come from being a part of WorkNow?
Wat is die nadele van deel wees van WorkNow?

21. Has WorkNow changed how your community (IY, Hangberg) functions? Has it changed crime, people's attitudes, beliefs or the way in which they relate to one another?
Het WorkNow die manier hoe jou gemeenskap (IY, Hangberg) funksioneer verander? Het dit misdaad, mense se houdings, sieninge of die manier hoe hulle met mekaar oor die weg kom verander?

22. Any other issues that you would like to raise?
Is daar enigiets anders waaroor jy wil praat?

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isiXhosa

Joining WorkNow - Ukuthatha inxaxheba kwiWorkNow

1. How long have you been part of WorkNow?
Waqala nini ukuthatha inxaxheba kwi WorkNow?
2. How did you find out about WorkNow?
Wava njani nge WorkNow?
3. Why did you decide to join WorkNow?
Yintoni eyakwenza uka uthathe isiqibo sukuba uzokuthatha inxaxheba we WorkNow?

Working for WorkNow - Ukusebenzala iWorkNow

4. What sort of work do you do through WorkNow?
Wenza umsebenzi unjani apha kwi WorkNow?
5. How frequently are you employed? (daily, weekly, monthly) roughly how many days each month?
Uqashwa kangaphi? (ungatsho ngemini, ngeveki, ngenyanga)
6. How much do you earn each day?
Wamkela malini ngemini?

Personal information- gauging impact

Incukacha zakho

7. How many people live in your household and how many people do you support?
(this includes people in the Eastern Cape etc... remittances)
Kuhlala abantu abangaphi apho uhlala khona, kwaye bangaphi abantu abakhathalewa nguwe? (Elinani kufuneka lidibanise nabantu abase Mpuma Koloni)

8. Are you the primary breadwinner?
Ingaba nguwe wedwa umntu owamkela imali na?
9. Are there other income earners living in your household? (including those receiving grants/pensions)
Bakhona na abanye abantu abamkela imali endlini yakho (ubale nabo abamkela igrant ne nkam-nkam)?
10. Picture when you were not working for WorkNow. How did you earn money?
(permanent job, casual work, hawker, man-on-the-side-of-the-road, grants)
Wawuyamkela njani imali phambi kokuna usebenzele iWorkNow?
11. How much money did you earn a month before joining WorkNow? (think back to last month, the month before etc)
Wawusamkela malini ngenyanga phambili kokuba uze uzo lusebenzela iWorkNow?
12. Do you save money?
- If so, how much did you save last month? And the month before that? And the month before that?
 - How much did you save the month before joining WorkNow?
 - If not, why can't you save/what prevents you from saving?
- Uyayi yonga na imali?
- Ukuba ewe, onge malini kulenyanga idulileyo na kule iphambi kwayo?
 - Wonge malini kula nynga phambi kokuba uze kwi WorkNow?
 - Ukuba awongi mali, yintoni ekwenza ungayongi imali yakho?
13. Rank the following expenses in order from the one that you spend the most money on every month to the one that you spend the least money on.
- School fees
 - Food
 - Clothes
 - Cell phone
 - Furniture
 - Fun activities/ weekend activities
 - Rent

- h. Transport
- i. Other

Bhala ezi zinto zilandelayo uqale ngale usebenzisa eyona mali eninzi kuyo ngenyanga uze uqibelisa ngale usebenzisa eyona mali encinci kuyo ngenyanga.

- a. Imali yesikolo
- b. Ukutya
- c. Impahla yokunxiba
- d. Icellphone
- e. Impahla zendlu
- f.
- g. Imali yendawo yokuhlala
- h. Imali yokukhwela
- i. Ezinye izinto

14. Before you joined WorkNow, which of these expenses did you spend the most money on? (i.e. Has the order changed)
Bamphi kokuba uthathe inxaxheba kwiWorkNow, yeyiphi into owawu sebenzisa eyona mali eninzi kuyo? (isafana na indlela uyisebenzisa ngayo imali yakho)
15. What things can you do now that you couldn't do before joining WorkNow? (i.e. have you learnt any new skills)
Zintoni ukwaziyo ukuzenza ngoku awawu ngazazi phambi kokuba uze kwiWorkNow?
16. Has being part of WorkNow changed how you feel about yourself? If so, how?
Ingaba ukuba kwiWorkNow kuyi tshintshile na indlela oziva ngayo ngawe? Ukuba ewe, njani?
17. Do you think about the future? Do you have any goals or dreams for your own future or for the future of your children?
Uya cenga na nge kamva lakho? Zikhona na izonto ozifunela ikamva lakho ne labantwana bakho?

18. Does having money help you to think about and plan for the future? Does it make a difference to what goals you set?

Ingaba ukubanemali kuyakuncedo uku cinga nge kamva lakho no kulingiselela ikamva lakho?

Benefits/disbenefits of being part of WorkNow

Izinto ezintle/ezimbi ngeWorkNow

19. What are the benefits (good things) that come from being a part of WorkNow?

Zikhona izinto ezintle ezikwenzekeleyo ngenxa ye WorkNow?

20. What are the disbenefits (bad things) that come from being a part of WorkNow?

Zintoni izinto ezimbi ezenzekileyo ngenxa yokuba kwiWorkNow?

21. Has WorkNow changed how your community (IY, Hangberg) functions? Has it changed crime, people's attitudes, beliefs or the way in which they relate to one another?

Ukhona na umehluko owenziwe yiWorkNow endaweni ohlala kuyo? Iyi tshintshile na indlela abantu abacinga ngayo nendlela aba bonana ngayo?

22. Any other issues that you would like to raise?

Zikhona na ezinye izonto ofuna ukuthetha ngazo?

Appendix C – Employer interview schedule

Joining WorkNow

1. How long have you been part of WorkNow?
2. How did you find out about WorkNow?
3. Why did you decide to join WorkNow?

Employment patterns before joining WorkNow

4. Did you employ staff before joining WorkNow?
5. If so, to do what jobs?
6. How did you find the staff that you employed? (in terms of location rather than performance)
7. Were they from Hout Bay?
8. Have you retained these staff members since joining WorkNow?

Changes in employment patterns

9. How has being part of WorkNow changed your employment patterns in terms of:
 - a. The frequency with which you employ people?
 - b. The permanence with which you employ people (has there been increased casualisation)?
 - c. The types of skills that you employ?
 - d. The wages that you pay to your employees?

Benefits/disbenefits of being part of WorkNow

10. What are the benefits, to you, of being part of WorkNow?
11. What are the disbenefits, if any, to you, of being part of WorkNow?
12. Would you/do you recommend WorkNow's services to friends/colleagues?
13. Has WorkNow changed how your community (Hout Bay in general) functions? Has it changed crime, people's attitudes, beliefs, or the way in which they relate to one another?
14. Any other issues that you would like to raise?

Appendix D – Programme director interview schedule

1. What would you say are the key problems facing the community of Hout Bay?
2. How did you come to be involved with WorkNow?
3. When did you join the WorkNow team?
4. How would you define your role in the WorkNow project?

The purpose and role of WorkNow

5. How would you define the purpose of WorkNow?
6. What is it that WorkNow aims to achieve both in Hout Bay and in general? (i.e. what are the intended impacts of the programme both on a community level and an individual household level?)
7. What is WorkNow's underlying philosophy with regard to job creation efforts? (i.e. Why have they chosen the model that they have to address job creation?)

WorkNow's relationship with the DSD

8. How would you define WorkNow's relationship with government currently?
9. Would you like the nature of this relationship to change in the future and if so, how?

Wrapping up

10. Is there anything that you would like to tell me about WorkNow that I have not yet covered?
11. Do you have any questions for me?

Appendix E – Department of Social Development interview schedule

General Introductions and the DSD

1. What is the official title of your government department?
2. What is your position here?
3. What are the objectives of your department? (and division?)

Linking up with WorkNow

4. How did you come to know about WorkNow?
5. When did you link up with WorkNow?
6. How would you define your department's relationship with WorkNow?
7. Why did your department choose to link up with WorkNow as oppose to any other job creation initiative in the Western Cape? What is it that you liked about their model of job creation? (perhaps define the underlying philosophy of the programme or DSD)

Objectives of WorkNow

8. What, from your perspective, are WorkNow's key objectives?
9. How should these objectives be measured? Do you have any goals that WorkNow is required to reach for the DSD to continue funding it?
10. How does the WorkNow model fit in with your department achieving its objectives? (How does WN help you to achieve your objectives?)
11. Are there any aspects of the WorkNow model that you dislike or that you don't feel are working well? Has it resulted in any disbenefits for the community of Hout Bay?

Hout Bay and social issues

12. What are the social problems in Hout Bay that you and WorkNow are trying to address?
13. Are there any other key problems that you believe that this community is facing?
14. Is the DSD involved in any other projects that address any other social issues in Hout Bay?

Expanding into the future

15. Would government be interested in or are there any plans to expand the services of WorkNow to reach other communities?

16. How important is it, from the DSD's point of view, for programmes to eventually be self-sustaining?
17. What would you like to see WorkNow achieve in the foreseeable future?

Wrapping up

18. Is there anything else that you would like to add that you feel that I have left out?
19. Do you have any questions for me?

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