

## ***Project Management in Southern Africa: Approaches, Experience, Trends***<sup>1</sup>

### **The Changing Project Management Landscape**<sup>2</sup>

**By Prof Les Labuschagne**

#### **Introduction**

Modern Project Management (PM) as a discipline and practice has been constantly evolving over the last seventy years. As the needs of industry changed, so did PM. Over time, standards and best practices emerged that represented consensus among professionals, practitioners, and other stakeholders. What influences the degree of success and the way these standards and best practices are applied is context.

In the global context, South Africa (SA) has a complex history leading to where it is today. In recent years, Africa and South Africa have become the focus of growth and expansion strategies for several multinational organizations. South Africa remains one of the largest economies in Africa, with high levels of industrialization due to technological advancements and a diversified economy. Within this context, PM has become entrenched in many organizations, leading to the establishment of various professional societies dating back as far as the 1980s.

Various recent global and national events have meant that the context for PM in South Africa is changing. This article highlights some trends, their impact, and future implications that may affect the SA PM community.

#### **Trends**

There is little doubt that the future will become a more complex place and trying to predict it

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<sup>1</sup>Editor's note: This series of articles about project management in Southern Africa is by leaders of Project Management South Africa (PMSA) and other major stakeholders, including educators, experts and practicing professionals. It is intended to share their experience and knowledge that might be useful for professionals and organizations in other African countries and elsewhere in the world. Learn about the author in his profile at the end of this article.

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will be almost impossible. This, however, does not justify ignoring the current realities and where they could potentially lead.

### **The COVID-19 Pandemic**

The pandemic has changed the life of every person in the world. Apart from this, it has also impacted the global economy and, by default, the SA economy. Some major economic impacts since the start of the pandemic in March 2020 are:

- Increased levels of unemployment lead to an increased demand for social grants and funding and decreased spending
- Closure of businesses leading to the slowing down of economic growth
- Downsizing of businesses by moving from a growth strategy to a survival strategy
- Decreased tourism and hospitality due to travel restrictions
- Decreased import and export due to cross-border restrictions

The direct consequence of the above was that many organizations canceled or paused projects which lead to many project managers becoming inactive. What was intended to be a short-term solution has now become a medium- to long-term strategy.

As the various waves of the pandemic continue to influence lock-down regulations, surviving organizations are starting to unpause or initiate projects again. This is, however, at a much smaller scale than pre-pandemic.

### **Corruption and poor governance**

In early January 2022, the first of three reports from the State Capture Inquiry was released. The 874-page Judicial Commission of Inquiry into State Capture Report: Part 1 states how the country was systematically looted through a coordinated series of actions over ten years during the tenure of the previous president of the country. In the report, 1,438 individuals and institutions have been implicated based on 1.7 million pages of evidence. Unfortunately, many of the individuals and institutions implicated continue unabated as the matter is being dealt with through the legal system. In 2021, several allegations were made in the media of political interference in the judicial system in an attempt to protect several high-ranking officials.

From the above, it is clear that for many years corruption has influenced the conceptualization of large-scale projects, tender and procurement processes, resource allocation, and ultimately project success. It is nearly impossible to achieve project success within the context of such a large-scale corrupt system.

### **Growing political tensions**

South Africa has always had political tensions, but in recent years it has evolved to factions within the ruling party. In July 2021 following the arrest and imprisonment of the former president of the country for his role in State Capture, the country experienced eight days of unrest and looting that resulted in more than 340 people losing their lives, damages exceeding R50 billion (approximately \$3.25 billion), more than 3,407 people being arrested, and 14,500 jobs being lost. Other contributing factors such as unemployment and economic inequality were also mentioned in the media. While unrest and looting are not a new phenomenon, what is new is how it was coordinated at a national level without the claimed awareness of the national intelligence agencies. According to media reports, there were ten to twelve people that were aligned with the former president and ruling party that were the instigators. Social media played a major role in inciting the violence and coordinating the unrest and looting.

Events such as these have a major impact on investor confidence resulting in less capital being invested and fewer projects being initiated. The downgrading of SA by rating agencies such as Moody's and Fitch in 2021 lead to declining investor confidence, which impacts the funding that is made available for large-scale projects that are intended to stimulate economic growth. Fewer projects mean a declining need for project managers and project administrators.

### **Fourth Industrial Revolution**

The Fourth Industrial Revolution (4IR) held great promise pre-pandemic. It provided an opportunity to re-think solutions as new technologies become available. New industries were being created as more innovation projects were being conceptualized and completed. Agile PM started to get traction and many organizations were eager to capitalize on the new opportunities. The pandemic changed how people work and live. This provided even more opportunities for the use of advanced technologies to enable working from home.

In SA, 4IR had become the proverbial double-edged sword. In a country that has been battling the digital divide for many years, 4IR has the potential to deepen the divide even further, leading to further political tensions. Access to technology and data is still severely constrained by cost. For the most part, SA is a consumer of 4IR technologies rather than a producer.

Innovation projects require a different approach to PM. Agile PM has become more popular in industry because of the potential benefits. The main challenge now is that the demand for project managers with Agile skills far exceeds the supply.

## **Impact on Project Management in South Africa**

The above trends may impact PM in South Africa at the national, industry, and individual levels.

### **Macro-level**

Due to the current economic conditions, less funding is available for the initiation of new projects, especially large-scale infrastructure projects. The number of new projects has significantly decreased since pre-pandemic times, and all indicators are that this trend will continue for at least a few more years. The result is that the demand for project managers started to decline and many have been retrenched or have been struggling to find new work. The response to this is that many project managers are now pursuing other employment opportunities and moving away from PM as their profession. The shrinking demand also means that there are fewer new entrants into the sector. Fewer people are considering PM as a potential career. The PM profession is therefore at risk as education and training providers start cutting back on non-sustainable qualifications and training courses due to lower demand.

The lower demand for project managers also impacts the remuneration being offered, thereby further discouraging new entrants to the sector.

### **Mezo-level**

The current economic conditions force many organizations to now pursue a survival strategy rather than a growth strategy. There are exceptions to this, as the pandemic has also created new opportunities for new products and services. Part of the survival strategy is to find ways of doing more with less.

Given the number of individuals and organizations implicated in the State Capture Report, it is highly likely that all organizations are to be impacted either directly, indirectly, or by proxy. Those implicated could be a client, a supplier, a contractor, or even part of the organizational governance or leadership structures.

The pandemic has also had a significant impact on supply chain processes, making planning and forecasting even more challenging. The unavailability or delays in delivering services and

products means that scheduling has become very volatile. Political events such as the unrest in 2021 add further complexity to scheduling. Project managers therefore must adapt and become more flexible in managing the resulting changes required. This creates a situation of managing projects reactively rather than proactively.

Many organizations now also need projects to be completed sooner and with less budget for them to be viable. There is less contingency available, leading to additional pressure on project managers to perform. Due to the reduction in the workforce, project managers are often expected to take on additional projects or even non-project-related responsibilities. The increased pressure can easily lead to burn-out if not managed properly.

Many organizations adopted a full or hybrid work-from-home (WFH) model. The result is that many project teams now work virtually, which changes the team dynamics significantly. Project managers are therefore required to adapt to this new way of working, which requires new skills, tools, and techniques. For many, there are still several challenges in WFH ranging from personal, environmental, social, and technological.

### **Micro-level**

The State Capture Report explicitly mentions numerous mega-projects that were used to defraud State-Owned Enterprises (SOEs). Project Managers that were involved with such highly visible projects may now experience reputational challenges, limiting their future employment opportunities.

Project managers are now also being confronted with a lack of job security as well as a declining demand in industry. As organizations start to explore alternative approaches such as Agile PM, new skills and competencies need to be developed and mastered. Many project managers are experiencing challenges in balancing all the competing requirements.

## **The Future of Project Management in South Africa**

Based on the above trends, the following stakeholders should consider their role in facilitation the transitioning of PM:

### **Industry**

The role of industry is to be actively involved in the growth and development of PM as a discipline and practice that continues to meet its needs. This means supporting the development of

standards and best practices, investing in the development of talent and the next generations of project managers, assisting in the professionalization of the practice, and supporting professional societies to fulfill their mandate.

## **Employers**

Employers need to actively develop new career paths and employment models for project managers. The development of the next generation project managers is the responsibility of each organization. In a country like South Africa, where the demand for higher education significantly exceeds the supply, more organizations need to be involved in creating opportunities for further studies and training.

## **Practitioners**

As the context in which PM is applied changes, so does the knowledge, skills, and competencies required. Practitioners are responsible for keeping themselves abreast of new developments in PM, as well as actively contributing to the development of the profession. The decline in membership numbers of PM Professional Societies suggests that practitioners no longer consider themselves to be part of the profession. The attendance of PM conferences nationally and globally has also declined, despite most now being held virtually and costing a fraction of what it did pre-pandemic.

## **Professional Societies**

The need for new knowledge within the changing context will continue. Professional societies have the responsibility to be the custodians of the discipline and to act as a coordinator among all the different stakeholders. The future of the profession is dependent on the ability of professional societies to continue facilitating the creation, transfer, and application of new PM knowledge. As membership numbers drop and fewer organizations contribute to the operational expenses of such societies, their sustainability is under threat.

## **Educational Institutions and Training Providers**

The development and growth of any discipline are dependent on the availability of education and training opportunities. Education institutions and training providers are therefore responsible for developing and offering appropriate curriculum and using pedagogical models that are suitable to the new realities. They play a fundamental role in aligning the needs of industry with the content of their curriculum.

## Conclusion

While the above is by no means definitive, it does provide a high-level systemic overview. The evolutionary path of PM over the last seventy years shows us how unpredictable the future is. For PM to continue to grow, it must ensure that it continues to add value to industry. To do so require alignment between what industry needs and what the discipline can offer. Evolution is gradual and can easily be missed if not explicitly observed. The biggest risk for PM is that it no longer meets the needs of industry and becomes obsolete.

The nature of industry is based on the continued implementation of new initiatives. The need for projects will therefore continue albeit in a changed form. While linearity may no longer be the norm, and clear and detailed requirements upfront be unlikely, the need to create new products and services will remain the foundation of economic growth in South Africa.

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## About the Author



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**Les Labuschagne** is a Professor and the Executive Director: Research, Innovation & Commercialization at the University of South Africa (Unisa). His professional activities extend beyond Unisa. He served Project Management South Africa (PMSA) as the VP: Projects on the National Executive Committee from 2002 to 2004 before being elected as national president from 2004 to 2006. At the end of his term he was invited to join the board as a non-executive director where he served for ten years between 2006 and 2016. He was awarded life-long Professional Membership status for his service and was invited back onto the board as a non-executive director in 2021 to serve for another five-year term. He further serves as an Honorary International Academic Advisor for the *PM World Journal*.

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