Institutional Voids: Impediment to the Achievement of the Sustainable Development Goals in South African Municipalities

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Abstract

This paper examines institutional voids as a possible impediment to harnessing and articulating the contributions of social enterprises towards the implementation of the Sustainable Development Goals (SDGs) in South African municipalities. Municipalities are implementation sites for the national and provincial development goals which are aligned to the sustainable development goals (SDGs). However, our data suggests deficiencies in the Integrated Development Plan of municipalities which emanate from a *Constrained Development Mandate* and manifests itself in *Deficient Sector Engagement* as well as *Fragmented Processes* that work in concert to impede the harnessing and articulation of the contributions of social enterprises the SDGs.

Keywords

SDGs, Institutional Voids, Social enterprises, South Africa, IDP

Bio

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Introduction

This paper examines the notion that institutional voids are a possible impediment to harnessing and articulating the contributions of social enterprises towards the successful implementation of the Sustainable Development Goals (SDGs) in South African municipalities. Social enterprises constitute a range of organizations and enterprises within the social and solidarity economy (SSE) which ideally devise innovative ways to engage in activities that directly and indirectly address socio-economic needs in communities. They are active in areas such as food security, poverty eradication, health care, job creation, skills development, education, security, inequality and gender related issues, environmental protection, among others (Haugh 2006, Haugh and Talwar 2014, Littlewood and Holt 2018, Mair and Marti 2009, Seelos, Ganly, and Mair 2006, Steinman and van Rooij 2012, Visser 2011). This potentially expands the opportunity space as well as the role such organizations can play in the achievement of the SDGs. This paper focuses, not on a specific SDG but, on the broad understandings of the role social enterprises play and the challenges that constrain their contributions to the achievement of the SDGs.

There remain controversies around the definitional boundaries of what constitutes social entrepreneurship (SE) or social enterprises (Karanda and Toledano 2012, Mair and Marti 2006, Seelos, Ganly, and Mair 2006, Weerawardena and Mort 2006). Some scholars (Defourny and Nyssens 2010) conceptualize social enterprises as diverse organizational forms with primarily a social mission to address social challenges, produce goods and services that are related to their social mission. This view accommodates a broad spectrum of organizations ranging from non-governmental organisations, not-for-profit organisations to organisations with a mix of commercial and social mission (hybrid forms) (Austin, Stevenson, and Wei-Skillern 2006, Seelos, Ganly, and Mair 2006) and those that occur within the business and government sector (Austin, Stevenson, and Wei-Skillern 2006). To others, they are organizations that seek business solutions to social problems (Thompson and Doherty 2006) blending methods from the world of business and non-profit sector to create sustainable social value (Dees and Anderson 2006). While the definitional controversies remain, there is concurrence, however, that the contributions of social enterprises bring about positive social change that can influence the overall development of the community (Achleitner, Bassen, and Roder 2009).

In South Africa social enterprises are regarded as a mechanism that can be used to address the numerous wicked sustainable development challenges facing the country (Littlewood and Holt 2015a). The term is also being used to describe a variety of organizational forms and practices such as non-governmental organizations (NGOs), non-profit organizations (NPOs), non-profit companies (NPCs) co-operatives, community-based organizations, voluntary associations, trusts as well as small, medium and micro-sized enterprises (SMMEs). They can incorporate under three legal forms viz: non–profit (NPO), for–profit and/or hybrid model (Claeye 2017). This paper is concerned with the non-profit and hybrid models.

Studies on social enterprises in South Africa have addressed diverse areas, ranging from definitions (Karanda and Toledano 2012), legal forms of social enterprises (Claeye 2017), the potential categories of social enterprise target stakeholders (Littlewood and Holt 2015a) to the influence of the environment on social enterprises (Littlewood and Holt 2015b). Other studies include skills competencies associated with successful SE (Urban 2008), the links and relationships between the individual’s (social entrepreneur’s) self–belief and the social enterprise’s outcomes (Urban 2015). Visser (2011) uses case studies to show the role of social
enterprises in employment creation, skills development and education. Similarly, Steinman and van Rooij (2012) examine the potential role the SSE can play in job creation in South Africa. This paper focuses on how institutional voids impede the contributions of social enterprises in the achievement of the SDGs in South African municipalities.

Municipalities in South Africa play a crucial role in the development process as they carry significant developmental responsibilities to ensure that the quality of life of citizens improve (Department of Provincial and Local Government [DPLG] 2000). They are implementation grounds for national and provincial development plans, and, by implication, global development agenda such as the SDGs. This is because, the integrated development plan (IDP) of municipalities is aligned to provincial development plans and the National Development Plan (NDP) of South Africa which are aligned to the SDGs. In the NDP, provincial development plans and IDPs, organizations in the social enterprise sector are recognized as strategic development partners. Available evidence, however, suggests that in practical terms the institutional framework for the participation of social enterprises in the development process at the municipal level is deficient. This suggests the presence of institutional voids in the development planning context in which social enterprises operate. The paper draws on institutional theory and notion of institutional voids to identify the institutional voids in the IDP. The analysis suggests that social enterprises and the services they provide are not adequately integrated into the IDP. As such their activities remain obscure or occur in isolation from the larger development goals.

The question this paper seeks to answer therefore, is how the institutional voids in the social enterprise–development context in South Africa’s municipalities impede the achievement of the SDGs? The paper contributes to the discourse on the role of SSEs in development practice by providing insights into the ‘the other side of the coin’. It is a departure from focusing on the achievements and opportunity context for social enterprises, to explaining the possible factors that can constrain governments from harnessing the contributions of social enterprises towards the implementation of the SDGs.

The remainder of the paper is structured as follows: in the next section, social enterprise organizations and their links to the SDGs will be discussed. Next, the IDP of South African municipalities will be discussed to frame our understanding of institutional voids within the larger context of institutional theory. Then the methods used for the paper will be presented, followed by the findings and then the paper will conclude, proposing some recommendations.

Social Enterprises and the Sustainable Development Goals
Works directly linking social enterprises to development goals and specifically the SDGs, are scant. Existing studies, for example Haugh (2006), show how social enterprise activities address economic and social development problems such as income generation opportunities, employment in communities. Haugh and Talwar (2014) and Mair and Marti (2009) address poverty among rural women. Their analysis demonstrates that social enterprise activities help to remove the barriers that constrain women from participating in socio–economic activities through access to microfinance, acquiring skills and vocational training. Linking social enterprises to the SDGs, Wanyama (2014) and Gicheru (2016) expound the possible ways in which cooperatives can contribute to the implementation of the SDGs. Gicheru (2016) however, focuses specifically on the Least Developed Countries (LDCs). In a similar vein, Littlewood and Holt (2018) offer a conceptual framework that explains how social enterprises can contribute to the achievement of the different SDGs. This draws a parallel with work of Seelos, Ganly, and
Mair (2006) who examine how social enterprises contribute to the Millennium Development Goals (MDGs) which laid the foundation for the SDGs. This paper shows how deficiencies in the institutional frameworks of development planning at the local level can constrain the achievement of the SDGs.

Institutions and Institutional Voids
Institutions are ‘humanly devised constraints that structure political, economic and social interactions’ (North 1991, 97). These consist of 1) formal rules (North 1991) or regulative institutions (Scott 1995, 2005). That is, government’s regulation of the actions of individuals and organizations through, for example, constitutions and laws and 2) informal constraints (North 1991) and, normative and cognitive institutions (Scott 1995, 2005) which refer to socially constructed roles, values and norms. Institutions are located within specific contexts. They serve an important role of shackling arbitrary behaviour among actors, providing a framework that shape and govern the transactions and social behaviour of actors within a given context towards a desired direction (North 1991, Scott 1995, 2005). According to North (1991), effective institutions create order and reduce uncertainty; they increase the benefits of cooperative solutions to problems and create an enabling environment for the realization of potential gains from the transactions and interactions that occur within a given environment. North (1991) further contends that the activities of individuals and organizations are a reflection of the institutional framework and the effectiveness of its enforcement within the said environment.

On the other hand, when the institutional frameworks and institutions necessary to support the proper functioning of activities within a context are absent, weak or deficient, it indicates the presence of institutional voids (Khanna and Palepu 1997, Khanna, Palepu, and Sinha 2005). Institutional voids stem from information problems as well as misguided and inefficient regulatory implementation mechanisms (Khanna and Palepu 1997). They engender constrains and impediment (Khanna and Palepu 1997, Mair and Marti 2009). The concept of institutional voids originated in the area of business operations. However, research on SE and institutional voids have dealt, mostly, with the role of institutions on SE and the role social enterprises play in filling the voids created by inadequacies in formal institutions and market deficiencies. As Defourny and Nyssens (2010) point out, various understandings of social enterprises are deeply rooted in the social, economic, political and social contexts in which these organizations emerge and operate. And so, they often operate, especially in developing countries, in contexts bedevilled by social challenges. When the institutional arrangements to address these issues are absent, weak or fail to accomplish the role expected of them, it creates institutional voids (Mair and Marti 2009) which lead to demands for social entrepreneurial activity (Estrin, Mickiewicz, and Stephan 2013). This paper follows Khanna and Palepu’s (1997) formulation. It is concerned with the formal or regulatory institutional framework of the IDP of South African municipalities and how the institutional voids that exist within it can constrain social enterprise organizations in the implementation of the SDGs.

Spotting Institutional Voids in the Integrated Development Plan
The IDP is the institutional framework for strategic planning, spanning a five-year period (revised annually). It informs and guides all planning, management, budgeting and decision-making in municipalities in South Africa (Department of Provincial and Local Government [DPLG] 2000). The constitution confers on municipalities the developmental mandate and obligation to:
a) ‘structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and

b) participate in national and provincial development programmes’ (Republic of South Africa 1996, 77).

The constitution also confers functions and duties (Republic of South Africa 1996, see schedule 4B and 5B of the Constitution of South Africa) on municipalities which include issues relating to municipal planning, infrastructure, works and facilities, utilities such as water and electricity, sanitation, trading regulation (among others). These developmental mandates and functions are animated through the IDP which is also expected to coordinate the activities of agencies from other levels of government and those of the private sector, organizations in the social enterprise sector (loosely referred to in government documents as NPOs and civil society), as well as corporate service providers (Department of Provincial and Local Government [DPLG] 2000).

The core components of IDP include the municipality’s vision, situational analysis of existing level of development, priorities and objectives, budget projection, performance management system, key performance areas, key performance indicators and targets, monitoring and review systems (Municipal Systems Act 2000). These development frameworks, according to the Municipal Systems Act (2000), should shape and guide the developmental operations of both the municipality and those of external organizations, which include organizations in the social enterprise sector. What then, are the institutional voids in the IDP?

Khanna, Palepu, and Sinha (2005) point out that to spot institutional voids, questions relating to the context need to be asked. And so, the questions being asked are, 1) how do the planning processes mandated by the constitution incorporate the social enterprise activities since they also contribute to promoting socio-economic development? 2) How do municipalities coordinate the activities of the social enterprise sector? 3) How does the planning framework outlined above apply to the social enterprises as external organizations? An analysis of various IDPs indicate these questions (and more) remain unanswered, as the planning and implementation frameworks and the tools for oversight and coordination are severely limited.

IDP therefore states mostly what government will do, principally along the lines of the functions and duties mentioned earlier. These service delivery areas, then form the basis of the operations, measuring and reporting on a municipality’s performance. Even though the it concerns itself with areas related to poverty eradication, educational intervention, skills development, job creation, and other such areas where social enterprises are active, the contributions from the social enterprise sector to development goals are hardly articulated. This paper argues that the inadequacies/institutional voids in the IDP manifest in various ways that can impede the harnessing and articulation of the contributions of the sector towards the achievement of the SDGs. The next section discusses the methods used in the paper.
Methods

This paper set out to identify the ways in which the institutional voids in the IDP of South Africa’s municipalities manifest to impede the harnessing and articulation of the contributions of the social enterprise sector in the achievement of the SDGs. The relevance of this lies in the conceptual considerations of what social enterprises represent in the development process and the development trajectory that funnels from the SDGs down to the IDP; with municipalities being implementation sites. The paper adopts a qualitative approach, using the grounded theory (GT) strategy (Glaser and Strauss 1967) to identify how the institutional voids occur and impede the achievements of social enterprises.

The GT strategy is valuable for generating a parsimonious and conceptual explanation of what is going on in the substantive research area (Glaser 2002). It is often suitable in ‘investigations of relatively uncharted waters, or to gain a fresh perspective’ (Stern 1980, 20). The notion of ‘uncharted waters’ and ‘fresh perspective’ are relevant here because, the place of social enterprises in a development policy planning context appears under researched.

Primary qualitative data was collected from the Nelson Mandela Bay Municipality (NMBM) in the Eastern Cape Province of South Africa. A total of 31 respondents were interviewed: the director/principal or a manager from 16 social enterprises and 15 key informants were drawn from relevant departments/directorates in the municipality, ward councillors and the district office of the Department of Social Development. All the social enterprise organizations indicated that they contribute to the development of the municipality through activities such as offering poverty eradication programmes, educational services, food gardens, healthcare services, skills development. Across the various organizations they employ between 2 to 55 full–time staff. Some organizations have income–generating activity (or activities), in addition to funds, grants or any assistance received from funders. Additional data were derived from secondary sources such as published government documents, development plans and relevant supplementary documents; adhering to the GT dictum that ‘all is data’.

Initial respondents were purposively selected. Thereafter, the theoretical sampling method was adopted (Charmaz 2006, Corbin and Strauss 2008, Glaser and Strauss 1967). Semi–structured interviews, with open–ended questions were used for data collection. This allowed for contextual, descriptive and detailed answers (Wisker 2008).

Data analysis commenced with a verbatim transcription of the interviews and a line–by–line in vivo open coding, from which the initial categories were generated. Then, a more focused and selective coding was done, wherein through an iterative process, some substantive categories were extracted from the initial categories because of their relevance to the study (Charmaz 2006, Glaser 1978). These were then refined and abstracted into the theoretical concepts of Constrained Developmental Mandate, Deficient Sector Engagement and Fragmented Processes.

Table 1 below shows a representative data matrix (Miles and Huberman 1994) showing how the data were reduced from open/raw codes → substantive codes → theoretical concepts/themes.
Table 1: Data matrix

<table>
<thead>
<tr>
<th>Open Codes</th>
<th>Categories</th>
<th>Concepts</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Mandated to focus on a specific direction</td>
<td>Municipal Mandate</td>
<td>Constrained Development Mandate</td>
</tr>
<tr>
<td>• Social space is not of municipal services</td>
<td>Daily Operations</td>
<td></td>
</tr>
<tr>
<td>• Not directly linked to municipality per se</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Haven’t become part of the IDP process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• They don’t appear in the IDP (document)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Roads, water, electricity, waste removal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• We just sign the register</td>
<td>Processes of Engagement</td>
<td>Deficient Sector Engagement</td>
</tr>
<tr>
<td>• We are ignored by the municipality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Not a sector to be called and engaged</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• They have to be funded</td>
<td>Perceptions of Need</td>
<td></td>
</tr>
<tr>
<td>• We support and help them</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• We do a needs assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Workshops for them</td>
<td>Autonomous Strategies</td>
<td>Fragmented Processes</td>
</tr>
<tr>
<td>• Fund their programmes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Support them in whatever way</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Municipality</td>
<td>Autonomous Entities</td>
<td></td>
</tr>
<tr>
<td>• International Organizations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• CSI</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The concepts are presented as a set of propositions (Glaser 1965, Glaser and Strauss 1967) because, propositions more straightforward and presents the concepts in the form of measurable constructs (Gioia, Corley, and Hamilton 2013).

Findings

The analysis revealed that the institutional voids in the IDP emanates from The Constrained Development Mandate conferred on municipalities which manifest in the Deficient Sector Engagement and multiple Fragmented Processes to impede the harnessing and articulation of the contributions of social enterprises towards the achievement of the SDGs. These processes are presented in the form of propositions below.

**Proposition 1: Constrained Development Mandate of municipalities can impede the contributions of social enterprises towards achievement of the SDGs**

Constrained development mandate relates to the gaps created by the broad Municipal mandate to promote social and economic development of communities and how the interpretations of the mandate influence the Daily Operations of the municipality (in Schedule 4B and 5B). The seeming gap is expressed in constructed understandings and interpretations of the duties of municipalities which tilt towards much restricted duties rather than having a broad socio-
economic developmental trajectory. And so, the development mandate of the municipalities is expressed thus:

*First and foremost, municipalities are responsible for various things, in terms of service delivery, housing, cleansing or cleaning, road infrastructure, removal of waste, provision of water, electricity, amongst others. The social space is normally an extension, not of municipal services, but provincial* (KI 1).

This understanding of the development mandate of the municipality appears to influence the *Daily Operations* and issues that the municipality directly plans for and the issues that eventually make it into the IDP as evidenced in the statement below:

* [...] In the daily operations the municipality, in particular, it has not been structured to look at the non-profit organisations because it [municipality] has been more service delivery-oriented in terms of your hard-core projects, like water, and electricity, roads, speed humps and all of those things* (KI–7).

This disconnect constrains municipalities from adequately integrating social enterprise activities into the planning and implementation framework of the IDP to account for them. The constrains also impact on the municipality’s engagement with social enterprise organizations.

**Proposition 2: Deficient Sector Engagement can impede the contributions of social enterprises towards the achievement of the SDGs**

Deficient Sector Engagement relates to the *Processes of Engagement* and participation of social enterprise organizations in the development planning process and the *Perceptions of Need* that characterize the municipality’s attitude towards social enterprises. Community participation is one of the critical processes in the IDP process. It creates opportunities for the municipality to engage and consult with the community about its development needs and priorities towards the preparation, implementation and review of the IDP. These participatory meetings take place at the ward and municipality level. The Municipal Systems Act (2000) describes ‘community’ as residents, non–governmental organizations and a number of other bodies within the municipal area. To this end, social enterprises wear two hats: they are development partners as well as community members.

The analysis revealed that during IDP meetings, both at the ward and municipality level, the participation of social enterprise operators, and government’s engagement with them is poor. Also, their programmes and the issues they address are usually not priority constituents of the agenda:

*Normally, sectors get to be engaged at the metro level when the IDP goes on. Non–profit sector is not really catered as a critical sector that needs to be called and engaged with. For instance, even at the ward committee level, we have religion, we have your sports, you have your housing. Even we have business, but we don’t have something that says, ‘How do we deal with organizations that deal with issues of social concern, like social entrepreneurs’? The*
thinking is that, that particular responsibility falls outside the mandate of the municipality (KI 7).

This thinking that the activities of social enterprises fall outside the jurisdiction of municipalities creates further impediments to the harnessing of their activities. Due to the nature of services most social enterprise organizations provide, the sector is intrinsically tied to the national and provincial government as majority of the issues it addresses, for example health, education, hunger, skills development, among others, are under the jurisdiction of departments within those spheres of government. The question then is ‘Why do municipality and directorates within it fund social enterprises’? While on the face of it the municipality considers it as a way of engaging with the sector, this process of engagement bear connotations and Perceptions of Need. That means the organizations are viewed as entities that are mainly in need of help to survive; rather than as co-creators of opportunities and programmes for the achievement of development goals. This perception generates comments such as these:

Now if you talk about the social enterprises within the context of the IDP, you will realize that it doesn’t appear in the IDP, but at the end of the day, those NPOs they will have to be funded in one way or another and most of the time they come to the municipality to be funded so that they can be able to sustain their activities within the locations that they are serving (KI 8).

It is important to note that the funding is not regular and not made to all organizations. Also, comments such as these obviate the shift by organizations towards self-sustenance. These manifestations of institutional voids can create challenges in understanding the role of the social enterprise sector and how to harness their contributions.

Proposition 3: Fragmented Processes can impede the contributions of social enterprises towards the achievement of the SDGs

Fragmented Processes refer to the Autonomous Strategies and Autonomous Entities that create and maintain opportunities for social enterprises in the provision of services. In the absence of an institutional framework that guides the participation of social enterprise organizations, diverse Autonomous Strategies are developed. These are the multiple situational adaptations that enable social enterprises to participate in the development process. The strategies are differentiated and autonomous in the sense that they are developed and implemented by the multiple entities or stakeholders/partners that have relationships with social enterprises, but without any organizing framework to coordinate them. These strategies include, for example, various kinds of support and systems in place to facilitate participation, including monitoring systems. Some respondents note:

There is a whole lot of agreements with different agencies. So different directorates identify different types of social enterprise organizations [...] and they support them in whatever way that can help the social enterprise organization to function well in that area (KI 20).

9
These various strategies are used to forge partnerships/relationships between social enterprises and various Autonomous entities, within and outside the municipality. For example, as indicated in the statements below:

*Obviously, you can’t depend on the municipality. There are other potential funders who help us as organizations to fulfil our objectives and to help our communities (SE–1).*

*Some international organizations, [...] mostly they will go directly to the communities. If there is an organization, they will fund them (KI 2).*

As mentioned earlier, there are organizations who also generate funds through trading, charging fees and other activities.

The autonomy that inheres in the strategies and entities create challenges of coordination. For example, there are multiple data bases of social enterprises, monitoring processes, information and other mechanisms that are maintained within the various partnerships. These are often fragmented and incoherent. This statement provides a glimpse into the nature of the fragmentation:

*This work that we are doing, you know, you have to consolidate yourself. Everybody is doing their own thing, you know. You have to know what the various potential funders want. If you are working with any funder, you know what they want. If it is the municipality, they have their own system (SE–1).*

These ostensibly fragmented processes engendered by the lack of a comprehensive institutional framework on SE and development in municipalities can constrain the articulation of the achievement of social enterprises in achieving the SDGs.

**Discussion and Conclusion**

This paper demonstrates that the institutional voids or deficiencies in development plans manifest in various ways to impede the harnessing and articulation of the contributions of the social enterprise sector towards the implementation of the SDGs. Research on SE have often highlighted the role the sector plays in addressing development challenges. However, questions about the ways in which institutional arrangements impede the harnessing and articulation of such contributions are not being raised. The analysis shows that Constrained Development Mandate, Deficient Sector Engagement and Fragmented Processes work in concert to constrain social enterprises. These issues are relevant to discussions on the Systemic Issues of Policy and institutional coherence, Multi–stakeholder partnerships and Data, monitoring and accountability (Goal 17) proposed by the Open Working Group (OWG) (United Nations n.d) as a means of implementing the SDGs, not only at the global level but also at the domestic level.

The OWG emphasises that the implementation will depend on an integrated approach that incorporates the active engagement of all sectors (United Nations n.d). Even though South Africa’s response to the implementation process is mainstreaming the SDGs and the implementation framework into its national and local plans and strategies (Statistics South Africa 2017), evidence from the analysis shows that much still needs to be done at the local
level. This is rather ironic because municipalities are at the coalface of the wicked development problems that South Africa faces; yet there is a lack of coherent policy and institutional frameworks that sufficiently mainstreams or integrates a critical sector and ‘so called’ development partners that create opportunities and provide services that improve the lives of people in communities. This aligns with Khanna and Palepu’s (1997) assertion that institutional voids stem from inefficient regulatory implementation mechanisms, and Mair and Marti (2009) who contend that institutional voids emanate from conflicts in institutional arrangements.

The patterns of engagement and partnerships with organizations in the social sector also present challenges. Why do municipalities fund and support social enterprises if the organizations are not within their mandate? This rather ambiguous stand presents other challenges. Most partnerships are based on donor–recipient relationships and so, the contributions of social enterprises become obscure and subsumed under the achievements of the donor, for example the municipality, directorates and other government departments. Also, activities by self–sufficient social enterprises and those who partner with other autonomous entities like the private sector or international organizations stand the risk of occurring in isolation because, the municipality lacks the appropriate tools and frameworks to coordinate the various autonomous entities and processes.

The existence of multiple autonomous and semi-autonomous entities (and strategies) within an institutional structure is indicative of fragmentation. The fragmentation creates complexities which continue over time as a function of non-coordination Scott (1995). These fragmentations are also evident in the absence of consolidated information–generating system on the social enterprise sector. Rather, these are generated and held within the various partnerships. As such, the contributions of social enterprises towards implementing development goals, especially the SDGs are hardly accounted for. This raises the question: ‘How do we then know the extent of the sector’s contributions towards the implementation of the sustainable development goals’?

To address the institutional voids and enhance the role of social enterprise organizations towards the implementation of the SDGs, the following recommendations are proposed: overall, there is need for a shift in the IDP framework of municipalities in South Africa. This would mean that Municipalities would recalibrate the thinking and interpretations around their developmental mandate, and mainstream social enterprise activities into the development planning process to reflect the present realities within communities. This should then cascade down to effectuate other processes, for example, 1) expanding and deepening the invited space for the participatory processes of the IDP, to effectively incorporate discussions on social enterprise activities; 2) taking concerted and deliberate steps in articulating ward committees, whose main objective is to enhance participation at the local level, as sites for stakeholder engagement. That means providing a space within which discussions about the alignment of the objectives, activities and actual outcomes of social enterprise activities and the priority sustainable development goals of communities can occur, for planning purposes. Within this space, social enterprise organizations can participate in the planning process as actual partners in development and also provide feedback on the value of their activities to the stakeholder groups they serve. 3) Having a dedicated office in the Municipality for the coordination and organization of the activities of the various differentiated autonomous entities as well as the various clusters of partnerships (whether funded by any government entity or not) in the SE–development space. This can assist in developing a comprehensive data base of, and information gathering process on social enterprise organizations and their activities in order to harness and account for their contributions towards the implementation of the SDGs.
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Republic of South Africa. 1996.


