

UNIVERSITY OF KWAZULU-NATAL

**The impact of strategic leadership principles on business growth and financial
sustainability: A Rand Water case study**

Rendani Mathoho

Student Number: 221120788

College of Law and Management

Graduate School of Business and Leadership

**A dissertation submitted in partial fulfillment of the requirements for the degree of
MASTER OF COMMERCE IN LEADERSHIP STUDIES**

Supervisor

Prof J Dubihlela

Year of Submission

2024

DECLARATION

I Rendani Mathoho.....declare that:

- The research reported in this thesis, except where otherwise indicated, is my original work.
- This thesis has not been submitted for any degree or examination at any other university.
- This thesis does not contain other persons' data, pictures, graphs or other information, unless specifically acknowledged as being sourced from other persons.
- This thesis does not contain other persons' writing, unless specifically acknowledged as being sourced from other researchers. Where other written sources have been quoted, then:
 - a) their words have been re-written but the general information attributed to them has been referenced;
 - b) where their exact words have been used, their writing has been placed inside quotation marks, and referenced.
 - c) Where I have reproduced a publication of which I am author, co-author or editor, I have indicated in detail which part of the publication was actually written by myself alone and have fully referenced such publications.
 - d) This thesis does not contain text, graphics or tables copied and pasted from the Internet, unless specifically acknowledged, and the source being detailed in the thesis and in the References sections.

Signe



ACKNOWLEDGMENTS

I extend my deepest gratitude to those who have been instrumental in the completion of this dissertation.

- To my father, for your unwavering support and encouragement throughout my life, especially on the value of education. Your belief in me has been a constant source of strength.
- In loving memory of my late mother, whose love and wisdom continue to guide me. This accomplishment is a testament to the values you instilled in me.
- To my brothers, Gundo and Ipfi, and my sister, Murunwa. Your love, patience, and unending faith in me have made this possible. Thank you for being my pillars of strength.
- To my colleagues, thank you for your companionship, insight, and motivation. Your willingness to share your experiences and insights has been invaluable.
- To all the research interview participants. This work would not have been possible without your contribution.
- To my study supervisor, your guidance, expertise, and encouragement have been indispensable. Your mentorship has not only shaped this dissertation but has also significantly contributed to my personal and professional growth.
- To my daughter Phophi, thank you for being my beacon of inspiration. Your curiosity, resilience, and joy have fuelled my determination and reminded me daily of the importance of pursuing my dreams. This work is dedicated to you, my shining light, and I hope that one day, you will draw inspiration from it
- To Rand Water for giving me permission to conduct this research study

ABSTRACT

This document entails a research study conducted at Rand Water with the aim of exploring the impact of strategic leadership principles on achieving business growth and sustainability. The study objectives and research questions were formulated to respond to the study's aim adequately. A literature review was conducted covering all the major topics and theories relevant to the study, including strategic leadership, revenue growth, financial sustainability, and relevant legislation.

A research methodology was developed to stipulate the research process. After considering various research methodologies, a qualitative case study research design was found to be more suitable for this research. This resulted in an inductive approach being utilized. The research population for this study was Rand Water managers in general, while the target population was managers at the middle management level and above. Data was collected through semi-structured interviews, which were recorded and transcribed using MS Teams. The data was then analyzed using NVivo software based on thematic analysis. Initial codes were then developed and analyzed until the main codes were established. The main themes generated through this process were leadership, revenue growth, profitability, and sustainability

It was concluded that Rand Water managers generally fully apply five of the seven strategic leadership principles to varying degrees. This represents a 72% application of the strategic leadership principles. The most embraced principles were found to be strategic partnerships, future-oriented strategies, and evidence-based decision-making. However, challenges remain in implementing new initiatives and maintaining ethical standards. Despite these challenges, it was found that Rand Water managed to sustain revenue growth and profitability, demonstrating the effectiveness of its strategic leadership. It was also concluded that the relationship between strategic leadership principles and both revenue growth and sustainability was direct and symmetrical. The four pieces of legislation that are crucial for Rand Water's growth and sustainability were also identified. Recommendations that respond to the research objective and questions were also derived from the findings and conclusions.

This study addresses growth and sustainability challenges for water utilities by recommending policy and legislative changes. It ensures reliable water supply and water security and adds to leadership and strategic knowledge through a practical case study.

TABLE OF CONTENTS

DECLARATION	<i>i</i>
ACKNOWLEDGMENTS	<i>ii</i>
ABSTRACT	<i>iii</i>
TABLE OF CONTENTS	<i>iv</i>
LIST OF FIGURES	<i>vii</i>
LIST OF TABLES	<i>vii</i>
CHAPTER 1	<i>1</i>
1.1 Introduction	<i>1</i>
1.2 Background	<i>3</i>
1.3 Problem statement	<i>6</i>
1.4 Research aims and objectives	<i>7</i>
1.4.1 Research Aim	<i>7</i>
1.4.2 Research Objectives	<i>7</i>
1.4.3 Research questions	<i>8</i>
1.5 Rationale and significance of the study	<i>8</i>
1.5.1 Rationale	<i>8</i>
1.5.2 Significance of study	<i>8</i>
1.6 Definition of key terms	<i>9</i>
1.7 Outline of study	<i>10</i>
1.8 Chapter Summary	<i>11</i>
2 CHAPTER 2	<i>12</i>
2.1 Introduction	<i>12</i>
2.2 Conceptual framework	<i>12</i>
2.2.1 Strategic leadership	<i>13</i>
2.2.2 Business growth	<i>22</i>
2.2.3 Business Sustainability	<i>24</i>
2.2.4 Financial sustainability	<i>26</i>
2.2.5 The Rand Water context	<i>28</i>
2.2.6 Legislation relevant to Rand Water	<i>29</i>
2.3 Theoretical framework	<i>31</i>
2.3.1 Leadership and the Underpinning Theories	<i>32</i>
2.3.2 Leadership styles	<i>34</i>
2.4 Business growth	<i>36</i>
2.4.1 Firm growth theory	<i>36</i>
2.5 Empirical review	<i>38</i>
2.5.1 Strategic leadership and long-term competitive advantage	<i>38</i>
2.5.2 Strategic leadership and growth	<i>39</i>
2.5.3 Growth and sustainability	<i>39</i>
2.6 Chapter Summary	<i>40</i>

3	CHAPTER 3	41
3.1	Introduction	41
3.2	Research philosophy/paradigm.....	41
3.3	Research design.....	43
3.4	Research approach.....	44
3.5	Population and sampling.....	44
3.5.1	Population.....	45
3.5.2	Sampling	45
3.6	Data collection.....	48
3.6.1	Data collection method	48
3.6.2	Data collection instrument and procedure.....	49
3.7	Data analysis	49
3.8	Trustworthiness	50
3.9	Ethical considerations	51
3.10	Chapter Summary.....	52
4	CHAPTER 4	53
4.1	Introduction	53
4.2	Demographics.....	53
4.2.1	Response rate.....	54
4.2.2	Participant information	54
4.3	Findings.....	56
4.3.1	Revenue growth.....	58
4.3.2	Profitability.....	64
4.3.3	Sustainability	66
4.3.4	Strategic leadership principles and revenue growth and profitability and sustainability	67
4.4	Chapter Summary.....	72
5	CHAPTER 5	73
5.1	Introduction	73
5.2	Overview of objectives	73
5.3	Summary of Findings and Conclusions.....	74
5.3.1	Strategic leadership principles.....	74
5.3.2	Objective 1: Strategic leadership principles and business growth at Rand Water	76
5.3.3	Objective 2: Strategic leadership principles and financial sustainability at Rand Water. ...	78
5.3.4	Objective 3: Most effective strategic leadership principles in achieving business growth and financial sustainability.	79
5.3.5	Objective 4: Legislation in relation to Rand Water’s business growth and financial sustainability.....	79
5.4	Recommendations	81
5.5	Research Implications	83
5.5.1	Implication to research.....	83
5.5.2	Implication to practitioners.....	84
5.5.3	Implication to policy	84
5.6	Research limitations	84

5.7	Future research.....	84
5.8	Conclusion.....	85
	REFERENCES.....	86
	APPENDIX A: INFORMED CONSENT	I
	APPENDIX B: ETHICAL CLEARANCE	V
	APPENDIX C: INTERVIEW QUESTIONS GUIDE	VI
	APPENDIX D: GATEKEEPER LETTER	VIII

LIST OF FIGURES

Figure 1: Strategic leader abilities and characteristics.....	16
Figure 2: Business Growth.....	23
Figure 3: Research design.....	43
Figure 4: Sampling techniques.....	46
Figure 5: Participants' racial composition	56

LIST OF TABLES

Table 1: Functions of Strategic Leadership	15
Table 2: Paradigm worldview	42
Table 3: Research sample	47
Table 4: Participants information.....	55
Table 5: Themes and codes.....	57
Table 6: Critical legislation.....	80

CHAPTER 1

INTRODUCTION AND PROBLEM IDENTIFICATION

1.1 Introduction

This chapter covers the introduction of the research study; it includes all the sections and information that constitute the introduction and background to this study. It also serves as an introduction to all the concepts applicable to this study. This case study research was conducted at Rand Water, a water utility operating in Gauteng. The study seeks to understand Rand Water's growth and sustainability on an academic level by employing academic concepts such as strategic leadership, business growth, and sustainability.

Strategic leadership is vital for any organization to realize its objectives and overall organizational vision. This study explores the impact of strategic leadership principles on achieving the growth and financial sustainability of an organization. This study was conducted at Rand Water, a water utility company operating in South Africa. It is every organization's objective and mission to strive for excellence and achieve growth in the future; this is also true for Rand Water as an organization. To achieve this, the organization requires a vision and the right skills, which can only come to fruition through effective leadership. The concepts of strategic leadership, growth, and sustainability are the main focus of this study. These concepts are briefly discussed below as an introduction to the research and provide context.

According to Morrill and Richard (2018), strategic leadership is vital for organizations as it allows them to envision, predict the future, and apply changes that give them a competitive edge. Strategic leadership has emerged as the best leadership style for competitive and complex situations organizations face. Even though organizations are exposed to different types of leadership, these leadership styles usually lead to average returns. On the other hand, strategic leadership continually leads to growth due to its ability to influence role players to take actions that lead to the growth and sustainability of the organization (Gupta, 2018).

Different studies have identified strategic leadership practices as the core of strategic leadership. These practices are given different names depending on the author. The names include strategic leadership principles, components, characteristics, and competencies. Different authors also differ in identifying the total number of these practices or grouping them.

This study shall refer to these practices as principles of strategic leadership. According to Ireland and Hitt (1999), although these principles are considered individually, it is vital to coordinate them all to ensure strategic leadership's effectiveness. Quong and Walker (2010) identified seven principles as crucial to ensure effective strategic leadership; these principles can, therefore, be used to assess the effectiveness of strategic leadership. These principles are, therefore, vital to this study as they will assess how Rand Water's management practices strategic leadership and how it influences its growth and sustainability.

Every organization's goal is to aim for excellence and growth in the future. Organizations require competency and a well-crafted vision to achieve this growth and sustainability. This can only be achieved through strategic leadership, which enables strategies to ensure the vision materializes (Gupta, 2018). Organizational growth can be measured using growth indicators such as capacity, output, and qualitative indicators. Through these indicators, leaders can develop a suitable growth strategy. The growth strategy helps the organization identify new markets, increase sales, and create new services and products (Business Growth, 2022).

The theory of firm growth, also referred to as organizational growth, has been evolving over several decades, enriching the business growth literature (Hafiz, Latiff, Islam, Saif and Wahab, 2022). The primary foundation for a business growth model was based on an ideology that innovation and creative destruction are the main drivers of business growth (Schumpeter & Nichol, 1934). Various researchers further contributed to the concept of business growth; however, despite these contributions, a comprehensive knowledge body about the subject matter has not been established (Hafiz et al., 2022). Business growth for Rand Water includes various aspects such as revenue, profits, and investments.

Sustainability has recently become popular in strategic management; it has, however, been challenging to define its meaning properly. One group views sustainability as limited to environmental issues, while another views it as the same as corporate social responsibility. The original meaning of sustainability in the business context considers time as a critical variable. This requires businesses to make some trade-offs with the aim of safeguarding intergenerational equity. Without the time dimension with regard to strategic management, sustainability may be replaced by short-termism (Bansal & DesJardine, 2014).

Sustainability is defined by (WCED, 1987) as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Businesses have many risks at a macro level, which may result in the collapse of the business if it fails to balance the short and long-term goals (Bansal & DesJardine, 2014).

According to Lavery (1996), businesses must choose between investing less and receiving smaller profits sooner and investing more for greater profits in the future. The same concepts apply to the trade-off between exploitation and exploration. Businesses profit from exploitation by marketing and selling current products and services but must also invest in exploration activities, such as research and development, to secure prospects of future products and services (Bansal & DesJardine, 2014). This is very relevant to Rand Water because its sustainability is mainly linked to its ability to continually supply bulk water to its customers and how it manages its revenue into the future.

1.2 Background

This section covers background information on South Africa’s water and sanitation industry and how Rand Water fits into it. It is essential to cover this background because this research is a case study based on Rand Water. Additionally it also covers a brief discussion of previous research conducted on the main concepts relevant to this study.

Government-owned Water Boards, also known as water utilities, are critical for the water needs of the area they operate in and South Africa at large. Rand Water is one such entity responsible for the bulk water supply in Gauteng and other parts. Water Boards are at the core of the water supply value chain as they operate and maintain dams and bulk water supply infrastructure. In addition to this, they assist with retail infrastructure and wastewater systems. It is, therefore, clear that they play a critical role in the functioning and progress of South Africa. Their success is vital and affects the health and welfare of citizens. Water utilities also have a direct impact on the functioning of the South African economy.

The Water Services Act No 108 of 1997 of South Africa was mainly established to realize the constitutional rights of citizens to access basic water supply and sanitation (Gazette, 1997a). The Gazette (1997) also stipulates and offers the regulatory framework for water services institutions and intermediaries. These institutions include water boards and water service

committees, which the act provides rules for their establishment and disestablishment and the powers and duties that can be afforded to them.

According to Tibane (2022), the main role of water boards can be regarded as the supply of bulk potable water to water service institutions that operate within the water boards' area of service. They can also provide support to water service institutions like municipalities by operating and maintaining bulk water infrastructure. Even though they have similar mandates, water boards come in various forms depending on the area they are servicing. Rand Water and Umngeni Water serve the main urban areas, while the rest mostly serve the rural areas (Tibane, 2022).

Rand Water is the largest water utility in the African continent and one of the largest in the world. It supplies bulk potable water that reaches eleven million people in Gauteng province and some parts of Mpumalanga and Free State provinces. Rand Water was established as a water board as per the Water Services Act of 1997 No 108 (Tibane, 2022). It was, however, founded in May 1903 and operates two large pumping and purification stations at Vereeniging and Zuikerbosch water treatment works. These two are supplemented by four main booster stations at Zwartkopies, Palmiet, Mapleton and Eikenhof. Rand Water also operates 13 tertiary pump stations and 56 reservoirs. Its regional pipeline can be estimated at 3500 KM. it supplies bulk water to various municipalities, mines, and large industries in its area of operations (Rand Water, 2024)

The Integrated Report (2023) captures Rand Waters' vision to be “a provider of sustainable, universally competitive water and sanitation solutions for Africa.” to achieve this vision, it then formulated strategic objectives listed below:

- Achieve Operational Integrity and Use Best Fit Technology
- Achieve a High-Performance Culture
- Positively Engage Stakeholder Base
- Achieve Growth
- Maintain Financial Health and Sustainability

Rand Water does not exist in a vacuum but exists within the legal framework of South Africa. All applicable legislation and legal obligations relevant to Rand Water are briefly discussed below:

The Republic of South Africa constitution (Constitution of the Republic of South Africa, 1996) guarantees the right to adequate water.

The National Water Act (National Water Act, 1998) regulates water resources and mandates the Department of Water and Sanitation (DWS) as the custodian. It strives to ensure water resources are allocated adequately and utilized in a sustainable manner for the benefit of the population and the environment.

Water Services Act (Gazette, 1997b), through the Minister of Water and Sanitation, makes provisions to enable access to basic water services, services standards and norms, water services planning, water services institutions regulation, and monitoring.

The National Environmental Management Act (National Environmental Management Act, 1998) ensures that people and their needs are at the center of development while at the same time ensuring that the development is sustainable.

The Public Finance Management Act (Public Finance Management Act, 1999) ensures that public entity finances are managed in a sound, transparent, and accountable manner.

The concepts of strategic leadership, business growth, and sustainability have been well-researched by scholars over the years. There is, however, limited literature and research on how these concepts relate and influence each other in a business setup and for a water utility like Rand Water. Some of the relevant studies conducted recently on strategic leadership, business growth, and sustainability are briefly discussed below

A study by Ali and Anwar (2021) investigated the connection between effective strategic leadership and long-term competitive advantage. It found that absorptive capacity as a self-leadership trait on sustainable competitive advantage had the strongest impact, while managerial wisdom as a self-leadership trait on sustainable competitive advantage had the weakest influence. A more relevant study by Gupta (2018) concluded that strategic leadership is key to continuous growth and revival. It encourages organizations to adopt strategic leadership as it amplifies employee productivity and provides a sustainable competitive advantage. This is critical for a continually changing world with unstable political and economic climates, global market fluctuations, and weather uncertainties.

A study by Karnama and Vinuesa (2020) developed a theory in which corporate growth and sustainability strategies are integrated and intertwined. The study reveals the criticality of

corporate sustainability due to climate change and questions current corporate structures. This growth theory provides a guide on how companies can achieve growth and profitability while ensuring sustainability.

1.3 Problem statement

This study seeks to address Rand Water's vision in particular strategic objectives: achieve growth and maintain financial health and sustainability, which can be simplified to achieving growth and financial sustainability (Rand Water, 2023). This study evaluates whether effective strategic leadership principles can assist Rand Water in achieving its strategic objectives.

On sustainability, Integrated Report (2023) shows that Rand Water is extremely worried about the rising debt levels that municipalities have incurred towards Rand Water. These owing municipalities also fail to honour their bulk water purchase and debt settlement agreements. This situation has led to the decline of Rand Water's financial health, thereby threatening its sustainability as a business. This is evident in that the total debt due to Rand Water by municipalities stood at R4 billion for the 2022/2023 financial year, which is throttling Rand Water's cash flow and its ability to do business (Infrastructure News, 2023)

On business growth, Rand Water has been growing its business beyond just bulk water services; it has been expanding and participating in the full water services cycle, including retail water and sanitation. Rand Water created a bulk sanitation department in 1997 to ensure its participation in the sanitation space (Rooyen, 2007).

Strategic leadership principles can be used to achieve these two Rand Water objectives. Considering that these principles are being practiced at Rand Water currently. Evaluating their impact on business growth and sustainability assists in identifying the critical ones for Rand Water. If this study is not conducted, Rand Water and its leadership may not know how effective its leadership is in practicing strategic leadership principles and, in turn, how effective these principles are in achieving growth and sustainability. As shown in section 1.2, recent research conducted on strategic leadership lacks a focus on the examination of the relationships between strategic leadership, business growth, and sustainability. Which is what this study seeks to establish. The findings and recommendations of this study will result in the

understanding of these relationships and the identification of critical strategic leadership principles

By conducting this study, Rand Water will be in a position to understand the relationships between strategic leadership principles and its objectives for growth and sustainability. This will enable it to correct and improve where necessary. This is supported by Karnama and Vinuesa (2020), who view strategic leadership as key to growth and sustainability.

This study will have a positive impact on strategic leadership research and assist in the development of relevant theories from its recommendations. This study's recommendations have the ability to enrich the literature with regard to strategic leadership concepts and how they relate to business growth and sustainability.

1.4 Research aims and objectives.

The aim and objectives of this research are captured below.

1.4.1 Research Aim

This study aims to explore the impact of strategic leadership principles in achieving business growth and ensuring financial sustainability for Rand Water.

1.4.2 Research Objectives

The following objectives were formulated to achieve the aim of the research.

- I. Determine the correlation between strategic leadership principles and business growth at Rand Water.
- II. Determine the correlation between strategic leadership principles and financial sustainability at Rand Water.
- III. Identify the most effective strategic leadership principles in achieving business growth and financial sustainability.
- IV. Analyse South African legislation in relation to the effects of strategic leadership principles in achieving growth and financial sustainability of Rand Water.

1.4.3 Research questions

Based on the research objectives identified, the research questions are captured below.

- I. What is the relationship between strategic leadership principles and business growth at Rand Water?
- II. What is the relationship between strategic leadership principles and financial sustainability at Rand Water?
- III. Which strategic leadership principles are the most effective for achieving business growth and sustainability at Rand Water?
- IV. Which South African legislation is critical for Rand Water's growth and financial sustainability

1.5 Rationale and significance of the study

The rationale and significance of this research are captured below.

1.5.1 Rationale

This research is primarily motivated by a serious concern about Rand Water's sustainability due to non-payment by its customers. The secondary motivation is to resolve the dire sanitation state observed in Gauteng municipalities, where most of the infrastructure is deteriorating. As an employee at Rand Water appointed at the bulk sanitation department, the researcher has experienced this deterioration of municipal sanitation infrastructure firsthand.

The researcher's role as an engineer has put them in a unique position to resolve some of the challenges faced by municipalities. The researcher is also in an excellent position to access the relevant information and Rand Water Management, to conduct the research and develop viable recommendations based on strategic leadership concepts that can assist in resolving these challenges.

1.5.2 Significance of study

The research is vital as it can be used as a reference for water boards to understand how strategic leadership principles affect the growth and financial sustainability of their entity. The research can potentially incorporate formal academic concepts like strategic leadership to resolve practical challenges. The study will benefit Rand Water specifically as it will assist in achieving

its strategic objectives on growth and sustainability. Rand Water's growth and sustainability also benefit all its stakeholders, including Gauteng municipalities, its residents and broadly the South African economy.

1.6 Definition of key terms

Strategic Leadership: Guiding an organization to achieve long-term success by setting a clear vision and implementing effective strategies.

Business Growth: Expanding an organization's operations and increasing market share and revenue.

Financial Sustainability: Maintaining financial health over the long term by managing resources efficiently and ensuring steady revenue.

Water Utility: An organization that provides water services, including treatment and distribution, to the public.

Bulk Water: Large quantities of water sold and delivered to customers, often used by industries and agriculture.

Potable Water: Treated water that is safe to drink or use for food preparation

Legislation: Laws and regulations governing various aspects of society, including business operations and environmental protection.

Revenue: Income generated by an organization from its business activities, such as selling products or services.

1.7 Outline of study

This dissertation for a research study consists of five chapters; a brief description of these chapters is outlined below.

Chapter One:

This chapter serves as the introduction; it provides the background, basis, and context of the research study. It introduces all topics and concepts relevant to the study to achieve this. It also includes the research topic, motivation and significance of the study, the problem statement, and the research aim. The research aim is then utilised to develop the study objectives. The research objectives are then used to create research questions the study seeks to answer.

Chapter Two:

This chapter presents a structured literature review of the study. This is conducted to uncover and understand all the relevant literature. The theoretical framework is vital in achieving this and is adequately covered. Leadership, particularly strategic leadership theories and concepts, are discussed and reviewed. Business growth and sustainability concepts are also covered as they are critical to the research questions. Since the study is a case study at Rand Water, it is essential to review the literature and the relevant legislation applicable to the water utility.

Chapter Three:

With the research context provided by chapters 1 and 2, this chapter covers the research methodology of the study by addressing how the research is conducted. The method of data collection, analysis, preparation, and the instrument used are discussed. The suitable methodology for this study was qualitative research through semi-structured interviews. These interviews are conducted online at Rand Water using MS Teams. The participants of the interviews are selected based on their managerial role at Rand Water.

Chapter Four:

The data collected through interviews is analysed in this chapter. The data analysis includes developing various themes based on the participants' responses. These themes are created with the intention to respond to the research objectives and questions.

Chapter Five:

This chapter provides a conclusion and recommendations. The conclusion and recommendations are based on the themes developed in chapter 4 and the literature review

conducted in chapter 2. This chapter also responds to the research objectives and provides answers to the research questions.

1.8 Chapter Summary

This chapter covered the background and the overview of the research in general. The research is conducted at Rand Water to explore the impact of strategic leadership principles on achieving the growth and sustainability of an organization. This chapter introduced the theory and concepts that needed to be explored. These concepts included theories on strategic leadership, business growth, and sustainability, forming the base of the literature review in Chapter 2. The research aim developed led to four objectives in which four research questions were deduced and outlined. The importance of the study and the reasons why the study was conducted were also covered. An outline of the research was also provided, covering a description of the various research chapters of this study.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Chapter 1 presented the introduction and background of the study; it also highlighted the main reasons for conducting this research. Before the actual research is conducted, it is vital to establish how it fits into its field's overall context. This is achieved by conducting a literature review, the primary purpose of which is to establish the body knowledge that has been established previously.

According to Chigbu and Plessis (2023), a literature review is “an evaluation of research works available on a specific academic theme or topic or subject under investigation by a researcher. It involves investigating already written and published bodies of writing to achieve specific research objectives other than those already achieved by the works under investigation”. This is achieved by gathering, reading, and interpreting the relevant information. It also assists with understanding past theories and concepts (Kreuger, 2006).

This chapter covers the literature review relevant to this research. It can be deduced from the research aim, objectives, and research questions that strategic leadership, business growth, and sustainability are the most relevant topics of this research. This chapter entails reviewing, discussing, and analyzing all the concepts and theories associated with these topics. This is achieved by conducting a conceptual, theoretical, and empirical review of these topics. Since Rand Water is the subject of this study, an in-depth look at Rand Water as an organization is also necessary. To achieve this, a review of relevant Rand Water information, including the legislative framework, is also covered in this chapter.

2.2 Conceptual framework

This section explores and defines all the concepts and variables relevant to this study. It covers strategic leadership, business growth, and sustainability as the concepts of focus. It also includes contextualizing Rand Water as an organization and the relevant legislative framework in which it exists. This highlights the significance of these concepts and the potential cause-and-effect relationships and patterns among them.

2.2.1 Strategic leadership

The concept of strategic leadership and its subtopics are discussed below.

2.2.1.1 Conceptualizing Strategic leadership

Strategic leadership is generally considered a rich but fragmented area of study, which makes it challenging to define universally. It can, however, be comprehensively defined as “leadership that is focused on strategic consequence (e.g., economic, environmental, social) for organizations (e.g., multinationals, small and medium enterprises), which can be driven by tasks that include but transcend beyond strategic visioning, encapsulating a wide range of high-level governance, engagement, innovation, operational, and supervisory tasks for an organization without being confined to any leadership style” (Singh et al., 2023)

According to Samimi et al. (2022), strategic leadership is a combination of tasks that are performed by individuals at the top levels of an organization, which includes CEOs, Executive members, Directors, and General Managers. These tasks are executed with the intention of having a strategic effect on the success of the organization. Organizational success in the 21st century is dependent on effective strategic leadership. The current environment is dynamic and complex, with obstacles such as limited resources and information uncertainty. Strategic leadership is key to ensuring organizations achieve their performance goals. Despite being critical, studies have shown that strategic leadership influence on organizational performance can be affected by random events, organizational change, and the external environment (Stefhan, 2010).

Businesses seek to obtain and maintain competitive advantage; this has led to it being a subject of interest that contributes to strategic leadership research. Many researchers have thus settled on two main theories to achieve a competitive advantage: resource-based interpretation and systemic theory (Hameed & Anwar, 2018). A study based on strategic leadership effectiveness by Ali and Anwar (2021) concluded that a combination of three self-leadership qualities must be established and maintained for businesses to achieve a long-term competitive advantage. The results show that absorptive as a self-leadership on sustainable competitive advantage had the strongest impact, while managerial wisdom as a self-leadership on sustainable competitive advantage had the weakest influence in a business context.

Organizational crisis is one of the most challenging periods an organization can go through. It is characterized by the organization members and stakeholders as undesirable and disruptive, posing a potential threat to the existence of the organization. It is challenging mainly because they are extremely difficult to resolve (König et al., 2021). A study by Schaedler et al. (2022) across the organizational crisis and strategic leadership literature found that strategic leadership plays a pivotal role in organizational crisis management. It further illustrated that the perspective differs at various levels of leadership, as demonstrated below.

- Executives research focuses on social evaluations based on the executive's appearance as well as agency theoretic considerations, particularly financial incentives.
- Top management team, research mostly adopts a managerial and organizational cognition lens, focusing on characteristics such as personality and human capital.
- Board of directors, focus on agency-theoretic considerations and studies of board independence

Executive leaders and management mainly exercise strategic leadership in a business. Research has generally shown that eight behaviors contribute to effective strategic leadership: visionary perspective, adaptability to change, flexibility in personality, and high moral and ethical values. This is also characterized by skills that are necessary when an organization is undergoing a challenging period, which includes the ability to develop social and human capital along the sense-making and giving to the employees during the change process are also among the top (Asif & Basit, 2021)

Different scholars have defined strategic leadership as discussed above; this is critical in understanding what strategic leadership is. It is also vital to this study as it aims to contribute to the broader strategic leadership literature. Authors like Hameed and Anwar (2018) also look into the effectiveness of strategic leadership in the business environment. This is what this study will seek to understand in the Rand Water context.

2.2.1.2 Functions of strategic leadership

Strategic leaders are expected to perform specific duties. Samimi et al. (2022) capture these duties as the eight main functions of a strategic leader based on literature. These functions, together with their proximal and distant outcomes, are presented in Table 1 below. The table also briefly describes all eight functions of strategic leadership.

Table 1: Functions of Strategic Leadership

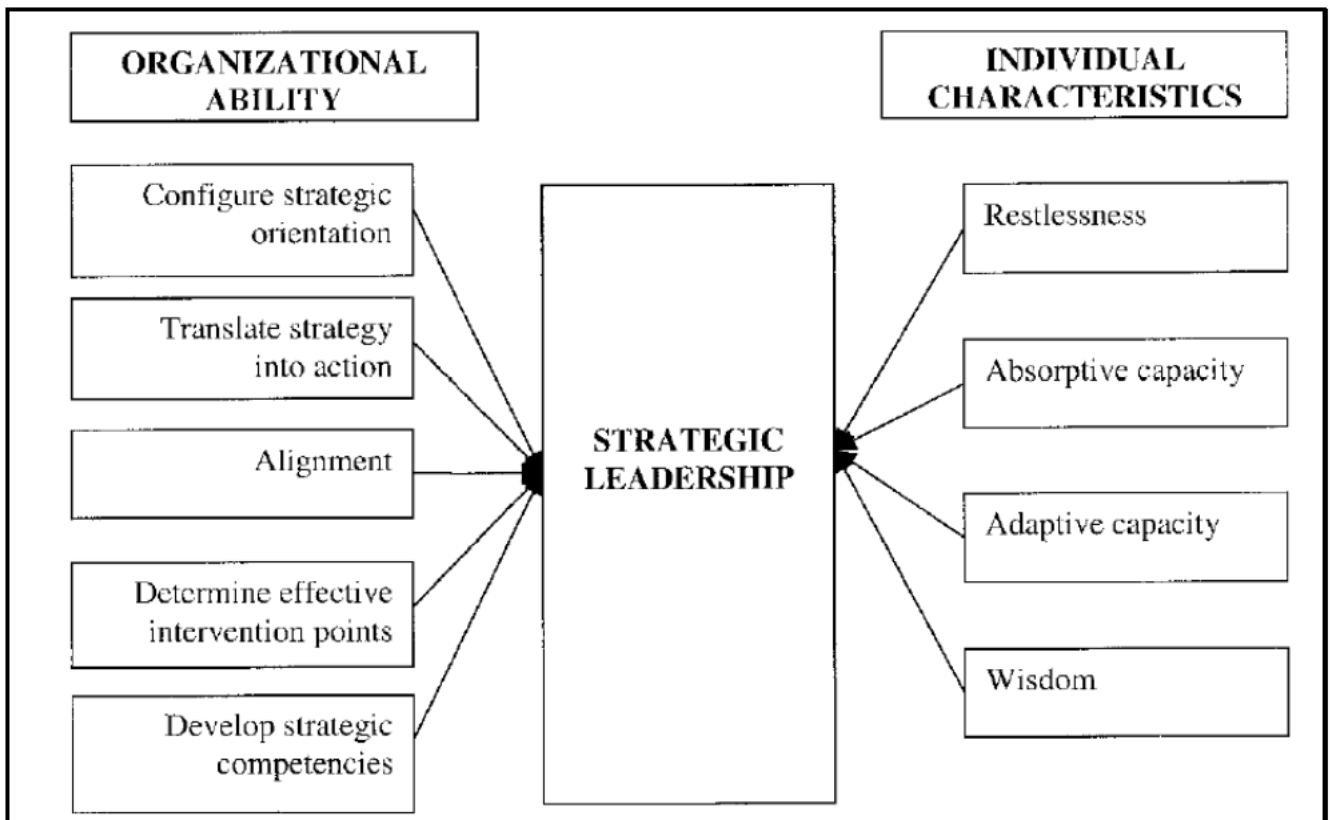
Function	Description	Proximal outcome	Distant outcome
Making strategic decisions	Decision on the overall organisation strategy and strategic changes	Attributes of strategic decisions	Competitive advantage, Business growth Performance improvement
Engaging with external stakeholders	Managing the organisations relationship with private and public stakeholders and representing the organisation	Good stakeholder relationships Competitive relationships	Stock-market performance. Organisation reputation
Performing human resource management activities	Taking decisions on recruitment, training and development, employee salaries and performance appraisals	Changes in organizational structure Organisational efficiency Development of incentives and rewards Control and monitoring processes	Profitability and liquidity Performance volatility
Motivating and influencing	Motivating employees and establish trust to ensure a unified workforce with a common goal. Acting as role model, crafting the organisations culture and clear communication of its vision.	Organizational culture Motivated workforce	Organizational culture Employee motivation
Managing information	Handling strategic information and assigning it to the various areas of the organisation according to the organisations structure of hierarchy.	Information manipulation patterns Attention biases	Organizational coordination Absorptive capacity
Overseeing operations and administration	Developing a management structure, organisation policies and procedures and seeing that they are implemented accordingly by delegating and constant monitoring and evaluation.	Employee turnover Employee satisfaction	Firm productivity
Managing social and ethical issues	Influencing the organisations moral compass and managing misconduct	Adoption of illegal behaviours Attention to different stakeholders	Long-term performance Firm reputation
Managing conflicting demands	Resolving conflicting stakeholders needs both internal and external	Resource allocation patterns Organizational ambidexterity	Long-term performance/survival

Source: Samimi et al., 2022:5

2.2.1.3 Strategic leader abilities and characteristics

Davies and Davies (2004) developed a framework that outlines both the organizational abilities and the individual characteristics that describe strategic leadership. This framework is illustrated in Figure 1 below.

Figure 1: Strategic leader abilities and characteristics



Source: Davies & Davies, 2004:36

At the center of Figure 1 is strategic leadership, which branches off into nine factors that are associated with strategic leadership that represent behaviors or activities. These factors are further divided into two groups. The first group lists those abilities to undertake organizational activity, and the second group lists individual abilities.

2.2.1.4 Strategic leadership principles

A study by Quong and Walker (2010) intended to identify the base principles that result in an effective and successful strategic leader. This resulted in the identification of seven principles that have a major impact on individual leader effectiveness in leading and their ability to lead

strategically. These base principles of strategic leadership, identified by Quong and Walker (2010), are briefly discussed below.

Principle 1 – Strategic leaders are future-oriented and have a future strategy

Strategic leaders ought to look into the future and have a strategic mindset that can respond to a changing and unpredictable environment. Effective strategic leadership cannot be simply about planning for the future. It must go beyond developing strategies for the complex and volatile future. This can be summarised as preparing for an uncertain future rather than simply planning for the known (Davies & Ellison, 2003).

Principle 2 – Strategic leaders are evidence-based and research-led

A study by Quong and Walker (2010) regards this as collecting evidence and examining it before making a decision. This is supported by Davies and Ellison (2003), who regard this as the gathering of strategic data from various environments, including social, technological, educational, economic, and political, then analyzing, interpreting, and transforming it into valuable information for the organization.

Principle 3 – Strategic leaders get things done

Strategic leaders should aspire to make a difference. This is realized by action and not just talk. It is also vital that the organization perceives and recognizes a strategic leader as someone who is a practical achiever (Davies & Ellison, 2003).

Principle 4 – Strategic leaders open new horizons

Strategic leaders embrace complexity and avoid being stuck on a routine or the day-to-day work mentality. This results in a leader who is open to possibilities that lead to innovation. This, however, does not mean thoughtless disregarding of one day-to-day duty as it is still essential for the normal functioning of the organization (Quong & Walker, 2010).

Principle 5 – Strategic leaders are fit to lead

Strategic leaders are required to be resilient, flexible, resourceful, and reliable; to achieve this, they have to take care of their physical and mental well-being. Resilience allows the leader to persist in overcoming the challenges of the future. Flexibility enables the leader to adapt professionally and emotionally when necessary. Reliability means a leader who is predictable to a certain degree, which results in employees knowing what to expect from them. Resourceful

leaders have the ability to recognize opportunities, act accordingly, and exploit them for the benefit of the organization (Quong & Walker, 2010).

Principle 6 – Strategic leaders make good partners

Strategic leaders work well with all stakeholders and understand teamwork and shared leadership. However, managing this relationship is not always easy or comfortable, as stakeholders may have different interests. A good strategic leader should be able to articulate their position even though it might be different from that of a specific stakeholder. This means the strategic leader must be skillful in managing conflict to ensure the organization moves in one direction, even though there might be divergent perspectives (Quong & Walker, 2010).

Principle 7 – Strategic leaders do the ‘next’ right thing

Strategic leaders ought to recognize ethics and encourage ethical behavior within the entire organization. They need to put aside self-interest and recognize that leading by ego has dire consequences for the organization (Ramsey, 2003).

2.2.1.5 Six components of strategic leadership

To ensure competitiveness, strategic leadership in the 21st century should be exercised by sharing knowledge and responsibilities amongst all levels of the organization. This led to the development of the six components of strategic leadership that, if executed and configured correctly, can lead to good performance. These components are briefly discussed below

Determining the organization’s purpose or vision

The leadership of the organization is responsible for setting out the organization’s future goals and the necessary steps to achieve them (Ireland & Hitt, 1999).

Exploiting and maintaining core competencies

These are the special resources and capabilities that give an organization a competitive edge over its main competitors. In the 21st century, an organization’s privately owned knowledge is the base of its competitive competencies. To ensure effective strategic leadership, leaders must ensure this knowledge grows and builds more Knowledge. This means that physical assets like land and machinery may be relatively scarce, and ideas and knowledge may be in abundance, leading to the growth and sustainability of the organization.

Developing human capital

These are the skills and knowledge of the organization's human resources. Strategic leadership requires leaders to view human resources as critical and a means by which to build core competencies and leverage competitive advantages. This includes investing in knowledge enhancement, such as formal education and training.

Sustaining an effective organizational culture

This encompasses the ideologies, symbols, and values an organization cultivates over its lifetime. The capacity of a leader to shape the organizational culture is paramount, as it significantly influences business operations and employee behavior. An effective organizational culture is one wherein both leadership and human resources acknowledge that competitive advantage is transient and necessitates continuous enhancement through innovation.

Emphasizing ethical practices

This goes to the core of what is regarded as right or wrong, it evaluates how an organization fairs with regards to moral values. Strategic leadership ought to ensure ethics by instilling and encouraging moral traits, behaviors, and traits such as integrity, honesty, and trustworthiness for the leadership and the organization at large.

Establishing balanced organizational Controls

This relates to how an organization manages its operations and how it executes its functions. These controls can be formal mechanisms and procedures employed by strategic leaders to govern organizational activities. These mechanisms may include financial controls and policies that incentivize innovation and creativity. Ireland and Hitt (1999) provide further insights into effective strategic leadership practices that ensure organizational growth and sustainability; recommendations related to them are outlined below.

Growth orientation: In modern times economies, organizations are required to place growth as the focal point as opposed to downsizing and hedging this is due to global competitiveness (Ireland, 1999)

Knowledge management: strategic leaders should ensure the organization's intellectual property is protected and expanded. They should also put up systems that encourage knowledge sharing within the organization, thereby supporting innovation.

Intellectual property is crucial for the success of a competitive organization. A strategic leader, therefore, seeks to pursue, establish, and protect it. They should instill an adequate knowledge management culture that results in innovation that propels the organization to new heights

Developing an effective organizational Culture: For an organization to achieve growth, strategic leaders ought to craft values that are aligned with this goal. These values should be based on openness, honesty, and integrity, remaining focused on the future. These values should be engraved as the organization's culture that will enable it to weather future challenges and remain competitive.

2.2.1.6 The merits of strategic leadership

According to Thompson (1997), the merits of strategic leadership mainly encompass three basic questions. These questions discussed below are: Where are we now? (Analysis), where do we want to be (Assessment) and how to get there? (Appraisal).

Where are we now? (Analysis)

This focuses on the analysis of the present state of the organization. This enables a new leader to know the status of the organization so that they act accordingly. A few factors assist in understanding the present state of an organization; these factors are listed below (Ndlovu, 2016).

- Financial position of the institution as captured by annual financial statements
- Gathering and understanding the perception and positions of stakeholders toward the organization
- The general image of the organization

Where do we want to be (Assessment)

After establishing the state of the organization, a strategic leader is required to lead the operations of the organization based on the analysis conducted. To achieve this, strategic leaders need to generate alternatives by conducting various assessments, which include planning, consultations, and assessing the vision and mission of the organization. This stage establishes the direction the organization has to take and also the end goal (Ndlovu, 2016).

How to get there? (Appraisal)

After establishing the direction of the organization, the next step is to develop a strategy that will enable the organization to reach its end goal. The strategy must include plans for bridging

the gap between the present and the intended future. The vision and mission of the organisation become vital at this stage. Strategic leadership, since in its nature, embraces change, becomes important and key to achieving the goal (Ndlovu, 2016).

2.2.1.7 Relationship between strategic leadership and performance.

A study by Jaleha and Machuki (2018) identifies the organization's external environment as an important variable that has the ability to influence performance. Researchers have, over the years, sought to understand the relationship between strategic leadership and performance. This led to the emergence of four proposals, which are briefly discussed below. This is relevant to this study because performance represents business growth and financial sustainability

Proposition 1: Strategic leadership has a positive relationship with organizational performance. This proposition is alluded to by Jansen et al. (2009), who identify strategic leadership as a critical ingredient of organizational performance and find it critical to navigate challenges and overcome the external environment. Not all scholars support this proposition. A study by Fitza (2014) regards the external environment as too complex for strategic leadership to have any significant influence over it. According to Conger (1999), it is difficult to determine the relationship between strategic leadership and performance as there aren't enough empirical studies conducted to ascertain this. At best, the external environment can be regarded as a moderating variable that influences the relationship between strategic leadership and performance.

Proposition 2: Places the external environment as only an intermediary in the relationship between strategic leadership and performance. This, according to Quigley and Graffin (2017), suggests that strategic leadership achieves organizational change, which improves organizational performance.

Proposition 3: organizational change could mediate the relationship between strategic leadership and performance. According to Quigley and Graffin (2017), there isn't conclusive evidence to directly link strategic leadership and performance.

Proposition 4: The effect of strategic leadership on performance can be summed as a two-way relationship where performance can be moderated by the external environment and achieved

by organizational change. Alex and Jaleha (2018) conclude that previous research has not been able to prove a positive relationship between strategic leadership and performance conclusively. This is because the presence of strategic leadership alone with not necessarily result in high performance as other external factors might be at play.

2.2.1.8 The future of strategic leadership.

The emergence of strategic leadership has also resulted in many organizations making mistakes in how to implement it. This has also presented a learning opportunity where strategic leadership could be agile to respond to the ever-changing environment. This means strategic leaders should be visionaries who seek to stay ahead of the competition. They should also embrace vitality as it presents an opportunity for innovative ideas that result in organizational growth and sustainability (Gupta, 2018).

This section laid bare all the key aspects that describe strategic leadership. It covered the function, abilities and characteristics, principles, components, merits, relationship with performance, and the future of strategic leadership. The critical aspect of this section is the principles of strategic leadership, which are mainly covered by authors Quigley and Graffin (2017). This study seeks to expand knowledge and understanding of these principles by evaluating their impact on growth and sustainability in a business setup. The core questions of this study shall be addressed by investigating these principles using the appropriate research methodology for this study.

2.2.2 Business growth

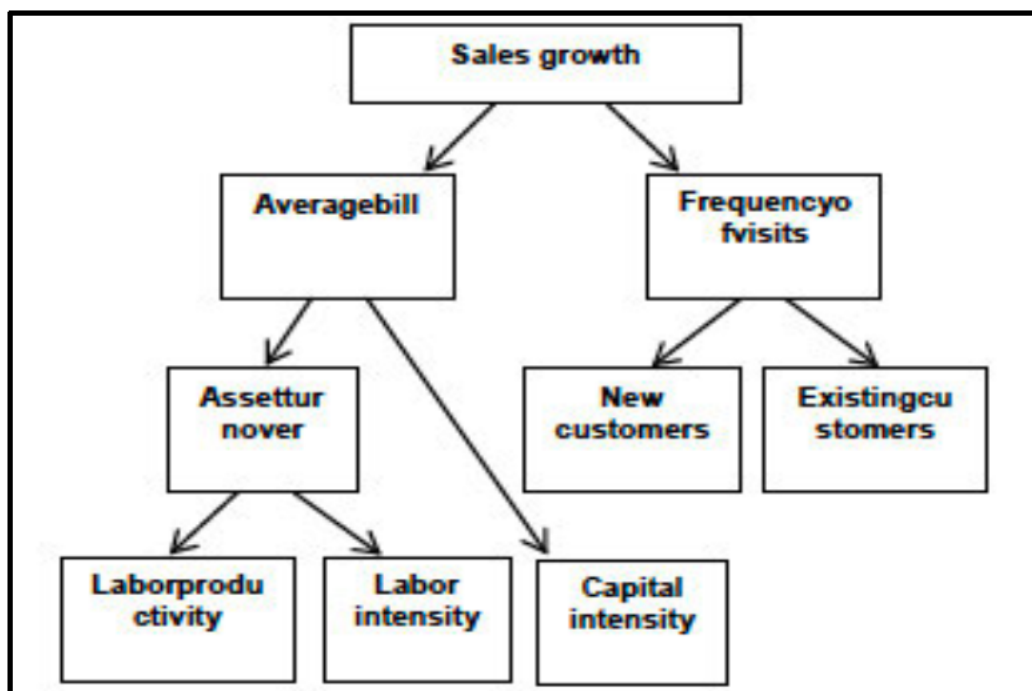
Many organizations now include growth in their corporate strategy, which an increase in profits, sales, and asset value can realize. It is usually represented by business outputs, qualitative indicators, business outcomes, and capacity (Business Growth, 2022).

Revenue growth can be regarded as the main aspect of business growth. It is mainly affected by these four factors: labour productivity (sales-per-worker), labour intensity (workers-per-assets), capital intensity (assets-per-customer), and frequency, also referred to as visits customers per time unit (Bhayangkara et al., 2022)

There have been models developed by economic researchers to describe the evolution of a business. This led to the development of the stage model, also known as cooperate lifecycle theory. Which identified birth, growth, maturity, revival, and decline as the five stages of a business (Rostow, 1960)

A business's growth occurs over many periods and can be represented by a specific variable change over time. The most common business growth measures are profit, physical output in natural units, sales in monetary units, or market share (Wiklund, 1998). According to Nelson (2007), profitability is the main factor for business growth. This is further illustrated in Figure 2 below. Other researchers emphasize that profitability is a critical component of business growth. For the purposes of this research, business growth will be regarded as the growth of revenue expressed in monetary units in line with the existing research (Bhayangkara et al., 2022).

Figure 2: Business Growth



Source: Bhayangkara et al., 2022:382

Revenue growth shall be the main variable representing growth for this research. Therefore, the developed research methodology shall use revenue growth to represent Rand Water's

growth. The data collection methods will also be based on revenue growth representing business growth

2.2.3 Business Sustainability

Sustainability has, in recent years, been considered a key component of strategic management even though its meaning is not conclusive. This is so because some organizations associate it with environmental issues while others equate it to the social obligations of the organization. However, DesJardine and Bansal (2014) argue that it is necessary to consider time when defining sustainability. This notion argues that sustainability should form part of the organization's strategy to ensure that both business and society can thrive for generations. This is like Pojasek (2007), who alludes that business sustainability should ensure an organization meets its needs and those of its stakeholders today while at the same time protecting, sustaining, and advancing the social, environmental, and economic resources required in the future.

Businesses, by their nature, are an element of a larger macro-system. To guarantee success, managers are required to deliver on short-term profits and long-term returns. Businesses that fail on this risk to fail as they cannot manage their cash flow. It is, therefore, vital to balance the short and long-term needs of a business (Hayes & Abernathy, 1980). According to Lavery (1996), it is critical for businesses to invest in exploration activities such as research and development to ensure future success.

2.2.3.1 Business sustainability and responsibility

Business sustainability cannot be regarded as a responsibility because Corporate Social Responsibility (CSR) is not necessarily a trade-off. It can rather be regarded as those activities that a business embarks on that are mutually beneficial to the business and society at large, which often manifests in concepts like shared value or win-wins (Kramer et al., 2006). This is stressed by Bansal & DesJardine (2014), who argue the concepts below.

Different paradigms: Ethics, morality, and norms can be regarded as the bedrock of CSR. These moral expectations come from both internal and external stakeholders. The business, however, has the discretion to choose how to peruse this, even if it will not always align with stakeholders' expectations. Balancing the varying demands of the various stakeholders becomes key.

Different outcomes: Solley focusing on narrow stakeholders' interests and CSR can often result in different outcomes. Therefore, focusing on immediate stakeholders' interests may hamper necessary intertemporal compromises

Sometimes different practices: CSR activities such as community service and charity work may create short-term value that might not be sustainable going into the future. Some of these activities can be regarded as either responsible or sustainable, but not both.

2.2.3.2 Business sustainability and strategy

Sustainable competitive advantage has been interesting for strategic managers, which has led to various theories (Bansal & DesJardine, 2014). According to Shrivastava (1994), there is a need to integrate business sustainability into business strategy research; this is evidenced in the two concepts below.

A dynamic systems view of strategy: It focuses on the bigger picture such that issues like sustainability and organizational viability are given adequate attention over time. Dynamic system models have not evolved like the more traditional strategic management theories. They do, however, bring to the fore important aspects that affect business outcomes.

Firm performance that captures long-term value: Progressive research requires a broader measure of business performance. A measure that will not only focus on business profit at a specific time but rather its sustainability over time. This will enable the business to build organizational resilience, which assists the business in overcoming shocks. Sustainability cuts across all disciplines, including ecology, art, agriculture, and architecture. It allows managers to manage resources not only for a specific time but across time, which makes it critical to long-term business strategy.

2.2.3.3 Short-termism

Short-termism poses a significant threat to sustainability, as decisions made for immediate benefit can be detrimental in the long term. Humans inherently favor short-termism due to a desire for instant gratification. This bias is exacerbated by urgency and uncertainty, as

individuals tend to seek immediate rewards; this is illustrated by the two main reasons below why short-termism threatens sustainability:

- **Lack of Transformation:** Businesses focused on short-term earnings tend to prioritize immediate profits over long-term growth and innovation, which hinders transformational change.
- **Increased Volatility:** Companies that rely on short-term earnings become more susceptible to market fluctuations, leading to instability.

Thus, it is crucial to integrate sustainability into an organization's strategy. Without this integration, short-termism can take root, leading to systemic failures and, ultimately, organizational collapse (Business Growth, 2022)

According to Dasgupta and Maskin (2005), research has shown that business managers are disregarding investments that could result in long term value which robs future generations. Short-termism often comes up against sustainability and it is important to recognise the relation when developing strategic management theories and incorporate accordingly (Bansal & DesJardine, 2014)

2.2.4 Financial sustainability

Sustainability has gained interest due to the rapid development of industry globally. Financial sustainability mainly deals with how business managers maximize value for their shareholders within the allowable risk by using available financial resources. (Zabolotnyy & Wasilewski, 2019). According to Lagoarde-Segot et al. (2018), researchers and policymakers have introduced the concept of financial sustainability to resolve modern economic challenges focusing on the long term.

2.2.4.1 Financial sustainability concept

Financial sustainability as a concept is about the relationship between value and business continuity various financial variables can represent this. The way these variables relate to defined conditions may result in the highest possible financial sustainability. However, if these variables' relationship is not handled correctly, its effect can lead to financial difficulty and even bankruptcy (Ashraf et al., 2019). According to Modigliani and Pogue (1974), the financial sustainability concept is often compared to the risk-return model, which is based on the theory of investment. This model suggests that taking on additional risk increases the

chance to earn higher profits. However, this is not accurate, according to Zabolotnyy and Wasilewski (2019), as the relationship between risk and profits is not uniform. This is because the relationship may depend on other non-financial issues, such as business location and nature of business, which ultimately affect financial sustainability.

There is ample evidence that the perceived relationships between financial variables of businesses violate the risk-return principle. A good example to support this is observed when a profitability ratio is often inversely correlated to a debt ratio, and entities with a higher retention ratio and a liquidity ratio are more profitable in the long term. This suggests that a manager should use profits, then debt, and last, equity (Singh & Kumar, 2012). That is why it is vital for a manager to adopt a suitable financial strategy that considers the business environment to ensure financial sustainability (Zabolotnyy & Wasilewski, 2019).

2.2.4.2 Financial sustainability measure

There have been several methods developed to quantify the measures of financial sustainability for a business. Most of these methods resulted in the identification of the risk of bankruptcy as this measure. Bankruptcy is expressed as the ability of a business to pay its debt and meet operational financial needs (Li et al.,2019). According to Cleary (1999), bankruptcy then becomes the parameter in which the creditworthiness of a business is measured and how managers and shareholders decide on new investments and acquisitions.

It is, therefore, vital to measure a business's bankruptcy to determine its financial sustainability. Researchers often use traditional finance theory to achieve this by analysing partial factors of financial risk and their relationships. When the ratio of financial revenue to operating expenses is applied to explain the financial sustainability of the business, it can be found that high dependency is on such factors as the return on asset, operational efficiency, debt-equity relation, donation, and deposit mobilization (MS Henock, 2019)

Generally, most researchers have found that businesses with high liquidity and solvency are financially sustainable. This is because these factors are closely related to the business capital structure and its debt (Zabolotnyy & Wasilewski, 2019).

2.2.4.3 Methodology of evaluation

Many researchers agree that financial sustainability is a multi-layered concept that is complex and has a relationship with the profitability, solvency, and efficiency of a business. There is, however, a gap in the research to determine the methodology for financial sustainability evaluation (Zabolotnyy & Wasilewski, 2019)

2.2.5 The Rand Water context

Approximately 11% of South African households have never received any sanitation-related government service. This value includes both formal and informal households. An additional 26% of formal households have inadequate sanitation services; this is due to the deterioration of infrastructure, lack of technical capacity to ensure effective operation and maintenance, and overdue refurbishments and upgrades.

The status of the bulk sanitation infrastructure in South Africa is not satisfactory. This refers to areas that are serviced by water sewage systems. This infrastructure's maintenance, refurbishment, and upgrading have been neglected for many years. This infrastructure includes the collection and treatment of sewers. The Department of Water and Sanitation (DWS) conducts audit assessments (Green drop report) to evaluate the status of wastewater treatment works (WWTWs) every two years. The results of these audits have revealed the dire situation of the sanitation infrastructure. The 2011 audit found that only 40 out of 826 works assessed achieving Green Drop (satisfactory) status Sanitation South Africa, 2012).

The recent green drop results of 2022 show even a more dire situation where 102 of 115 systems were identified in the critical state compared to 104 of 121 systems in 2013. The assessment also shows that none of the 15 regions managed to achieve green drop status (Sanitation, 2022). It is clear from the information above that the state of sanitation infrastructure is not satisfactory and poses a risk to health, the environment, and the economy at large. It is, therefore, vital to check if water services institutions or municipalities have the capacity to resolve the sanitation infrastructure problems. According to (Chief Directorate: Water Services, 2012), one of the main reasons for the inadequacy of the infrastructure is the incapacity of municipalities to plan, implement, and manage the infrastructure effectively. A 16 indices assessment conducted at municipalities focusing on water services revealed that 80% of municipalities were classified at very high vulnerability. This score indicates that 80%

of municipalities were failing to adequately provide water services (Sanitation South Africa, 2012)

This context is important in understanding the industry in which Rand Water operates and the challenges it faces. This context shows how municipalities are struggling to execute their duties. This affects Rand Water negatively but also presents an opportunity for Rand Water's growth by filling the void created by dysfunctional municipalities. This background assists in providing context to the design of the research methodology.

2.2.6 Legislation relevant to Rand Water

There are many legislations and legal frameworks that have a direct or indirect impact on Rand Water and its operations. Only the most relevant are discussed below for the purposes of this research. This is vital for this study as one of the research questions deals directly with the review of relevant legislation. An appropriate research methodology shall be used to determine which of these legislations affect Rand Water's growth and sustainability the most.

2.2.6.1 Constitution of the Republic of South Africa

The constitution is the supreme law of the land and provides the base on which South Africa as a country ought to be governed. Chapter 2 covers the Bill of Rights, where section 24 guarantees the population's right to an environment that is not harmful while also protecting the environment for the future. To achieve this, the constitution mentions preventing pollution and ecosystem degradation, promoting conservation, sustainable economic development, and using natural resources. The right to water and health care, including sanitation, is provided for in section 27. Schedule 4b then allocates the supply of portable water and sewage disposal systems to the relevant entities (Constitution of the Republic of South Africa, 1996).

2.2.6.2 The National Water Act

The National Water Act (NWA) was developed to ensure that the country's water resources are used and managed sustainably. This is reaffirmed by section 2 of this Act, which seeks to ensure water resources safely meet the human needs of present and future generations, promote equitable water access, redress past discrimination, promote efficiency and sustainability, facilitate social and economic development, protect ecosystems and biological diversity,

prevent pollution and degradation of water resources. The Department of Water and Sanitation (DWS) is also given this responsibility by this Act (National Water Act, 1998)

2.2.6.3 The National Environmental Management Act

The National Environmental Management Act (NEMA) allows for cooperative governance and overall management of environmental issues for the country. It ensures that international best practices are the base on which decisions are taken. This also includes water recourses where it emphasizes the need for suitable water use that does not compromise the integrity of the environment and its associated ecosystems (National Environmental Management Act 107, 1998).

NEMA also mandates water service institutions to develop Environmental management plans (EMP) that stipulate how to operate and maintain water service systems over their life cycles for the social and economic good of society without negative impact on the environment (National Environmental Management Act 107, 1998).

2.2.6.4 The Water Services Act

The Water Service Act (WSA) is the most relevant act to this study, as its main objective is to guarantee access to water supply and sanitation. Promulgated in 1997, the Act covers three mandates, which are: water service regulation, water service authority, and water service. The DWS is responsible for prescribing standards, monitoring water service institutions, intervening in water sector crises, administering grants, establishing information management systems for water services, and developing regulations (Gazette, 1997b).

The (WSA) then assigns this responsibility to municipalities via the Municipal Structures Act. This stipulates that the municipalities have the responsibility to progressively ensure access to affordable, economical, efficient, and sustainable water services to current and potential consumers. In doing this the WSA ensures appropriate water service provision arrangements are established. The Act also ensures that water services are only accessed through a Water Service Provider (WSP). The WSP may be in the form of providing the service themselves, contracting with water boards, the private sector, or other municipalities (Gazette, 1997b).

Water boards, just like Rand Water, are established by the Minister of DWS to provide water services to other institutions. Water board's primary function has been defined as being bulk water services provision. The WSA then mandates water boards to "strive to provide efficient, reliable and sustainable water services; optimally use available resources; strive to be financially viable; promote the efficiency of water services authorities; take cognizance of the needs of water services institutions, consumers and users; take into account national and provincial policies, objects and developments; act in an equitable, transparent and fair manner; comply with health and environmental policies; take reasonable measures to promote water conservation and water demand management including promoting public awareness of these matters" (Gazette, 1997b).

The WSA goes further to stipulate that Water boards should be independent and commercially viable. This means water boards are expected to have the ability to repay and service debt, recover capital costs, cover operational and maintenance costs, provide for the depreciation of assets, and make reasonable provisions for future capital requirements and expansion (Gazette, 1997b).

2.2.6.5 The Public Finance Management Act

The Public Finance Management Act (PFMA) stipulates the financial management approach of national and provincial government and their associated public entities. Its main purpose is to ensure finances are managed in a sound, transparent, and accountable manner. Rand water is, therefore, subjected to the prescripts of the PFMA since it is a public entity in the form of a water board (Public Finance Management Act, 1999)

2.2.6.6 Municipal Finance Management Act

The Municipal Finance Management Act (MFMA) provides for a rigorous financial framework for South African municipalities. It aims to modernize budget, accounting, and financial management practices by placing local government finances on a sustainable footing to maximize municipalities' capacity (Municipal Finance Management Act, 2003).

2.3 Theoretical framework

This section covers a theoretical review focusing on the theories relating to the topic on which this study is premised. It provides context on how these theories relate to the study's aim and also discusses how they are relevant for achieving growth and sustainability at Rand Water.

2.3.1 Leadership and the Underpinning Theories

The concept of strategic leadership is complex and multi-dimensional; it is therefore critical to first understand leadership theories in general. This is to ensure that strategic leadership is understood within the context of general leadership and how it is adapted to the business environment relevant to this study. This is achieved by discussing the underlying leadership styles and theories.

The concept of leadership has generated many debates amongst academics over the years because it is one of the most complex topics. Leadership has also become critical in the modern fast-paced and globalised world (Benmira & Agboola, 2021). According to Bennis (2009), even though studied extensively, leadership remains the least understood subject of the social sciences. Researchers have proposed different definitions for leadership. According to Kouzes and Posner (2023), leadership can be regarded as the mobilization of others to achieve a common goal. This can be compared to Maxwell (2018), who regards leadership as simply influence. There is, however, no particular definition of leadership or approach that is accepted as universal (Benmira & Agboola, 2021)

It has been observed that effective leadership has surpassed human capital and organizational management as the key to the success of any organization (Benmira & Agboola, 2021). Leaders are generally viewed as being responsible for the vision and strategic outlook of an organization, while managers monitor and control performance (Swanwick, 2019). Leadership as a concept is underpinned by leadership theories that have evolved through the years (Daft & Lane, 2018). Leadership can be grouped into six basic leadership theories, which are briefly discussed below based on historical research chronology.

Great man theories: This is the oldest form of leadership concept where a leader is regarded as a male figure born with special powers, abilities, and influence to lead (Daft & Lane, 2018). This is relevant to this study in the sense that Identifying leaders with inherent qualities can provide strong guidance and direction, essential for navigating challenges and driving growth and sustainability efforts at Rand Water. Understanding these foundational principles can assist in identifying natural leaders within the organization.

Trait theories: This examines leadership's success in the eye of human traits and characteristics such as intelligence and energy. 1920s researchers could not definitely identify common traits that result in successful leadership (Daft & Lane, 2018). Focusing on traits like intelligence and decisiveness may enable Rand Water to develop leaders who make informed decisions and manage resources efficiently. These traits are crucial for achieving sustained business growth and financial stability

Behaviour theories: In the 1950s, researchers moved towards examining what a leader does rather than who they are. This meant evaluating the effectiveness of leaders on various tasks, such as management activities, roles, and responsibilities (Daft & Lane, 2018). Evaluating leaders based on their actions and responsibilities may assist Rand Water in cultivating a leadership style that emphasizes task management, employee engagement, and operational efficiency. Effective leader behaviours directly support organizational growth and financial health.

Contingency theories: This examines the ability of a leader to alter or change their behaviour to improve leadership effectiveness (Daft & Lane, 2018). This can also be referred to as adaptive leadership. It is vital for responding to dynamic conditions in Rand Water's operating environment. Leaders who can adjust their strategies ensure operational resilience, seize opportunities, and mitigate risks, thereby supporting business growth and financial sustainability.

Influence theories: Here, leaders influence followers to change based on their charisma and personality and provide the necessary vision (Daft & Lane, 2018). The presence of charismatic leaders at Rand Water may result in inspired and motivated teams. This drives employee commitment, productivity, and innovation. This influence is critical for fostering a positive organizational culture that promotes growth and sustained financial performance.

Rational theories: This emerged in the '70s and focused on the relationship between leader and follower; it examines how a leader and a follower influence one another to achieve the common goal (Daft & Lane, 2018). Strong leader-follower relationships can enhance communication, trust, and cooperation within Rand Water. These relationships lead to improved performance, innovative solutions, and long-term sustainability, ensuring that the organization remains competitive and financially stable.

This review defined leadership and the different theories that were developed throughout the years. It is evident that the concept of leadership is critical for an organization to be successful. The criticality of leadership can thus be related to the success of a business, which is relevant to this research.

2.3.2 Leadership styles

The conceptualization and evolution of leadership theories have, over the years, led to the development of different leadership style theories (Jdetawy, 2018). Mansaray and Elsan (2019) state that even though more than a dozen of these styles have been discovered, they remain very distinct from one another. The recently more common styles are discussed below.

Exemplary: This kind of leadership embraces innovation and change, where employees are encouraged to experiment and take risks in order to grow. It also allows others to be active participants by sharing power and discretion. Leaders who practice this style lead by example and also appreciate and encourage individual excellence. They also recognise achievements within a team (Jdetawy, 2018). By appreciating individual excellence and recognizing achievements, it fosters a culture of continuous improvement and excellence, that can contribute to both business growth and financial sustainability at Rand Water.

Visionary: A vision is a credible goal for the future; even though the vision can be challenging, it must be achievable, and employees must believe in its attainment. The organization leadership should articulate a clear vision for the organization through a vision statement and communicate it to the entire organization. Individual programs and employees may have their own vision, but all these should be aligned with the main organisation's vision statement. This should also include the aspirations of individual employees (Jdetawy, 2018). Visionary leaders articulate a clear and achievable vision, aligning individual and organizational goals. This alignment ensures that all efforts are directed toward achieving the organization's vision. This is crucial in the Rand Water context as it promotes sustained business growth and financial sustainability.

Servant: It is based on an ethical and philosophical approach that says that in order to lead, one must first be a servant themselves. It is mainly based on the relationship between leader and follower with the premise that a leader will be able to influence their followers if a good

relationship exists between them. Up to ten characteristics have been identified that a leader needs to possess in this style. These characteristics are mainly in the social and human resource sphere. They include things like empathy, listening skills, negotiation, and persuasion (Jdetawy, 2018). Servant leadership emphasizes building strong leader-follower relationships based on trust and empathy. This approach can enhance employee morale and commitment, leading to higher productivity and innovation, which are essential for business growth and financial sustainability.

Strategic: Effective leadership has a direct impact on an organisation's performance and competitiveness. The longevity and success of an organisation now depend on integrating strategy and leadership. Strategic leadership can be regarded as a tool managers should utilize to ensure success in highly competitive environments. Strategic leadership is modern and broad. It also fits into what was traditionally referred to as supervisory leadership, which encompasses approaches like charismatic, transformational, and visionary models. A strategic leader has to make strategic decisions that talk to the organization's vision. In addition, a strategic leader should develop processes and harness employee competencies to realize the vision. In doing so, ethics and succession should form part of sustaining an effective organisational culture. This strategic leadership style can be regarded as one that encompasses most of the traditional leadership styles into one. It is more suitable for the fast-paced and competitive modern world (Jdetawy, 2018). According to Mansaray and Elsan (2019), strategic leadership is the most effective for businesses because it connects business operations and growth. These leaders also take the executive responsibilities of a business while giving support to the rest of the business. Strategic leadership integrates strategy and leadership to ensure success in competitive environments. It involves making strategic decisions, developing processes, and harnessing employee competencies to achieve the organization's vision. This comprehensive approach is key to ensuring business growth and financial sustainability, making it highly crucial to Rand Water's growth and financial sustainability

This discussion on leadership styles has located strategic leadership within the realm of leadership styles. Even though there are many leadership styles, some scholars regard strategic leadership as the most suitable for business. This is significant to this study since this research is on the effectiveness of strategic leadership at Rand Water.

2.4 Business growth

Many organizations now include growth in their corporate strategy, which an increase in profits, sales, and asset value can realize. It is usually represented by business outputs, qualitative indicators, business outcomes, and capacity (Business Growth, 2022). A review of the different firm/business growth theories is covered below to give context to this subject. This is important to this study since business growth is one of the key variables this research seeks to evaluate.

2.4.1 Firm growth theory

The concept of firm growth has been identified as a critical element of economic growth for any country. The theory of firm growth has also been evolving over the years and enriching business literature (Hafiz et al., 2022). A study by Wiklund et al. (2009) states that various factors contribute to business growth, including “entrepreneurial orientation, environmental characteristics, firm resources, and managers’ personal attitudes directly and/or indirectly influence the growth of businesses.” The five theories that form the base of firm growth theory are discussed below.

Resource-based theory

Resource-based theory (RBT), according to Barney (1991), is a strategy that utilizes all resources that can be classified as VRIN (valuable, rare, inimitable, and non-substitutable) to gain competitive advantage. The RBT also groups certain resources as being critical to a firm’s competencies and competitive advantage (Grant, 1996). It can also be noted that not all of the firm’s resources are to be considered strategic and, therefore, contribute to the firm’s competitive advantage. This can only be achieved when there is heterogeneity and immobility of resources, as these resources are usually expensive and not easily transferable (Madhani, 2010). These resources are, however, critical in a globalized economy in which agility and flexibility are key to maintaining a competitive advantage (Adnan et al., 2018)

Knowledge-based theory

Knowledge-based theory (KBT) regards knowledge as critical and non-depreciable and, therefore, the most impactful growth component, which is also an extension of the RBT (Grant, 1996). According to Naheed and Isa (2019), it is vital to exercise knowledge management in a

business as it is embedded within organizational culture, identity, policies, routines, documents, systems, and employees. KBT credits business growth as a result of efficient knowledge management, where a business can acquire knowledge and apply it (Kelleci et al., 2019). Because knowledge management is difficult to replicate, it therefore becomes a competitive advantage and also contributes to the sustainability of the business (S. Ali et al., 2020)

Dynamic capabilities theory

Dynamic capability (DC) is evidenced by a business individual manager's capabilities, which include motivation, encouraging teamwork, embracing change, and having a high tolerance for ambiguity (Wieczorek et al., 2017). According to Kaur & Mehta (2017), dynamic capability is directly linked to organizational culture, which leads to competitive advantage and business growth. This has led to a need for greater dynamic capability and innovation for businesses as it allows them to develop new business models (Cuervo-Cazurra et al., 2020).

Upper echelons theory

Upper echelons theory (UET), focuses more on the business top management structure. Personal traits, values, experience, and motivation of top management create a competitive advantage that has a direct impact on business growth (Hooi et al., 2016). According to Ying et al. (2019), to top managers, skills like financial management, business leadership, and intangible capabilities are vital in the effective management of business growth.

Resource-dependency theory

Resource dependency theory (RDT) stresses the role of management in influencing how the business depends on the environment and its control of critical resources. Businesses should be able to conduct business with external environmental stakeholders to gain resources. Valuable resources such as land, raw materials, and labour should be utilized effectively as a defensive mechanism to achieve growth (Hafiz et al., 2022).

Collectively, these growth theories provide a comprehensive framework for understanding how strategic leadership principles may impact revenue growth and sustainability at Rand Water.

analysing the research objectives and questions and linking them to these theories, Rand Water can:

- Identify and leverage unique resources (RBT) and knowledge (KBT) for competitive advantage.
- Adapt leadership practices to changing environments (DC) for sustained growth.
- Utilize top management's traits and skills (UET) for effective decision-making.
- Manage external dependencies (RDT) to secure critical resources.

Rand Water can thus enhance its strategic leadership approach, achieving business growth and ensuring financial sustainability. This holistic approach provides a comprehensive framework for understanding how strategic leadership principles impact organizational success, helping Rand Water navigate challenges and capitalize on opportunities for long-term growth and stability.

2.5 Empirical review

This section covers relevant and recent research in strategic leadership, business growth, and sustainability and how they impact this study.

2.5.1 Strategic leadership and long-term competitive advantage

A study by Ali and Anwar (2021) The article investigates the connection between effective strategic leadership and long-term competitive advantage, focusing on small and medium businesses in Erbil, Iraq's Kurdistan region. This can be regarded as related to this study because it investigates the effectiveness of strategic leadership in a business setup like Rand Water. The study examined the impact of absorptive strategies, the capacity to adjust strategies, and managerial wisdom and found adsorptive strategies as the most effective while managerial strategies are the least effective.

Absorptive Strategies, found to be the most critical, may enhance Rand Water's ability to identify, assimilate, and apply external knowledge, which can drive innovation and growth, ensuring long-term financial sustainability. Capacity to Adjust Strategies allows the adaptation and modification of strategies in response to changing conditions to help maintain resilience and relevance, supporting both business growth and financial stability. Managerial Wisdom

enables sound decision-making based on experience and ethics; though less impactful, it can still contribute to sustainable growth and financial health. By integrating these principles, Rand Water can achieve business growth and ensure financial sustainability through strategic leadership.

2.5.2 Strategic leadership and growth

A study by Gupta (2018) identifies strategic leadership as critical for continuous growth and revival, particularly in an ever-changing global economic environment. The study concluded that strategic leadership enhances employee productivity and provides a sustainable competitive advantage. The research paper contributes to the literature on strategic leadership and suggests further research to validate its applicability across different sectors. Which is what this study can achieve.

Based on the conclusions of this study, incorporating strategic leadership principles, Rand Water can enhance productivity, achieve business growth, and ensure financial sustainability. This approach provides a sustainable competitive advantage, enabling the organization to thrive despite external challenges.

2.5.3 Growth and sustainability

A study by Karnama and Vinuesa (2020) emphasizes the need for structural changes in corporate operations to align growth with global sustainability strategies. It introduces the Organic Growth Theory, proposing a step-by-step approach for corporations to grow profitably without compromising the needs of future generations. The shift to this theory is seen as necessary to address climate change and ensure the continued viability of corporate structures.

The proposed Organic Growth Theory suggests structural changes for sustainable growth. It adopted at Rand Water this theory of strategic leadership can drive business growth while maintaining financial sustainability and addressing environmental concerns. This ensures Rand Water's long-term viability.

2.6 Chapter Summary

Based on the literature review, it is clear that strategic leadership theory is vast and useful for enhancing business success. This chapter covered all the critical sub-topics for achieving the objectives and research questions in Chapter 1. These topics include theories on business growth and sustainability and relevant legislation.

There is a gap in terms of policy and research with regard to the viability of water boards like Rand Water venturing into other revenue streams to achieve growth and sustainability. This study becomes crucial in assessing the impact of strategic leadership principles on these prospects. This literature review has covered all the theoretical concepts required for the methodology chapter.

CHAPTER 3 RESEARCH METHODOLOGY

3.1 Introduction

Following the research objectives and questions outlined in Chapter 1 and the literature review conducted in Chapter 2, it was vital to formulate a research methodology that would adequately respond to the research objectives and questions. Research methodology is a science that provides a way to solve a research problem by outlining all the steps that a researcher adopts (Patel & Patel, 2019).

This chapter mainly outlines how the research was conducted and addresses the ethical concerns discovered and the study's limits. This chapter provides all the details of the research design and methodology, including the collection and analysis of data. By covering these topics, this chapter addresses how, what, and why the research was conducted.

3.2 Research philosophy/paradigm

The research philosophy is defined by Saunders et al. (2019:726) as “a set of beliefs and assumptions about the development of knowledge and the nature of that knowledge in relation to research.” This is supported by Schwandt (2011), who refers to it as a research paradigm, defined as the world viewpoint of beliefs and values of particular disciplines that assist in problem-solving. There are four main research philosophies within the business discipline, and these philosophies are discussed below (Saunders et al., 2019)

Positivism uses scientific-based evidence such as experiments and statistics, the result of which is like law generalizations. The result is, therefore, objective without personal viewpoints.

Critical realism is mainly used to solve social problems by studying social events. To achieve this, it uses elements of both positivism and postmodernism to gather data and interpret connections

Interpretivism its premise is that advocates that people are distinctive from the phenomena as they create significance for events. The researcher becomes key to the study, as it seeks to have a complete view of the study participants.

Pragmatism allows the researcher to be more flexible in their approach and can change when they see fit. It focuses on what works to address the problem.

The four perspectives/components of the research paradigm, as described by Khatri (2020), are briefly discussed below

Ontology deals with the philosophical assumptions about the nature of reality or existence. It is also commonly known as the theory of reality

Epistemology looks at how knowledge is gained from different sources

Methodology deals with the how aspects of the inquiry process.

Axiology deals with ethical issues that need to be considered during research work

Table 1 below was then developed to illustrate how the research philosophies relate to the perspectives of the research paradigm

Table 2: Paradigm worldview

Assumptions	Positivist/ Post-Positivist Paradigm	Interpretivist or Constructivist Paradigm	Transformative/ Advocacy/Critical realism/ Participatory	Pragmatist Paradigm
<i>Aim of research</i>	Describe, explain, predict	-Understand	-Critique, emancipate, transform	-Constructive knowledge
<i>Ontology (view of reality – what do we believe about the nature of reality?)</i>	-One reality (truth) that we can find out -Aim to generalize truth to the entire population -Hypothesis & test (verification of hypotheses) -Theory verification	-Multiple realities -Understand the phenomenon -Interpretive -Generate Theory	-Multiple realities -Expose things that are wrong. Bring change, transform, empower, liberate	-Multiple realities -Focus on what works to address the research problem or to answer the research questions. Focus on What? How?
<i>Epistemology (knowledge construction – ways of knowing – how do we know what we know?)</i>	Objective (no contact and do not influence research). Researcher is outside – Etic approach	Subjective (contact and influence research). Researcher is inside – Emic approach. Engaged in understanding	Subjective; findings based on values	Either objective or subjective in providing answers to research questions (engaged in change)
<i>Methodology (how knowledge is collected and analysed)</i>	Quantitative	Qualitative	Mixed Methods (Debatable, Dialectic, often participatory research)	Mixed Methods
<i>Techniques of gathering data</i>	Mainly questionnaires, observations, tests and experiments	Mainly interviews, participant observation, pictures, photographs, diaries and documents	A combination of techniques in the other two paradigms	A combination of techniques in the other two paradigms

Source: Bougie & Sekaran, 2019

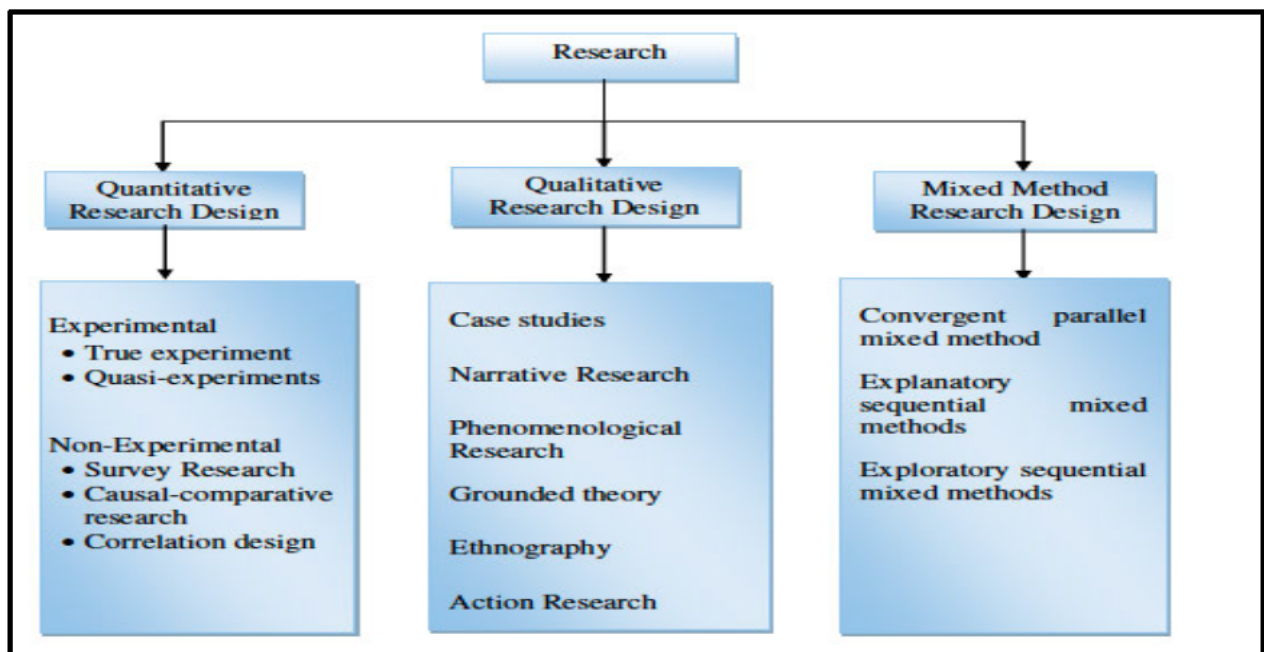
The research philosophy suitable for this study is Interpretivism, as the study seeks to understand the impact of strategic leadership principles by examining how Rand Water management and its employees perceive this impact.. This philosophy enables the researcher to gather in-depth knowledge to complete the study successfully. This philosophy results in rich, detailed descriptions that provide a comprehensive understanding of the subject matter. This depth of information can reveal new insights and contribute to the development of theories.

In summary and based on Table 1 above, the chosen interpretivism paradigm will enable the researcher to understand the state of strategic leadership at Rand Water and how it influences growth and sustainability by conducting a subjective, qualitative study through interviews based on multiple realities.

3.3 Research design

Research design is a plan on how research data is collected, prepared, processed, and analysed to address research questions. This assists the researcher in bringing their ideas into practice by connecting the theoretical and the empirical to determine the best approach to answer the research question (Saunders et al., 2019).

Figure 3: Research design



Source: Asenahabi, 2019

Research design can be classified into three research methods: quantitative, qualitative, and mixed methods, and it is up to the researcher to select the most suitable method for their research (Asenahabi, 2019). The description and differences of these methods are illustrated in Figure 1 above.

A qualitative method in the form of a case study was chosen for this research. This is because, according to Creswell and Creswell (2013), a case study allows for an analysis of scenarios of a specific organization that could possibly occur at another organization. The researcher focuses on a sample of that organization's population that would best address the study's objective and assist in answering the research questions. The case study can thus be conducted at Rand Water, where the researcher can easily access a sample of the relevant population. This also enables the researcher to conduct an in-depth assessment of different perceptions within an actual life context.

3.4 Research approach

According to Saunders et al. (2019), the research approach is the broader methodology used to conduct research; below are the three types of approaches.

- **Deduction** makes a deductive inference where when the premises are true, the conclusion must also be true based on theory falsification or verification.
- **Induction** makes an inductive inference where known premises are used to make untested conclusions by theory generation and building.
- **Abductive** makes an abductive inference where known premises are used to make testable conclusions by theory generation or modification

For this study, an inductive approach was selected as the research is aimed at obtaining an in-depth understanding of the impact of strategic leadership principles on growth and sustainability using known literature to generate untested conclusions.

3.5 Population and sampling

The concepts of population and sampling are critical to a research study as they assist the researcher in reaching accurate conclusions. The population represents the entire group or phenomenon that is the subject of the study, while the sample is a subgroup used to represent

it practically (Ahmad et al., 2023). This study's population, sample size, and sampling method are discussed below.

3.5.1 Population

Defining the research population is a vital step in research design because it sets the study's boundaries and provides the scope of the study's findings, where the population can be any group of interest (Ahmad et al., 2023). According to Sekaran and Bougie (2009), the population in the research context is a group of people, events, or objects that a researcher intends to study to ascertain a particular phenomenon. Saunders et al. (2019) define the target population as a subset of the selected population that best represents the study population.

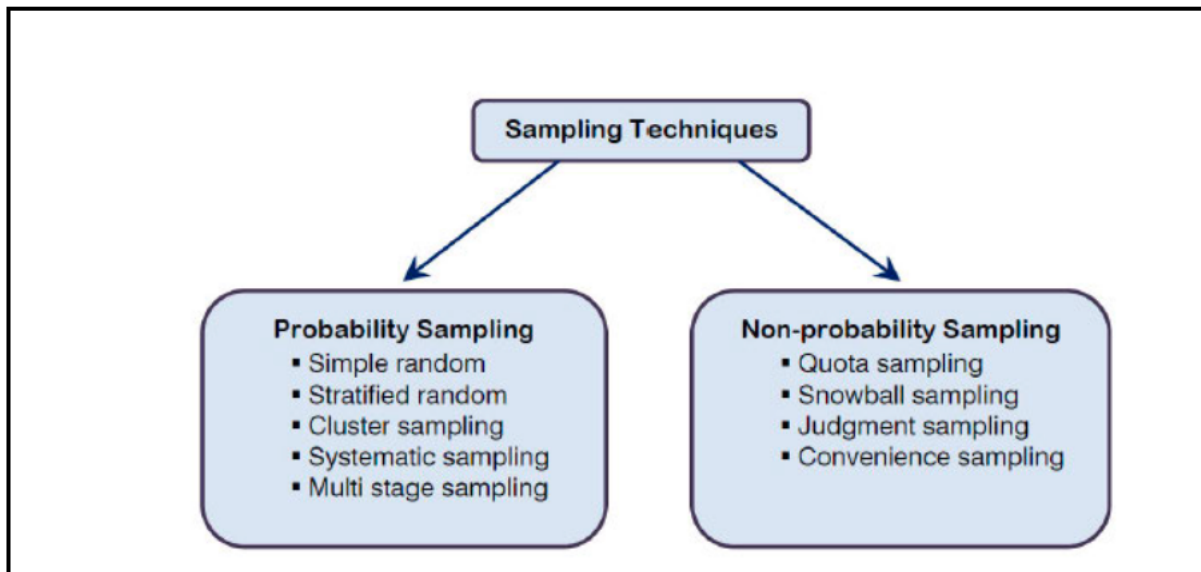
The research population for this study is Rand Water managers in general, while the target population is managers at the middle management level and above. This group constitutes what is loosely referred to as the top 300 structure internally at Rand Water. These managers are responsible for leading Rand Water at all levels of the organization. At the top is the executive committee (EXCO) led by the Chief Executive (CE). The second most senior structure is the Top Management Committee (TMC), constituted by EXCO and various senior and general managers. The top 300 structure is chosen as the target population because its members lead various teams and are in a position to exercise strategic leadership, which has the possibility to influence Rand Water's growth and sustainability, which is the objective of this study. Most of these managers are located at the Rand Water Head office in Glenvista Johannesburg, which serves as the Rand Water corporate base. The rest of the managers were located at various Rand Water sites in Vereeniging.

3.5.2 Sampling

A sample is a subset of the population selected for research purposes and represents a smaller, manageable group. Researchers use this sample to make inferences and conclusions about the entire population (Taherdoost, 2016). Researchers use sampling because it saves time and money and is less complicated compared to studying the entire population. If applied correctly, sampling can yield results that provide insights into the characteristics and behaviors of the larger group with an acceptable level of accuracy (Ahmad et al., 2023).

According to Saunders et al. (2019), there are two main groups of sampling methods in research: the probability and the non-probability techniques. The probability group where the sample is drawn must be known to the researcher, while the non-probability items of the sample are selected deliberately by the researcher. These groups and their respective techniques are illustrated in Figure 2 below.

Figure 4: Sampling techniques



Source: Taherdoost, 2016

A combination of judgment sampling and a convenient sampling method was chosen to be more appropriate for this research. According to Saunders et al. (2019), judgment or purposive sampling is a sampling method where participants are intentionally chosen by the researcher because they provide crucial information that cannot be sourced elsewhere or because of their importance to the study. According to Creswell and Creswell (2013), convenient sampling is a method of acquiring data from a pool of respondents that is convenient, readily available, and easy to access.

These two methods are chosen because the sample population is readily available and easily accessible by the researcher, as the researcher and the sample population are all Rand Water employees. The participants are also chosen on the basis that they provide valuable insight into a specific department and how it operates within Rand Water. These participants are in a position of strategic influence within the Rand Water leadership hierarchy. All these factors became the basis of the inclusion criteria of the research sample for this study.

Selecting a sample size in non-probability sampling is ambiguous, with no clear rules except for quota sampling. This is contrary to probability sampling. Therefore, the sample size depends on the research questions and objectives, what the researcher seeks to achieve, and what could be done within the available resources (Saunders et al., 2019).

A sample size of 13 managers at various levels and across various disciplines and departments was selected for this study. The management position, management level, and management structure of the selected participants are captured in Table 2 below.

Table 3: Research sample

	Position	Management level	Management structure
1	Operations Design Department (ODD) Manager	Middle management	Top 300
2	Customer service manager	Middle management	Top 300
3	Group Strategy Senior manager	Senior Management	Top 300
4	General Manager (GM): Scientific Services	Executive	TMC
5	Executive Manager: Vereeniging Plant	Executive	Top 300
6	Human Recourses (HR) Senior Manager	Senior Management	Top 300
7	Managing Director (MD) : Rand Water Services	Executive	EXCO
8	Supply Chain Management (SCM) Manager	Senior Management	Top 300
9	Chief Procurement Officer (CPO)	Senior Management	TMC
10	Operational specialist: bulk sanitation	Senior Management	Top 300
11	Maintenance Manager: Bulk network distribution	Middle management	Top 300
12	General Manager (GM): Cooperate communications	Executive	TMC
13	Finance Manager	Senior management	Top 300

In summary, a sample size of 13 managers was selected: 4 executives, 2 middle managers, and 7 senior managers, as shown in Table 2 above. These managers sit at the 3 different management structures.

3.6 Data collection

Data is a collection of facts from different sources (Sekaran & Bougie, 2009). According to Mazhar et al. (2021), data collection is the next step after research design that is necessary for investigating a research problem. The data collection is usually primary or secondary, where primary data is based on behavioral sciences, including observation methods, interviews, questionnaires, and databases, whereas secondary data includes previously published books, magazines, journals, etc.

3.6.1 Data collection method

According to Yin (2013), interviews are the most suitable method of data collection for case study research. This is because interviews allow the participants to express themselves broadly, providing the researcher with vast information about the specific individual or organization compared to experimental methods. Interviews result in qualitative data that capture feelings, emotions, or subjective perceptions (Bougie & Sekaran, 2019).

Interviews were the selected data collection method for this study because, as per Table 1 and Figure 2, they are more suitable for a qualitative case study and considering the selected sample. There are three types of interviews: structured, semi-structured, and unstructured. The main differences in these interviews are that in structured interviews, the interviewees face the same set of standardized questions, semi-structured are formal and conducted based on a guide, and unstructured are informal and do not follow a particular structure (Taherdoost, 2021)

Data was collected through semi-structured interviews for this study as it is more suitable for a qualitative study. The semi-structured interview is basically an informal discussion that exhibits characteristics of both structured and unstructured interviews because the interview questions can be open-ended or closed questions. The researcher engages in these discussions consciously, systematically, and partially structured. The interviews are conducted through structured questions, but the researcher can ask follow-up questions or probe for further information. This is acceptable as the nature of the interview is relaxed and flexible. Semi-

structured interviews may be conducted in person or online using suitable software (Ruslin et al., 2022). An interview guide with 19 questions was developed for this study, covering all the relevant research topics. see Appendix C for the interview guide. These questions were developed to ensure the data collected will be sufficient and relevant to draw conclusions based on the applicable literature and the participants' responses. The questions sought to gather information on Rand Water's growth, sustainability, and leadership. The responses to these questions assisted the researcher in responding to the research questions and objectives.

3.6.2 Data collection instrument and procedure

Microsoft (MS) Teams software was used to conduct all the interviews because it is easily accessible to all participants at Rand Water. Microsoft Teams is an online conference application that allows meeting recording and transcription. The participants were invited to participate via email and phone calls. The invitation email included as attachments a brief description of the research, information about the researcher, ethical clearance, consent form, gatekeeper's letter, and ethical clearance. An MS Teams meeting invite with a link was then sent to the participants once they confirmed and accepted to be interviewed.

A total of 13 interviews were scheduled as per the sample size; these interviews were recorded and lasted approximately 30 minutes. The researcher introduced himself and briefly described the study before the commencement of the interview. After the interview was concluded, the researcher downloaded the transcript and reviewed it to ensure it reflected the recorded interview.

3.7 Data analysis

Its main purpose is to understand the data collected; qualitative data analysis is called thematic analysis (Sekaran & Bougie, 2009). According to Creswell & Creswell (2013), data analysis examines raw participant data and processes it to average the study findings. Thematic data analysis methods entail collecting and processing data until meaning can be derived from the data and generate a narrative report (Clarke & Braun, 2017). This study utilized thematic analysis as a method for data analysis and follows the 4 steps of thematic analysis based on (Saunders et al., 2019).

1. Getting familiar with the data: This covers the transcription of the interviews and the study of the transcript with the intention of deducing common patterns and themes
2. Data coding: These covers assigning codes to data based on common patterns and known literature. Data units are then created by assigning relevant information to a relevant category using a code.
3. Theme identification and relating data: It involves relating the data by identifying themes by reducing the lists of codes into a brief list of codes.
4. The refining of themes and testing of propositions: This tests the identified themes to ensure the appropriateness of the codes within each theme and to ensure that the set of themes is meaningful and coherent.

A qualitative analysis software, NVivo, was used for this study because it saves time and has the ability to manage huge amounts of qualitative data.

3.8 Trustworthiness

Since this study is qualitative, trustworthiness testing was more suitable than validity and reliability testing, which applies to quantitative studies. The trustworthiness testing of this study is discussed below and covers credibility, transferability, confirmability, and dependability, as described by Krefting (1991).

Credibility: is the confidence that can be placed in the truth of the research findings. Qualitative researchers can use triangulation to show that the research study's findings are credible. Triangulation means using multiple methods to collect data to validate the research. The triangulation was irrelevant to this study as only one data collection method was used. However, the credibility of this study was achieved by conducting an extensive literature review and also cross-referencing findings of similar studies

Confirmability: refers to the degree of neutrality in the research study and its findings. The findings are based on participants' responses and not any potential bias or personal motivations of the researcher. This was guaranteed for this study as the researcher provided direct quotations under themes and sub-themes from participants and kept an audit trail to the confirmability of the research findings.

Transferability: is how the qualitative researcher demonstrates that the research study's findings are applicable to other contexts. This was achieved by providing relevant information on the participants, step-by-step details on the methodology used, and the research context. This allowed the reader to assess the transferability of the findings.

Dependability refers to consistency and repeatability, which is the extent to which the study could be repeated by other researchers and that the findings would be consistent. This study achieved this because proven academic research methods and processes were used, and detailed records were kept.

3.9 Ethical considerations

It is imperative that the research is conducted in an ethical manner with respect to human and animal rights. To achieve this, the research conformed to all University of KwaZulu-Natal ethical considerations; details on ethical considerations are covered below.

Voluntary participation: All participants were informed that participating in the study was voluntary and that they had a right to withdraw. They were informed about this when they were requested to participate. A consent form covering this aspect was sent to all participants to complete and sign, see Appendix A. A letter from Rand Water was also submitted for information to all participants. This letter was to confirm that Rand Water has given the researcher permission to collect data through interviews for his research, see Appendix D

Informed consent: An information and consent letter document were sent to all participants prior to the interview. This document included details about the university, the study supervisor, and a brief description of the research. All participants signed a consent form indicating that they understood the details of the study and were participating voluntarily. The consent form also included the research ethical clearance number from the university and details on how to contact the university for any inquiries.

No harm to participants: The researcher ensured no harm to participants as he was always professional. The researcher only asked relevant and appropriate questions and ensured all participants were free and comfortable to answer questions.

Confidentiality and anonymity: Data collected was stored on the researcher's laptop in password-protected folders and only accessible to the researcher. Data will be disposed of by deleting folders from the researcher's laptop 5 years after the successful completion of the dissertation. The researcher and the supervisor were the only people who had access to the recordings and transcripts. Anonymity was achieved by not identifying the participants at any time during the interview. The study did not include the personal details of the participants. The participants were informed that the final dissertation would be available at the UKZN library should they wish to access it.

Ethical clearance: The researcher went through the rigorous University of KwaZulu Natal research ethical clearance process. The researcher completed ethical and plagiarism training as part of the process. The researcher had to submit various documents and information to the Humanities and Social Science Research Ethics Committee (HSSREC). This included research details, research methodology, information on the researcher, an approval letter from Rand Water, participants' consent forms, and training certificates. After considering all the information, the HSSREC approved the research and issued an ethical clearance letter with the number HSSREC/00007509/2024, see Appendix B

3.10 Chapter Summary

This chapter covered all the details of the research methodology that enabled the researcher to respond to the research questions and objectives. This study was in the interpretivism paradigm. A qualitative case study research design was found to be more suitable for this research; this resulted in an inductive approach being suitable. Rand water managers were selected as the study population, and using the judgment sampling technique, a sample of managers at different levels was identified. Data was collected through semi-structured interviews, which were recorded and transcribed using MS Teams. The trustworthiness and ethical considerations were also covered in this chapter to ensure the integrity of the research. The data collected in this chapter was analyzed using thematic methods, and results were deduced in Chapter 4.

CHAPTER 4

DATA ANALYSIS AND RESULTS

4.1 Introduction

The previous chapter covered the study's research methodology, which provided details on how this research was conducted. The chapter included information on the research design, approach, and sampling. Data was collected through semi-structured interviews, which were recorded and transcribed using MS Teams for this qualitative research case study. The data collected enabled the researcher to conduct data analysis and produce results.

This chapter covers the research study's data analysis, results, and interpretation. This is a critical chapter in addressing the research aim, objectives, and questions, which mainly examines the relationship between strategic leadership, growth, and sustainability at Rand Water. This chapter leads by discussing the details of the interviews and participants by covering the interview response rate and participants' information. This chapter then shows how the data analysis was conducted using thematic analysis. The themes and sub-themes are deduced, and the main findings are presented as the results of the study.

The results are then discussed and interpreted by indicating how the results assist in answering the research questions. The results are also compared with existing literature and theories to determine if the findings are consistent with existing literature or differ.

4.2 Demographics

This section provides context on the qualitative semi-structured interviews conducted. A total of 10 Rand Water managers participated in the interviews as part of data collection. This section serves to provide details on the interviews and participants by capturing the demographic details of the participants, such as race and gender.

Furthermore, this section captures participants' attributes, such as participants' response rates, years of experience, and the duration of the interviews. This profiling of the participants is important as it provides context for the results and interpretation of the results.

4.2.1 Response rate

As covered in Chapter 3, a sample size of 13 managers at various levels and across various disciplines and departments was selected based on the judgment sampling method for this study. Out of the 13 predetermined potential participants, 10 actually participated in the study. This resulted in a shortfall of three participants, which then constituted a 77% response rate. The remaining three could not participate due to unforeseen circumstances. Two potential participants had to represent Rand Water abroad for an extended period while the last was on leave.

Saturation is regarded as a point during data collection where the critical insights are exhausted, and no new information emerges. At this point, the information becomes mostly repetitive, and no new themes emerge. The saturation point is also regarded as the main guide to determine when the data collected is adequate (Hennink & Kaiser, 2022).

The saturation point phenomenon was observed for this research during the 8th interview. It was clear that all the important issues of the research had been exhausted. The additional information beyond this point served to reinforce previously observed data rather than as new information. It can thus be concluded that 10 out of 13 or 77% response rate interview is adequate for the purposes of this research study.

4.2.2 Participant information

This section provides more interview information and participants' demographics to give context and understanding of the participant's population and whom they represent (Enago Academy, n.d.)

The participant's position, managerial level, years of experience at Rand Water, and gender were deemed the most relevant attributes that constitute the demographic profile of the participants for this study. This information is captured in Table 4 below, including each participant's interview duration. The research questions guide was structured so that the participants provided this information during the interview. The information was then extracted from the transcript before being populated.

Table 4: Participants information

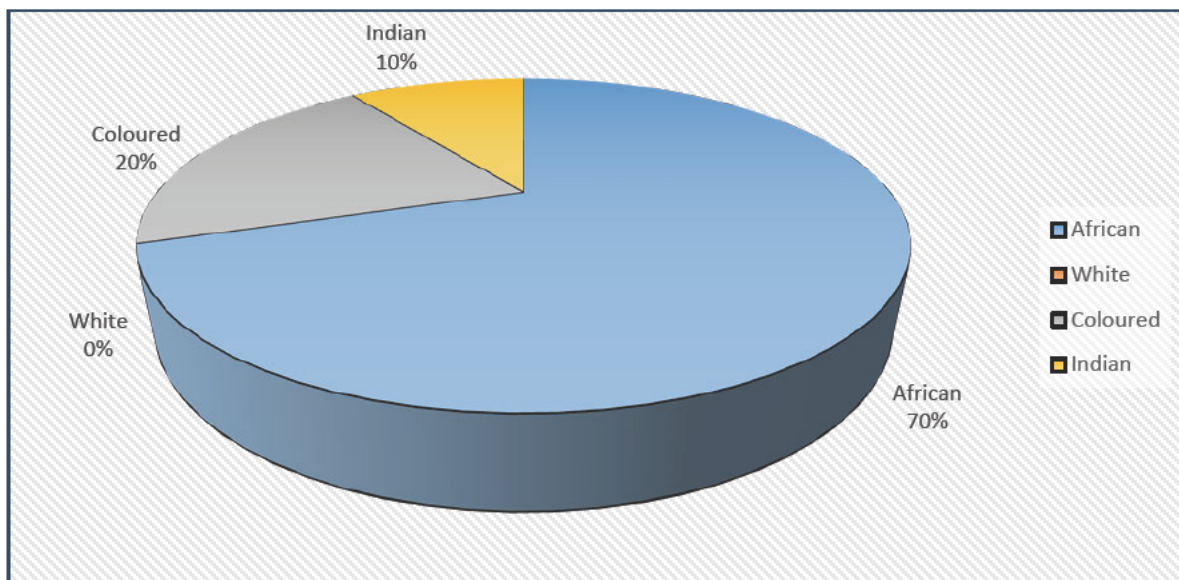
Participant (P)	Position	Managerial Level	Years of experience	Gender	Interview duration (Mins)
1	Organisational Design and Development (ODD) Manager	Middle	15	M	47
2	Principal Researcher-Strategy	Senior	12	M	30
3	Executive Manager: Vereeniging plant	Executive	16	M	20
4	Communication and Stakeholder Manager	Executive	5	M	20
5	Human Resources (HR) Operations Manager	Senior	12	M	44
6	Supply Chain Manager	Senior	13	M	20
7	Maintenance Manager	Middle	20	M	30
8	Portfolio Analyst-Finance	Middle	12	M	47
9	Operational Specialist	Middle	15	M	47
10	Customer Service Development Manager	Middle	8	M	34
11	Chief Procurement Officer (CPO)	Executive	-	F	Not Interviewed
12	General Manager (GM): Scientific Services	Executive	-	F	Not Interviewed
13	Managing Director (MD) : Rand Water Services	Executive	-	M	Not Interviewed

It can be observed from Table 1 that all the participants are highly experienced, with all having more than 5 years of experience and 8 out of 10 having 10 or more years of experience. The participant population also represents a diverse group of managers at different managerial levels and representing key departments at Rand Water. The departments include research and innovation, communication and stakeholder management, human resources management, supply chain management, organizational design and development, customer service, operations, maintenance, and non-core business or secondary activities division. The participants are middle, senior, and executive managers.

Even though the interviews were scheduled for 30 minutes, three interviews took 20 minutes, while four interviews took more than 40 minutes; the combined average duration for interviews was calculated to be 29 minutes.

All the participants were male; two females were scheduled for the interviews but could not participate due to unforeseen circumstances. The racial composition of the actual participants was 7 Africans, 2 Colored, 1 Indian, and no White participants. These demographic details are illustrated by a pie chart in Figure 5. All these factors contribute to the trustworthiness of the data collection process and the quality of the data collected for this study, as covered in section 3.8

Figure 5: Participants' racial composition



4.3 Findings

This section represents the research results and presents an analysis of the data collected through key informant interviews conducted. The data analysis was conducted using NVivo software based on the thematic analysis methodology, as covered in section 3.7.

The interviews were conducted via MS Teams, and transcripts were transferred into NVivo and then perused for understanding and familiarization. Initial codes were then developed and analyzed until the main codes were established. Further analysis of the main codes led to the generation of the research themes. The themes were created following the inductive approach, which involves reviewing transcripts to identify the common threads and coding the transcripts

according to the identified themes. Table 5 below was generated from the NVivo codebook, and it shows the main codes and generated themes

Table 5: Themes and codes

Themes and codes	Sources	References
Leadership	0	0
Deliver toward a common goal	4	4
Efficiency in carrying out infrastructure maintenance	1	1
Environment that emphasizes teamwork, transparency, and partnerships	4	4
Evidence based	1	1
Formulate and implement business strategies	1	1
Implementation	2	2
New initiatives	2	2
Profitability	0	0
Energy generation	1	1
Generated profit or accumulated reserves	2	3
Revenue growth	0	0
Build reclamation plants	1	2
Diversification	5	5
Producing water purification chemicals	1	1
Reducing water losses	5	5
Secondary activities	4	6
Suppliers with the technology and innovation	2	2
The non-payment by municipalities	1	2
Water value chain to harvest grey water	1	1
Sustainability	0	0
Efficient collection of revenue	3	3
Good corporate citizen	0	0
Mentioned reducing costs	3	3
Offset potential losses in subsequent years	2	3

The sections below present the themes generated on Nvivo in the form of findings based on the conducted thematic analysis, including participants' quotes to support the findings. This

section covers an in-depth analysis of the outcomes of interest: revenue growth, profit, and sustainability. It also includes a more detailed analysis focusing on revenue growth as an important aspect of profit and sustainability and concludes with an analysis of strategic leadership principles.

4.3.1 Revenue growth

The concept of growth or organizational growth in this research refers mainly to revenue growth. The research study participants narrated what they understood about organizational growth in the context of Rand Water. Participants' definition of organizational growth is contextualized in the legal structure of Rand Water and its potential expansion to business lines beyond its current mandate. Rand Water is a state-owned, non-commercial entity that supplies bulk water to municipalities and industries. The municipalities distribute or sell water to the residents in their jurisdictions. Rand Water collects revenue from municipalities. In this context, organizational growth is perceived as ensuring a reliable bulk water supply to municipalities and expanding water access to households. One participant explained:

"...growth is also leveraging what you have...It's not about increasing the tariff so that you make more revenue." P1

Other participants suggested that growth means increasing volumes of bulk water, expanding the company's operations in bulk sanitation services, and reducing expenditure by employing fewer people. Growth is not about increasing revenue because there are regulation limits to water tariffs.

"The primary tariff, if it's not sufficient, if you are not there, making enough profit from your primary business because it's regulated, you can always make up by going into growth projects." P7

"(Tariffs) it's not always cost reflective because it gets to be negotiated. So when then it gets to be a negotiated, then you might end up not getting what you want." P9

In contrast, most participants define organizational growth as revenue growth. Participants view revenue growth as important for Rand Water to continue delivering on its mandate of providing bulk water to municipalities. The participants narrated as follows.

“Growth is for me, it's it's a bit multi-pronged because growth in rand water. That's not just talk about, you know, water sales, but it also it it has to balance revenue.” P8

“Rand Water is able to generate revenue from other sources, which is secondary activities, so that's how I'll put the aspect of organizational growth.” P5

Overall, participants had various perspectives on organizational growth. Even though different, these perspectives are consistent with Business Growth (2022), which defines it as an increase in profits, sales, and asset value. This is because all these perspectives result in an increase in profits, revenue, or asset value. This is supported by Bhayangkara et al. (2022), who affirm revenue growth as the main aspect of business growth and identify four factors: labour productivity, labour intensity, capital intensity, and frequency as critical. The participant's account of revenue growth is also consistent with the firm growth theories, in particular, the DC theory that focuses on the ability to adapt and innovate in response to changing conditions

This research focuses on revenue growth, which is key in answering the research questions. The analysis distinguishes between the existing and potential drivers of revenue growth. The potential drivers of revenue growth focus on what should be done to increase revenue, whereas the existing drivers are the current sources of revenue for Rand Water. The two revenue growth sub-topics are discussed below.

Current sources of revenue

Rand Water's primary source of revenue is through the sale of bulk water to municipalities and industries, mainly in Gauteng province. The revenue is projected to grow because of population growth in the province. Population growth suggests that there will be an increase in water demand, which will spur revenue growth. Rand Water could derive revenue from other secondary sources, including producing water purification chemicals that can be an alternative and economical option for cleaning large volumes of water at less cost, importing water from other countries since South Africa is a water-scarce country, and reducing water losses in the water distribution networks. The water losses can be as high as 40% of the total volume of water that enters the supply network. The participants mentioned:

“...you can only grow it up to a certain extent based on the availability of the resource. You know, because we know South Africa is a water-scarce country.” P7

“Water losses in our network of supply are very high. I'll use 40% depends which period you consider.” P1

Water losses and the non-payment by municipalities dampen revenue growth. Municipalities sell water to the residents, and they are the primary source of revenue for Rand Water. The water that is lost in the municipal network due to poor infrastructure maintenance is a major loss of revenue. Furthermore, municipalities owe Rand Water about R5 billion, and there is a risk that part of this amount owed could be written off from the debt. One participant mentioned:

“That means there is a risk or there's a chance of rand water having to write off some of the debt and you know them... We are talking of what up to 5 billion Rands water is being owed.”

P1

Another participant mentioned that there is a plan to establish a water demand management fund to assist municipalities in reducing water leakages and, thereby, increasing revenue.

“Executives and board that will introduce what you call a water demand management fund that will assist municipalities with their non-revenue water.” P2

The current source of revenue can be mostly characterized by one of the five firm growth theories described by Wiklund et al. (2009). Producing improved water purification chemicals can be regarded as an innovation that requires efficient knowledge management. Therefore, this is in the Knowledge-based theory (KBT). This is because KBT credits business growth to efficient knowledge management, where a business can acquire knowledge and apply it. According to Ali et al. (2020), knowledge management is difficult to replicate, it therefore becomes a competitive advantage and also contributes to the sustainability of the business.

Rand Water executives and the board establishing a water demand management fund to assist municipalities in reducing water leakages thereby increasing revenue aligns with the Upper echelon theory (UET). According to Hooi et al. (2016), top management's personal traits,

values, experience, and motivation create a competitive advantage that directly impacts business growth.

Potential sources of revenue

Besides revenue from bulk water supply to municipalities and industries, other participants mentioned several other ideas to increase Rand Water's revenue, and the most common is diversification. The participants suggest that Rand Water could increase income by expanding the supply of bulk water to provinces other than Gauteng, Free State, North-West, and Mpumalanga. Rand Water could even expand its services to other countries in the African continent.

"I know in in in the since 2011 joining, there's been talks of Rand water participating in other African countries" P6

While the geographical diversification within South Africa refers to the supply of bulk water, the expansion to other countries in Africa refers to the trade of Rand Water expertise to support water agencies or other suppliers with the technology and innovation that Rand Water has discovered through its research and innovation.

"Getting to the point where we sell our expertise even beyond South Africa" P1

The trade of expertise suggests that Rand Water could increase revenue through a focus on what participants refer to as a 'secondary' business. The secondary business is viewed as an opportunity to diversify sources of revenue for the company.

"We need to also have secondary activity that is trying to forge the diversification of rand water revenue stream" P2

"...rand water can now venture into secondary activities for other sources of income or other streams of income" P7

Other participants held the view that Rand Water needs to expand its customer base beyond the municipality and supply water directly to end consumers. This approach is perceived as a

strategy to increase water demand in Gauteng and outside the province, and to reduce the risk related to delayed payments by the municipalities. Municipalities have 30 days to pay for water supplied by Rand Water; however, they often pay after the defined period has lapsed. Municipalities take, on average, 110 days to pay Rand Water for the water supplied.

“...municipalities who are our biggest customers, but it can even go to private entities”. **P1**

“We perhaps will need to re-look at our revenue model in terms of our dependency on the metro...we would not have anticipated the metropolitan municipalities not being able to pay Rand Water.” **P10**

Participants further highlight the distance between the treatment plants and end consumers as a challenge that affects revenue growth and suggest that Rand Water drills boreholes and sets up localized treatment plants. This approach will provide an alternative water source, reduce loss due to network leakages, ensure that Rand Water has direct access to the water supply to end consumers, and reduce the cost of electricity consumed by pumping water in the long network.

“...reduce the non-revenue water on the municipality side so that we don't lose water that we are work hard to produce and then it goes to waste because of leaks” **P3**

“I must make sure that I do not lose anything along the way in terms of either leaks or maybe vandalism of our Rand Water infrastructure” **P6**

The participants also believe that Rand Water could further integrate the water value chain to harvest greywater and sell it to the industries. Greywater refers to the final effluent that comes from treated wastewater in a wastewater treatment plant. Participants highlight that there could be off-takers for greywater. This provides Rand Water with an advantage in that the sale of grey water is not tightly regulated, and this provides an opportunity to generate higher revenue since there are no limits to the tariffs charged. One participant mentioned;

“...there would be industries that will actually take the grey water that you produce” **P8**

“And the beauty of greywater is that the price is not regulated like ours (blue water), not necessarily that they're portable water prices regulated” P8

Participants also suggested an expansion to build reclamation plants like the one planned at the Emfuleni municipality Sebokeng plant. However, expanding to harvesting greywater requires collaborations with the municipalities and the national government's involvement. Besides selling greywater to off-takers, other participants believe Rand Water could produce energy for its operations, and the production could offset 6% of the company's energy cost. The hydropower initiative would reduce production costs and increase Rand Water's profits.

“Reduce to a certain extent by this hydropower project, which, if I'm not wrong, they were saying it's about 6% of what we of our energy bill to Eskom” P8

The potential source of revenue or diversification to achieve revenue growth encompasses all five firm growth theories described by Wiklund et al. (2009). Expanding the supply of bulk water beyond Rand Water's area of supply taps into the resource-based theory (RBT). Bulk potable water is a rare resource that Rand Water can take advantage of by expanding its supply to another province. This would be consistent with the RBT strategy that (Madhani, 2010) and (Adnan et al., 2018) describe as usually expensive and not easily transferable but critical in a globalized economy in which agility and flexibility are key to maintaining a competitive advantage and revenue growth. RBT also applies to achieve growth when Rand Water uses its raw water dams to generate its own electricity, thereby reducing costs. Expanding into the African market by offering its expertise in the form of technology and innovation, Rand Water would be tapping into the KBT.

Expanding into the drilling of a network of boreholes locally to serve as raw water for locally built treatment plants that supply bulk potable water is consistent with Resource dependency theory (RDT). According to Hafiz et al. (2022), valuable resources such as land, raw materials, and water should be utilized effectively as a defensive mechanism to achieve growth.

Harvesting greywater by building reclamation plants that supply prospective customers directly talks to UET and Dynamic capability (DC) theories because these are unique initiatives directly linked to the Rand water leaders and managers. According to Wieczorek et al. (2017), DC is evidenced by a business manager's capabilities, including motivation, encouraging teamwork,

embracing change, and having a high tolerance for ambiguity. This has led to a need for greater dynamic capability and innovation for businesses as it allows them to develop new business models (Cuervo-Cazurra et al.,2020).

P1 and P10 suggest that Rand Water sells bulk water directly to customers to reduce nonpayment by municipalities. This is affected by legislation as this is governed by the WSA that describes the Water board's primary function as being responsible for bulk water services provision.

The general findings on revenue growth suggest that growth is primarily driven by the increasing population in Gauteng province, which leads to higher demand for bulk water sales to municipalities and industries. As the population grows, ensuring a consistent water supply becomes crucial, necessitating infrastructure improvements. Additionally, producing economical water purification chemicals can diversify revenue streams and provide cost-effective water treatment solutions. Importing water from other countries could address water scarcity issues, but it involves significant costs and potential logistical challenges. Reducing water losses in distribution networks, which can reach up to 40%, enhances efficiency and directly increases revenue.

Collectively, these factors contribute to a sustainable and diversified approach to revenue growth for Rand Water. By addressing population growth, innovating with water purification chemicals, exploring water importation, and reducing water losses, Rand Water can achieve higher profitability, better operational efficiency, and improved service delivery. This strategic combination ensures a more resilient financial outlook and stable water supply for the growing population in the province

4.3.2 Profitability

Rand Water's profits are derived from the revenue that is generated through the sale of bulk water to municipalities. All participants affirm that Rand Water has generated profit or accumulated reserves in the past 10 years. The profit is reinvested in the business to build the reserves for the company.

“No. Fortunately, over recent years, I think up to now we are making the net profit that you always target. The net profit is over 20%.” P8

However, the threats to revenue and profit are water loss because of network leakages and non-payment by municipalities. The participants suggest diversification and horizontal value chain integration to increase revenue and profits. Furthermore, participants recommend energy generation and local production of water-cleaning chemicals. The participants suggest that Rand Water can achieve higher profit by reducing the cost of production, and this highlights the limited initiatives that could grow revenue.

“Reduce the production cost, although there's no room to reduce production costs apart from changing the quality of our production” P3

“If you look at that rand water in my view at least can actually achieve that (profit) by not even employing more people.” P1

There are conflicting views on whether Rand Water will continue to make a profit. Other participants believe the company will sustain the profits, whereas others suggest that Rand Water will not be doing business in the foreseeable future if specific things are not addressed.

“I see at least Rand Water maintaining its performance, if not actually improving it.” P1

“Honestly speaking, I think if we do not make a success of the growth aspect, I don't think there may be a Rand Water in 10 years time.” P2

Although there are different views, most participants are optimistic that Rand Water will continue to make a profit. Other participants caution that the company needs to invest more in secondary activities or growth projects to diversify income and reduce the dependence on the bulk water supply to municipalities.

Using profit as a measure of growth is in line with business growth literature, as evidenced by Wiklund (1998), who maintains that the most common business growth measures are profit, physical output in natural units, sales in monetary units, or market share. This is supported by Nelson (2007), who states that profitability is the main factor for business growth.

4.3.3 Sustainability

Sustainability in this research refers to financial sustainability. However, participants share their views on how they understand sustainability. Other participants mentioned reducing costs, efficient collection of revenue, and being a good corporate citizen – contributing to reducing the high unemployment rate by introducing internships for graduates. However, most participants understood sustainability as referring to financial sustainability.

Rand Water's sustainability is linked to municipalities' ability to distribute water and collect revenue from the residents. The existing threat to the sustainability of Rand Water is the inability of some municipalities to maintain the water network and settle the Rand Water bill within the stipulated 30 days. Rand Water builds reserves from the profits, and the reserves offset potential losses in subsequent years. Participants mentioned that Rand Water has been making a profit in the past 10 years; however, they doubt if the company will continue to make a profit and build reserves in the coming 10 years. One participant mentioned:

“The financial sustainability of some of the water boards has been impacted, so Rand Water possibly is one of those that maybe are not feeling the impact yet. But in the long run it has some potential to have an adverse effect on Rand Water.” P5

Unlike other water boards, the above quotation suggests that Rand Water is a sustainable company, but this may change. The other participant narrated:

“They definitely to at a certain extent Rand Water that has got good reserves for a water board definitely.” P8

The above quotation suggests that Rand Water maintained adequate reserves, and the services are above the average for water boards. Most participants hold the view that Rand Water is sustainable but recommend that the company invest in secondary activities or growth projects.

Participants' understanding of financial sustainability is consistent with Zabolotnyy and Wasilewski (2019), who refer to it as mainly how business managers maximize value for their shareholders within the allowable risk by using available financial resources.

Rand Water's building reserves from the profits to offset potential losses in subsequent years and diversifying its revenue streams goes to the core of financial sustainability literature.

According to (Singh & Kumar, 2012), a good example to support this is observed when a profitability ratio is often inversely correlated to a debt ratio, and entities with a higher retention ratio and a liquidity ratio are more profitable in the long term. This suggests that a manager should use profits, followed by debt, and last, equity. This is supported by Zabolotnyy and Wasilewski (2019), who found that businesses with high liquidity and solvency are financially sustainable. This is because these factors are closely related to the business capital structure and its debt.

However, Shrivastava (1994) goes beyond profit and ascertains a need to integrate business sustainability into business strategy. That study proposes using a measure that captures long-term value by focusing on sustainability over time. This will result in organizations like Rand Water building organizational resilience, which assists the business in overcoming shocks at any given time. This also assists in combating short-termism, which, according to Bansal and DesJardine (2014), is a threat to sustainability as it focuses mainly on short-term gains.

4.3.4 Strategic leadership principles and revenue growth and profitability and sustainability

This section focuses on the strategic leadership principles applied by Rand Water management and links the principles with the revenue, profitability, and sustainability of the company. Rand Water managers have skills and experience in their areas of operations. Most managers have worked for the company for more than 15 years. The managers have in-depth knowledge of their departments and articulate their departments' contributions to improving revenue and profit, including expediting maintenance and improving revenue recovery. This demonstrates that the managers are **'fit to lead'** when considering their professional experience. This is consistent with Quong and Walker (2010), Who regard a leader who is fit to lead as predictable to a certain degree, which results in employees knowing what to expect from them. Resourceful leaders can recognize opportunities, act accordingly, and exploit them for the organization's benefit.

Rand Water demonstrates the principle that *strategic leaders make good partners*. All participants mentioned this principle. Rand Water managers provide a work environment that emphasizes teamwork, transparency, and partnerships.

“My leadership style is one that is consultative, one that is engaged. And one that wherever possible allows for collective decision-making” P4

“But I normally talk about that to say a lot of times you need to be democratic in in dealing with certain things” P5

“A task have actually given them to be that they're responsible for for it. Let them take charge and run with it and allow them to make mistakes.” P8

The above quotations suggest joint responsibility and accountability in the organization, propelling all employees to deliver toward a common goal. The leadership principle of “strategic leaders make good partners” is demonstrated across the organization and is linked with the revenue growth, profit, and sustainability of Rand Water. This is supported by

“That element of caring I will, I will. You will always see it across the port, whether you are in, in, in, in the head office or you're on site today still have that element of of of, of, of, of Caring, Partnership. It depends.” P10

According to Quong and Walker (2010), strategic leaders work well with all stakeholders and understand teamwork and shared leadership. However, managing this relationship is not always easy or comfortable, as stakeholders may have different interests. A good strategic leader should be able to articulate their position even though it might be different from that of a specific stakeholder. This means the strategic leader must be skillful in managing conflict to ensure the organization moves in one direction, even though there might be divergent perspectives. These descriptions align with the consultative and democratic nature of leadership described by **P4** and **P5**.

Rand Water managers formulate and implement business strategies, and this demonstrates that the company’s leadership is “**future-oriented and has a future strategy**”. The strategy has sustained the business operations to ensure that Rand Water achieved and sustained revenue

growth and profit despite tight tariff regulation, high water leakages, and delayed or non-payment by municipalities. The strategy sustained growth and profit in the past 10 years, and participants are optimistic that the company will continue to grow. Having a future strategy is one of the main functions of a strategic leader. According to Samimi et al. (2022), this results in a competitive advantage that leads to business growth. This is aligned with Davies and Ellison (2003), who stipulated that effective strategic leadership cannot be simply about planning for the future. It must go beyond developing strategies for the complex and volatile future. This can be summarized as preparing for an uncertain future rather than simply planning for the known.

Rand Water managers are *open to new horizons*. Participants suggest new initiatives for Rand Water, including diversification, vertical integration to expand the value chain, and a shift to providing water expertise to other businesses, producing water-cleaning chemicals and generating hydro energy to reduce production costs. These initiatives suggested by participants demonstrate the thoughts of expansion beyond the current business. However, the implementation of the ideas has been lagging. This suggests that while ideas are developed and included in the strategic plans, implementation has been a challenge.

“Innovation so that you're not left behind in terms of developments in the sector in terms of technology, you should embrace new technology. The innovation part that support it for that obviously.” P8

“...establishment of rand water services now you know which is bringing, which is more the commercial vehicle through which Rand Water can now venture into secondary activities for other sources of income or other streams of income” P7

The leadership principle of being open to new horizons is not fully embraced because there is insufficient investment in the implementation of innovative initiatives. The principle is not linked with the growth in revenue, profit, or sustainability of Rand Water. Participants mentioned new initiatives as strategies to support the sustainability of the company. Despite this, the lack of implementation does not support sustainability aspirations. Lack of implementation defies the characteristics of strategic leadership and abilities, as demonstrated by the framework developed by Davies and Davies (2004), which emphasizes that strategy should be translated into action.

Despite the challenges in the implementation of new initiatives or innovation projects, the managers at Rand Water “**get things done**” at the operational level. Participants mentioned efficiency in carrying out infrastructure maintenance, and this includes managers working with technicians to restore the water supply. Efficient infrastructure maintenance minimizes water loss and supports revenue growth, profit, and sustainability.

“You cannot go with a suit and tie in the plant when there's an emergency while the other guy is wearing his overalls and swimming in the in the mud.” P3

“Also, the issue of efficiency, you know I I always pride myself and I try and instill in the team to say let's you we must always strive to do.” P7

P3 and P7 insights are evident in Davies & Ellison (2003), who describe Strategic leaders as having to aspire to make a difference. This is realized by action and not just talk. It is also vital that the organization perceives and recognizes a strategic leader as someone who is a practical achiever. This is further consistent with Davies and Davies (2004), who describe overseeing operations and administration as one of the main functions of a strategic leader. This improves productivity and employee satisfaction. This is implemented by developing a management structure, organization policies, and procedures and seeing that they are implemented accordingly by delegating and constant monitoring and evaluation.

The participants did not discuss the leadership principle of “**do the next thing right**”. This principle has more to do with managing social and ethical issues. This is supported by Davies and Davies (2004), who link it to the company's reputation. Participants rather focused more on the regular activities for bulk water supply to municipalities. However, one participant mentioned that projects are implemented without proper due diligence.

I don't think we did our proper diligence as an entity and we perhaps got burnt and I'm hoping that as we now start growing and expanding into the continent. P10

Rand Water managers are “*evidence-based or research-led*”. Rand Water started the Innovative Management Approach to fast-track the process of identifying the feasibility of the new initiatives. The Innovative Management Approach works alongside the research and

development initiatives to implement the new initiatives as pilot projects or full-scale implementation. Pilot projects provide an opportunity for assessing the project risk before implementation at full scale.

“Mainly evaluating financial viability after consultants have come up with a feasibility reports. They always want to know the project risk thoroughly before it can be implemented.” P3

“bear in mind that you must have the facts and the reasoning behind your decision when you when you are confronted basically.” P8

“When I look at the Rand Water Institute, that's an area where Randwater has really done well from a growth perspective in terms of the new ideas and the technologies...” P10

The investment in research led to discoveries and implementation of various technological projects like groundwater detection, water purification, accelerated drying of water residue, and asset tracking. The **“evidence-based or research-led”** leadership principle contributes to revenue growth, profit, and sustainability of Rand Water. This aligns with a study by Quong and Walker (2010) that regards this as collecting evidence and examining it before making a decision. It is also consistent with Davies and Ellison (2003), who regard this as the gathering of strategic data from various environments, including social, technological, educational, economic, and political, then analyzing, interpreting, and transforming it into valuable information for the organization.

Overall, Rand Water managers apply five of the seven leadership principles studied; this represents a 71% application of the strategic leadership principles. The principle not applied by managers is **“do the next thing right”**. The six principles are applied to different degrees, and **“strategic leaders make good partners,” “future-oriented and have a futures strategy,”** and **“evidence-based or research-led”** are the most applied principles. The **“open to new horizons”** principle is applied at the conceptual level, but there is inadequate implementation of the planned initiatives. The **“get things done”** is applied at an operational level, but there are delays in the implementation of the strategic growth initiatives. Five leadership principles contribute to revenue growth, profit, and sustainability at Rand Water.

Rand water applying the strategic leadership principle also enables it to comply with the six components of strategic leadership as articulated by Ireland and Hitt (1999).

A study by Jaleha and Machuki (2018) goes on to suggest that the external environment may be a significant variable in how strategic leadership influences performance. Rand Water is able to satisfy this by practicing the strategic leaders make good partners principle. According to Gupta (2018), it is key that strategic leaders embrace a volatile environment and view these uncertain conditions as an opportunity to employ an entrepreneurial approach that allows them to exploit the situation for growth and the substantiality of their organization. This is true to the situation Rand Water finds itself in, where it has to employ measures to achieve revenue growth and guarantee its sustainability.

4.4 Chapter Summary

This chapter presented the findings of this research study based on semi-structured interviews conducted as part of data collection. The captured participants' demographics and information indicated that all the participants are highly experienced, with all having more than 5 years of experience in their roles. The participant population also represents a diverse group of managers at different managerial levels and representing key departments at Rand Water. Even though the interviews were scheduled for 30 minutes, three interviews took 20 minutes, while four interviews took more than 40 minutes

This research focuses on revenue growth, which is key in answering the research questions. The analysis distinguishes between the existing and potential drivers of revenue growth. The potential drivers of revenue growth focus on what should be done to increase revenue, whereas the existing drivers are the current sources of revenue for Rand Water. It was observed that Rand Water's primary source of revenue is through the sale of bulk water to municipalities and industries, mainly in Gauteng province. The revenue is projected to grow because of population growth in the province. However, there is a threat to this growth if the municipalities continue with the non-payment trend. Diversification was identified as the potential main source of growth. This led to an optimistic view that Rand Water would continue to make a profit. If Rand Water keeps achieving its profit, then Rand Water will be able to maintain adequate reserves, which will ensure its sustainability provided it invests in secondary activities or growth projects. Generally, Rand Water managers apply five of the seven strategic leadership principles studied.

CHAPTER 5

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The previous chapter analyzed the research data and produced findings on this study's major topics. This chapter concludes the research study by discussing how the study achieved the research aim, objectives, and questions.

The research findings are summarised to draw conclusions on the study and adequately respond to the research aim, objectives, and questions. The contribution of the research study is also discussed to determine how it fills the research gaps, relates to existing theory, and can be applied practically. It is vital to assess any limitations to the study to ensure credibility; this is covered in this chapter. The last section of this chapter covers the recommendations and outlines future research based on the research findings and conclusion.

5.2 Overview of objectives

Conducting an overview of research objections is vital to ensure this chapter adequately responds to the research objective. Four research objectives were derived from the research aim, with the main topics being strategic leadership principles, business growth, and sustainability. An overview of the research objectives is provided below.

Determine the relationship between strategic leadership principles and business growth at Rand Water.

- This objective focuses on establishing a link between strategic leadership and growth. Understanding this relationship is critical as it has an impact on the overall performance of Rand Water.

Determine the relationship between strategic leadership principles and financial sustainability at Rand Water.

- This objective focuses on establishing a link between strategic leadership and sustainability. Understanding this relationship is critical as it has an impact on the overall performance of Rand Water.

Identify the most effective strategic leadership principles in achieving business growth and financial sustainability.

- After establishing the relationship between strategic leadership principles, growth, and sustainability is critical to determine the most critical strategic leadership principles to achieve growth and sustainability. This is important to the leadership of Rand Water as it assists them in knowing how to lead the organization. This objectives serves that purpose.

Review legislation in relation to Rand Water’s business growth and financial sustainability.

- This objective mainly looks at the legislation that can improve Rand Water’s prospects toward growth and sustainability

5.3 Summary of Findings and Conclusions

The summary of findings and conclusions of this research study are discussed below, starting with strategic leadership principles as the core element of the study and then focusing on each research objective.

5.3.1 Strategic leadership principles

A study by Quong and Walker (2010) provides the literature that is critical to address the research objectives, and responding to the research questions about the relationship between strategic leadership principles and growth and sustainability is critical. The study intended to identify the base principles that result in an effective and successful strategic leader. This resulted in the identification of seven principles that have a major impact on individual leader effectiveness in leading and their ability to lead strategically. Below is a description of how these principles are applied at Rand Water.

Principle 1 – Strategic leaders are future-oriented and have a future strategy

Over the past decades, Rand Water has managed to run successful operations and maintain good financial health due to its management's ability to develop and implement strategies. This has been achieved despite facing significant challenges such as stringent tariff regulations, municipal water losses, and municipalities defaulting on their payments.

Principle 2 – Strategic leaders are evidence-based and research-led

Having recognized the need for new initiatives, Rand Water management introduced the innovative management approach as the anchoring corporate strategy. This intervention, together with Rand Water Institute research and development efforts, has enabled Rand Water to explore and improve on the water industry technologies. This resulted in pioneering technological explorations in groundwater detection, water purification, and asset tracking. This illustrates Rand Water's commitment to research and evidence-based decisions, which in turn contributes to its growth and sustainability.

Principle 3 – Strategic leaders get things done

Rand water managers have demonstrated their capacity to get things done by leading technical teams in the efficient and effective execution of maintenance and operations. This results reduces water losses on the Rand Water distribution networks and ensures a reliable supply of bulk. The efficient and effective operations and maintenance witnessed at Rand Water augment revenue growth and sustainability.

Principle 4 – Strategic leaders open new horizons

Rand Water Manager has conceptualized several new initiatives to boost growth, including diversification, vertical integration, producing water-cleaning chemicals, and generating hydro energy to reduce production costs. This initiative shows how rare leaders think ahead and are open to new ideas. Despite this, implementation of these initiatives has lagged behind. This demonstrates a disconnect between strategy and execution. lack of implementation and inadequate investment in these new initiatives affects their potential impact on revenue, profit, and sustainability.

Principle 5 – Strategic leaders are fit to lead

Rand Water managers are highly experienced, with most of them having been at Rand Waters Service for over 10 years. This indicates they have vast experience and the necessary skills to execute the job at hand. This is evidenced by how they expedite maintenance and improve revenue collection. This illustrates that Rand Water leaders are fit to lead.

Principle 6 – Strategic leaders make good partners

It is observed that the Rand Water managers encourage teamwork, transparency, and partnerships. This results in shared responsibility and an environment where accountability is embraced, and profit and revenue growth is achieved.

Principle 7 – Strategic leaders do the ‘next’ right thing

This principle is vital to maintaining the company's ethical standards and public image. There has not been evidence of Rand Water management intentionally perusing this principle.

In conclusion, Rand Water managers generally fully apply five of the seven strategic leadership principles to varying degrees. The most embraced principles are strategic partnerships, future-oriented strategies, and evidence-based decision-making. However, challenges remain in implementing new initiatives and maintaining ethical standards. Despite these challenges, Rand Water has managed to sustain revenue growth and profitability, demonstrating the effectiveness of its strategic leadership.

5.3.2 Objective 1: Strategic leadership principles and business growth at Rand Water

Rand Water is a state-owned water utility responsible for supplying bulk water to various municipalities and industries. Organizational growth in the Rand Water context can be understood as anchored by its current mandate and also the potential to grow beyond it. It was observed that growth at rand water costs in the form of revenue collected from the sales of bulk potable water sold mainly to municipalities in the Gauteng province. Below is a list of the main sources of revenue growth at Rand Water:

- Ensuring a reliable bulk water supply,
- Increasing volumes of bulk water,
- Expanding into bulk sanitation services

- Reducing expenditure

Regulated water tariffs stifle Rand Water's growth; however, revenue is projected to grow as a result of heightened demand due to an increase in population. Revenue growth is also predicted from secondary activities. These activities include producing water purification chemicals, importing water from other countries, and reducing water losses, which have recently grown to as high as 40% of the portable water distribution networks.

Rand Water faces challenges that may impede its ability to grow revenue; two main impediments stand out: high water losses and non-payment by municipalities. Municipalities' debt to Rand Water has gotten worse over the years and has now accumulated to around R5 Billion. Establishing a fund to assist municipalities in maintaining their water infrastructure may assist in reducing water loss and revenue shortfalls.

To respond to this objective and associated research question, it is observed that the relationship between strategic leadership principles and Rand Waters' growth can be characterized as direct and symmetrical. It is direct in the sense that the strategic leadership principles have a direct impact on rand waters growth as demonstrated by the principles below:

Future-oriented strategies directly contribute to anticipating and mitigating challenges, ensuring sustained operations and financial health.

Evidence-based and research-led decisions directly lead to innovations that enhance operational efficiency and open new revenue streams.

Effective execution and maintenance directly reduce water losses, ensuring a reliable supply and supporting revenue growth

The relationship is symmetrical because the implementation of strategic leadership and Rand Water's growth is a two-way relationship where one influences the other. This is evidenced by the principles below:

Strategic leaders make good partners: encouraging teamwork and transparency creates a collaborative environment that enhances operational efficiency. This also, then, a reserve impact reinforces the principles of partnership and shared responsibility.

Future-oriented strategies and evidence-based decisions: Rand Water's growth as a result of the successful implementation of its strategies supports the importance of continuous strategic planning and research, which then create a cycle of sustained improvements.

It can thus be concluded that strategic principles and growth at Rand Water are interdependent, each influencing and reinforcing the other in a balanced and mutually supportive manner. This direct and symmetrical relationship ensures that strategic leadership effectively drives Rand Water's growth.

5.3.3 Objective 2: Strategic leadership principles and financial sustainability at Rand Water.

In the Rand Waters context, sustainability is mainly financial and may include corporate social responsibility. Its financial sustainability depends on inefficient revenue collection and cost reduction. Rand Water's sustainability lies in the municipality's ability to distribute its bulk water to customers, ability to collect payments and advance them to Rand Water. Two monumental threats to this sustainability have emerged over the years: municipalities' failure to maintain water networks, resulting in major water losses, and their failure to pay Rand Water in the prescribed 30 days, with some accumulating huge amounts of unpaid revenue.

Over the past years, Rand Water has managed to build financial reserves from its profits that have enabled it to offset potential losses. Even though Rand Water is doing relatively well compared to other water utilities, there is a growing concern about its ability to continue making profits and building financial reserves.

The relationship between strategic leadership principles and Rand Waters' sustainability can also be characterized as direct and symmetrical. It is direct in the sense that the strategic leadership principles have a direct impact on Rand Water's sustainability, as demonstrated by the principles below:

- **Future-oriented strategies** help predict challenges and develop plans to sustain operations and financial health.
- **Evidence-based and research-led decisions:** These drive technological innovations and operational improvements, directly contributing to sustainable Rand Water
- **Getting things done:** Efficient operations and maintenance reduce water losses and ensure a reliable water supply; this directly impacts financial sustainability.

The relationship is symmetrical because implementing strategic leadership and Rand Waters sustainability is also a two-way relationship where one influences the other. This is evidenced by the principles below:

- **Strategic partnerships:** Teamwork and transparency create an environment of shared responsibility, enhancing sustainability through collective effort.
- **Future-oriented strategies and evidence-based decisions:** Successes in these areas reinforce the importance of continual strategic planning and research, creating a sustainable Rand Water

It can, therefore, be concluded that the strategic leadership principles and sustainability at Rand Water are interdependent and mutually reinforcing, creating a balanced and supportive relationship. This direct and symmetrical relationship ensures that strategic leadership effectively drives Rand Water's financial sustainability.

5.3.4 Objective 3: Most effective strategic leadership principles in achieving business growth and financial sustainability.

It has been concluded above that all five of the fully implemented strategic leadership principles are effective in fostering Rand Water's growth and sustainability; the five principles listed below can thus be regarded as the most effective, considering that Strategic leaders do the 'next' right thing principle is not implemented while open new horizons principle is partially fulfilled due to lack of implementation

- Principle 1 – Strategic leaders are future-oriented and have a future strategy
- Principle 2 – Strategic leaders are evidence-based and research-led
- Principle 3 – Strategic leaders get things done
- Principle 5 – Strategic leaders are fit to lead
- Principle 6 – Strategic leaders make good partners

5.3.5 Objective 4: Legislation in relation to Rand Water's business growth and financial sustainability.

To adequately respond to this objective and its associated research question: which legislation is critical for Rand Water's growth and financial sustainability? Table 6 below is formulated.

Identifying critical legislation impacting Rand Water’s growth and sustainability is now possible. This is achieved by utilizing the South African legislation literature covered in Chapter 2, the findings in Chapter 4, and the conclusions drawn in this chapter to create Table 6. Four national Act are found to be the most relevant and critical to Rand Water’s growth and sustainability

Table 6: Critical legislation

Legislation	Generic impact on Rand Water	Criticality to Rand Water’s growth and sustainability
National Water Act	Regulates how water tariffs are set and the overall usage of water as resource.	By supporting efficient water use and raw water allocations , it allows Rand water to increase its bulk water supply thereby increasing revenue. By encouraging conservation of water, it guarantees Rand water’s future water needs thereby securing its future existence
Water Services Act	Stipulates Rand Water’s mandate and ensure municipalities adequately maintain their water infrastructure to enable reliable water services	This lies at the core of Rand waters mandate including its secondary activities that can increase Rand Water’s revenue. It also ensures municipality maintain their water infrastructure that leads to the reduction of water losses.
Municipal Finance Management Act (MFMA)	Regulates how municipalities manages their finances including payments to their service providers like Rand Water	Critical in dealing with non-payment of municipalities and the recovery of debt owed to Rand water

Legislation	Generic impact on Rand Water	Criticality to Rand Water's growth and sustainability
Public Finance Management Act (PFMA)	Governs the overall financial management of Rand Water	Allows Rand water to create profit targets and maintain financial reserves. Empowers Rand Water on how it allocates its funds towards including secondary activities.

It is clear from Table 6 above that the four pieces of legislation are crucial for Rand Water's growth and sustainability. This is because together, they form the fundamental legal framework that can assist in addressing all the impediments to revenue growth and sustainability identified by this research.

5.4 Recommendations

The research study recommendations based on the findings and conclusions are listed below, covering strategic leadership, growth, sustainability, legislation, and future research

Strategic leadership principles

- Introduce or strengthen and encourage leadership development programs and training at different management levels to enhance leadership skills. This will improve Rand Water's overall leadership capabilities. This also results in an organization that is future-orientated and has the capacity to plan and anticipate potential challenges.
- Invest in research and development to drive innovation and promote a culture of excellence and innovative thinking that results in new ideas and products. This culminates in the development of new technologies in the water purification process and engineering asset management. All this goes a long way in resolving technical challenges such as water losses and operational efficiency.
- Ensure all growth initiatives and strategic plans are implemented
- Offer training and development programs for both management and professionals. This enhances the competency and skill levels. This equips the employees to tackle any challenges and achieve organizational targets.

- Promote inter-departmental cooperation and collaboration to discourage a silo mentality and improve productivity.
- Embrace teamwork to create a collaborative environment and culture
- Establish and implement an ethics framework to entrench high ethical behaviour and bolster public image.

Revenue growth

- Establish a special infrastructure fund to collaborate with distressed municipalities for the refurbishment and maintenance of water infrastructure. This will result in a continuous demand for bulk water and reduce water losses while increasing Rand Water's revenue.
- Identify suitable secondary activities such as producing water purification chemicals and generating hydropower to diversify revenue streams. This will increase revenue and reduce Rand Water's dependence on bulk water sales.
- Invest in expanding bulk water supply capacity to meet the future demand due to increasing population and economic growth. The increased bulk water supply will result in revenue growth.
- Enhance capabilities in the provision of bulk sanitation services; this includes operation and maintenance of sanitation infrastructure and building reclamation plants. This form of diversification positions Rand Water at the center of water services, cementing its position in the water services industry and increasing its revenue.
- Drive operational efficiency by implementing cost-saving initiatives such as process optimization and energy efficiency.

Financial sustainability

- Devise and implement a rigorous revenue collection strategy that includes debt recovery. This is vital to ensure reliable cash flow for operational needs and cash reserves.
- Strive for the efficient use of resources by minimizing consumption; this is mostly applicable to the raw water extraction process.
- Establish a mechanism to create strategic partnerships for infrastructure funding. These partnerships can be formulated with the government, its agencies, the private sector,

international investors, and donors. This will pull in the funds required for water infrastructure upgrades and maintenance for both Rand Water and municipalities.

- Continuously review and implement strategic plans to respond to current challenges; this proactiveness ensures Rand Water's agility and flexibility.

Legislation

- Lobby policy makers and stakeholders for detailed water management policies that specifically deal with water infrastructure.
- Encourage and advocate for municipalities' full compliance with of Municipal Finance Management Act (MFMA)
- Introduce a legal framework to regulate how water entities can manage partnerships with critical stakeholders, including customers, investors, and funders.
- Review the Water Services Act to explicitly include secondary activities as part of the mandate for water boards like Rand Water.

5.5 Research Implications

This research contributes to the broader strategic leadership literature and theory; it also sheds light on the concepts of revenue growth and financial sustainability. Its research outputs mainly describe the relationship between strategic leadership, revenue growth, and sustainability. It contributes to the understanding of leadership in water utilities and how it influences growth and sustainability. The findings, conclusions, and recommendations of this study can thus be applied practically by water boards across the country to resolve their challenges regarding growing revenue and sustainability.

5.5.1 Implication to research

This study has a significant impact on the field of strategic leadership. The findings and conclusions of this study expand on the work by Quong and Walker (2010). It provides more context and assessment of the application of strategic leadership principles. Overall, it adds to the leadership and strategic leadership body of knowledge by assessing the effect of the strategic leadership principles in a practical setup in the form of a case study. This study's results bolster the previous research studies conducted in the field of leadership, business growth, and sustainability.

5.5.2 Implication to practitioners

This study provides guidance to organization leaders and managers with regard to achieving growth and sustainability. It is specifically relevant to water utilities to assist them with challenges with growth and sustainability. The recommendations expressed in this chapter goes to the core of what leaders and managers can practically implement to achieve growth and sustainability

5.5.3 Implication to policy

This study made significant findings on policy and legislation; the findings and recommendations assist in removing impediments to revenue growth and sustainability. This is significant in the context of struggling water utilities and municipalities to ensure a reliable water supply to residents and guarantee water security for the economy.

5.6 Research limitations

Two main limitations were faced during the research. The first limitation was the participation response rate, where 10 of the 13 original participants managed to participate in the study for various reasons. This deprived the study with regards to demographics because, in the end, only males participated in the study, which compromises diversity as there was no female representation.

The second limitation was in data analysis using NVivo software; the university version of this software did not have all the features that make a comprehensive analysis, specifically on the analysis of codes and theme relationships.

5.7 Future research

This research has revealed many gaps in the literature on the study of strategic leadership principles and how they influence organizational performance. Future research that can assist in understanding these relationships is necessary and should be pursued. There are also gaps in research that study the performance of water boards and the challenges they face. This future research is vital considering the water boards' role in the South African economy and population lives.

5.8 Conclusion

This chapter covered mainly the research conclusions and recommendations and included the research contribution and limitations. It was concluded that Rand Water managers generally fully apply five of the seven strategic leadership principles to varying degrees. The most embraced principles were found to be strategic partnerships, future-oriented strategies, and evidence-based decision-making. However, challenges remain in implementing new initiatives and maintaining ethical standards. Despite these challenges, it was found that Rand Water managed to sustain revenue growth and profitability, demonstrating the effectiveness of its strategic leadership.

It was also concluded that the strategic leadership principles and both revenue growth and sustainability at Rand Water are interdependent and mutually reinforcing, creating a balanced and supportive relationship. This direct and symmetrical relationship ensures that strategic leadership effectively drives Rand Water's financial sustainability. The four pieces of legislation that are crucial for Rand Water's growth and sustainability were also identified. Recommendations that respond to the research objective and questions were also derived from the findings and conclusions.

REFERENCES

- 20 years of excellence Rand Water.* (n.d.). Retrieved March 5, 2024, from www.randwater.co.za
- 886 Discovery of Gold.* (n.d.).
- Adnan, M., Abdulhamid, T., Business, B. S.-E. J. of, & 2018, undefined. (n.d.). Predicting firm performance through resource based framework.
- Ahmad, N., Astifar Alias, F., & Abdul Razak, A. (2023). *UNDERSTANDING POPULATION AND SAMPLE IN RESEARCH: KEY CONCEPTS FOR VALID CONCLUSIONS.*
- Ali, B. J., & Anwar, G. (2021). Strategic leadership effectiveness and its influence on organizational effectiveness.
- Ali, S., Li, G., Yang, P., Hussain, K., & Latif, Y. (2020). Unpacking the importance of intangible skills in new product development and sustainable business performance; strategies for marketing managers.
- Asenahabi, B. M. (2019). Qualitative research, Mixed method research. *International Journal of Contemporary Applied Researches*
- Ashraf, S., G. S. Félix, E., & Serrasqueiro, Z. (2019). Do Traditional Financial Distress Prediction Models Predict the Early Warning Signs of Financial Distress? *Journal of Risk and Financial Management 2019, Vol. 12, Page 55, 12(2), 55.*
- Asif, A., & Basit, A. (2021). EXPLORING STRATEGIC LEADERSHIP IN ORGANIZATIONS: A LITERATURE REVIEW. *Governance and Management Review, 5(2).*
- Bansal, P., & DesJardine, M. (2014). Business sustainability: It is about time. *Strategic Organization, 12(1), 70–78.*
- Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management, 17(1), 99–120.*
- Benmira, S., & Agboola, M. (2021). Evolution of leadership theory The Learning Zone. *BMJ Leader, 5, 3–5.*
- Bennis, W. (2009). *Bennis WG. On becoming a leader. New York, NY*
- Bhayangkara, U., Raya, J., & Saputra, F. (2022). Analysis of Total Debt, Revenue and Net Profit on Stock Prices of Foods And Beverages Companies on the Indonesia Stock Exchange (IDX) Period 2018-2021. *Journal of Accounting and Finance Management, 3(1), 10–20.*
- Bougie, R., & Sekaran, U. (2019). *Research methods for business: A skill building approach.*

- Business Growth*. (n.d.).
- CHIEF DIRECTORATE: WATER SERVICES Sanitation Services-Quality of Sanitation in South Africa Report on the Status of sanitation services in South Africa. (2012).
- Chigbu, U. E., Atiku, S. O., & Plessis, C. C. Du. (2023). *The Science of Literature Reviews: Searching, Identifying, Selecting, and Synthesising*.
- Clarke, V., & Braun, V. (2017). Thematic analysis. *The Journal of Positive Psychology*, 12(3), 297–298.
- Cleary, S. (1999). The relationship between firm investment and financial status. *Journal of Finance*, 54(2), 673–692.
- Constitution of the Republic of South Africa, 1996 | South African Government. (n.d.). Retrieved June 9, 2024, from <https://www.gov.za/documents/constitution/constitution-republic-south-africa-1996-04-feb-1997>
- Creswell, J. W., & Creswell, J. (2013). Steps in Conducting a Scholarly Mixed Methods Study. *Steps in Conducting a Scholarly Mixed Methods Study*.
- Cuervo-Cazurra, A., ... W. N.-... S. C. in, & 2020, undefined. (n.d.). 15 Examining Strategic Capabilities Across Emerging Markets and Their Firms. *Books.Google.Com*. Retrieved August 4, 2024, from
- Daft, R. L., & Lane, P. G. (n.d.). *The leadership experience*.
- Dasgupta, P., & Maskin, E. (2005). Uncertainty and hyperbolic discounting. *American Economic Review*, 95(4), 1290–1299.
- Davies, B., & Ellison, L. (2003). The new strategic direction and development of the school: Key frameworks for school improvement planning: Second edition. In *The New Strategic Direction and Development of the School: Key Frameworks for School Improvement Planning: Second Edition*. <https://doi.org/10.4324/9780203428184>
- Davies, B. J., & Davies, B. (2004). Strategic leadership. In *School Leadership and Management* (Vol. 24, Issue 1, pp. 29–38).
- future, S. W.-O. common, & 1987, undefined. (1987). World commission on environment and development. *Idl-Bnc-Idrc.Dspacedirect.OrgSWS WCEDOur Common Future, 1987*•idl-Bnc-Idrc.Dspacedirect.Org. https://idl-bnc-idrc.dspacedirect.org/bitstream/10625/152/1/WCED_v17_doc149.pdf
- Gazette, G. (1997a). *Water Services Act [No. 108 of 1997]*.
- Gazette, G. (1997b). *Water Services Act [No. 108 of 1997]*.
- Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic Management Journal*, 17(SUPPL. WINTER), 109–122. <https://doi.org/10.1002/SMJ.4250171110>

- Gupta, M. (2018a). Strategic Leadership: An Effective Tool for Sustainable Growth. *SIBM Pune Research Journal*, XV(0).
- Gupta, M. (2018b). Strategic Leadership: An Effective Tool for Sustainable Growth Some of the authors of this publication are also working on these related projects: Organizational Change View project Strategic leadership and Innovation Management View project Strategic Leadership: An Effective Tool for Sustainable Growth. *SIBM Pune Research Journal*, XV, 2249–1880.
- Hafiz, N., Latiff, A. S. A., Islam, M. A., Saif, A. N. M., & Wahab, S. A. (2022). Towards the Underlying Theories of Small Firm Growth: A Literature Review. In *FIIB Business Review* (Vol. 11, Issue 1, pp. 36–51). Sage Publications India Pvt. Ltd.
- Hameed, A. A., & Anwar, K. (2018). Analyzing the Relationship between Intellectual Capital and Organizational Performance: A Study of Selected Private Banks in Kurdistan. *International Journal of Social Sciences & Educational Studies*, 4(4).
- Hayes, R., & Abernathy, W. (1980). *Managing our way to economic decline*.
- Hennink, M., & Kaiser, B. N. (2022). Sample sizes for saturation in qualitative research: A systematic review of empirical tests. *Social Science & Medicine*, 292, 114523.
- Hooi, H. C., Ahmad, N. H., Amran, A., & Rahman, S. A. (2016). The functional role of entrepreneurial orientation and entrepreneurial bricolage in ensuring sustainable entrepreneurship. *Management Research Review*, 39(12), 1616–1638.
- Ireland, R. D., & Hitt, M. A. (1999). Achieving and maintaining strategic competitiveness in the 21st century: The role of strategic leadership. *IEEE Engineering Management Review*, 27(4), 51–64. <https://doi.org/10.5465/ame.1999.1567311>
- Jaleha, A. A., & Machuki, V. N. (2018). Strategic Leadership and Organizational Performance: A Critical Review of Literature. *European Scientific Journal ESJ*, 14(35). <https://doi.org/10.19044/esj.2018.v14n35p124>
- Jansen, J. J. P., Vera, D., & Crossan, M. (2009). Strategic leadership for exploration and exploitation: The moderating role of environmental dynamism. *Leadership Quarterly*,
- Jdetawy, L. F. (2018). The Prominent Leadership Style/S Adopted by Jordanian Firms Managers: A Case Study of the Jordanian Private Firms. *International Journal of Development Research*, 08(11).
- Karnama, A., & Vinuesa, R. (2020). Organic growth theory for corporate sustainability. *Sustainability (Switzerland)*, 12(20).
- Kaur, V., & Mehta, V. (2017). Dynamic Capabilities for Competitive Advantage. *Paradigm*, 21(1), 31–51. <https://doi.org/10.1177/0971890717701781>

- Kelleci, R., Lambrechts, F., Voordeckers, W., & Huybrechts, J. (2019). CEO Personality: A Different Perspective on the Nonfamily Versus Family CEO Debate. *Family Business Review*, 32(1), 31–57.
- Khatri, K. K. (2020). Research Paradigm: A Philosophy of Educational Research. *International Journal of English Literature and Social Sciences*, 5(5).
- König, A., Graf-Vlachy, L., Schöberl, M., Barney, J., Hungenberg, H., Joseph, J., Beck, G., Fiering, J., Forster, K., Hilgner, S., Hofmann, H., Karger, F., Muck, J., Rentner, B., Seegel, M., Stetter, C., Wagner, P., Werhahn, N., Wild, M., & Yurovskyy, E. (2021). Opportunity/threat perception and inertia in response to discontinuous change: Replicating and extending Gilbert (2005). *Journals.Sagepub.Com* König, L Graf-Vlachy, M Schöberl *Journal of Management*, 2021•*journals.Sagepub.Com*, 47(3), 771–816.
- Kouzes J, & Posner B. (2023). *The Leadership Challenge: How to Make Extraordinary Things Happen in ...* - James M. Kouzes, Barry Z. Posner - Google Books.
- Kramer, M., review, M. P.-H. business, & 2006, undefined. (n.d.). Strategy and society: The link between competitive advantage and corporate social responsibility. *Pdfs.Semanticscholar.Org*. Retrieved August 6, 2024, from
- Krefting, L. (1991). Rigor in Qualitative Research: The Assessment of Trustworthiness. *The American Journal of Occupational Therapy*, 45(3), 214–222.
- Kreuger, L. N. W. L. (2006). Social work research methods : qualitative and quantitative approaches : with research navigator. (*No Title*).
- Lagoarde-Segot, T., Analysis, B. P.-I. R. of F., & 2018, undefined. (n.d.). Finance and sustainability: From ideology to utopia. *Elsevier*. Retrieved August 7, 2024, from
- Laverty, K. J. (1996). Economic “Short-termism”: The debate, the unresolved issues, and the implications for management practice and research. *Academy of Management Review*, 21(3), 825–860. <https://doi.org/10.5465/AMR.1996.9702100316>
- Li, L., Finance, R. F.-I. R. of E. &, & 2019, undefined. (n.d.). Predicting corporate bankruptcy: What matters? *Elsevier* L Li, R Faff *International Review of Economics & Finance*, 2019•*Elsevier*. <https://doi.org/10.1016/j.iref.2019.02.016>
- Local Government: Municipal Finance Management Act 56 of 2003 | South African Government*. (n.d.). Retrieved November 22, 2024, from
- Mansaray, H. E., & Elsan, H. (2019). Mansaray. The Role of Leadership Style in Organisational Change Management: A Literature Review. *Journal of Human Resource Management*, 7(1), 18–31.

Maxwell, J. (2018). *Developing the leader within you*.

Mazhar, S. A., Anjum, R., Anwar, A. I., & Khan, A. A. (2021). Methods of Data Collection: A Fundamental Tool of Research. *Journal of Integrated Community Health (ISSN 2319-9113)*, 10(1), 6–10.

Modigliani, F., & Pogue, G. A. (1974). An Introduction to Risk and Return: Concepts and Evidence, Part Two. *Financial Analysts Journal*, 30(3), 69–86.

Morrill, & Richard L. (n.d.). *STRATEGIC LEADERSHIP*.

NAHEED, K., & R. I.-I. J. of E., & 2019, undefined. (2019). The Role of Autonomous Motivation in the Relationship between Social Capital Dimensions and Tacit Knowledge Sharing among Academics. *Ijem.Upm.Edu.MyK NAHEED, RMAT ISAIInternational Journal of Economics & Management*, 2019•*ijem.Upm.Edu.My*, 13(1), 165–177.

National Environmental Management Act 107 of 1998 | South African Government. (n.d.). Retrieved June 9, 2024, from <https://www.gov.za/documents/national-environmental-management-act>

National Water Act 36 of 1998 | South African Government. (n.d.). Retrieved June 9, 2024, from <https://www.gov.za/documents/national-water-act>

Ndlovu, B. B. (n.d.). *Strategic Leadership as an Approach to Promote Service Delivery by Local Government in South Africa: A case study of the uThungulu District Municipality*.

Nelson, R. R. (2007). Economic development from the perspective of evolutionary economic theory. *Oxford Development Studies*, 36(1), 9–21.

Official Guide to South Africa. (n.d.).

Patel, M., & Patel, N. (2019). *Exploring_Research_Methodology_Review_Ar*.

practices, P. M.-R. based view: concepts and, & 2010, undefined. (n.d.). Resource based view (RBV) of competitive advantage: an overview. *Papers.Ssrn.Com*. Retrieved August 4, 2024,

Public Finance Management Act 1 of 1999 | South African Government. (n.d.). Retrieved June 9, 2024, from <https://www.gov.za/documents/public-finance-management-act>

Quigley, T. J., & Graffin, S. D. (2017). Reaffirming the CEO effect is significant and much larger than chance: A comment on Fitza (2014). *Strategic Management Journal*, 38(3), 793–801. <https://doi.org/10.1002/SMJ.2503>

Quong, T., & Walker, A. (2010). *Seven Principles of Strategic Leadership* (Vol. 38, Issue 1). *Rand Water*. (n.d.). Retrieved March 3, 2024, from <https://www.randwater.co.za/background.php>

RAND WATER DEEPLY CONCERNED BY ESCALATING DEBT FROM MUNICIPALITIES

- | *Infrastructure news*. (n.d.). Retrieved March 5, 2024, from <https://infrastructurenews.co.za/2023/12/12/rand-water-deeply-concerned-by-escalating-debt-from-municipalities/>
- Reporting Participant Characteristics in a Research Paper - Enago Academy*. (n.d.). Retrieved November 6, 2024, from <https://www.enago.com/academy/reporting-participant-characteristics-in-a-research-paper/>
- Review, M. H.-A. P. M., & 2019, undefined. (n.d.). Financial sustainability and outreach performance of saving and credit cooperatives: The case of Eastern Ethiopia. *Elsevier*. Retrieved August 8, 2024, from <https://www.sciencedirect.com/science/article/pii/S102931321730516X>
- Robert D Ramsey. (2003). *School Leadership From A to Z: Practical Lessons from Successful Schools and ... - Robert D. Ramsey - Google Books*.
- Rooyen, C. Van. (2007). *Public is as private does: The confused case of Rand Water in South Africa*.
- Rostow. (1960). *The Stages of Economic Growth: A Non-Communist Manifesto - W. W. Rostow - Google Books*.
- Ruslin, Mashuri, S., Rasak, M. S. A., Alhabsyi, F., & Syam, H. (2022). Semi-structured Interview: A Methodological Reflection on the Development of a Qualitative Research Instrument in Educational Studies. *IOSR Journal of Research & Method in Education (IOSR-JRME)*, 12(1).
- Samimi, M., Cortes, A. F., Anderson, M. H., & Herrmann, P. (2022). What is strategic leadership? Developing a framework for future research. *Leadership Quarterly*, 33(3). <https://doi.org/10.1016/j.leaqua.2019.101353>
- Saunders, M., Lewis, P., & Thornhill, A. (2019). Research Methods For Business Students, 8th Edition. In *Research Methods for Business Students, 8th edition (Issue 2)*.
- Schaedler, L., Graf-Vlachy, L., & König, A. (2022). Strategic leadership in organizational crises: A review and research agenda. *Long Range Planning*, 55(2), 102156. <https://doi.org/10.1016/J.LRP.2021.102156>
- Schumpeter, J. A., & Nichol, A. J. (1934). Robinson's Economics of Imperfect Competition.
- Schwandt, T. (2011). The SAGE Dictionary of Qualitative Inquiry. In *The SAGE Dictionary of Qualitative Inquiry*. <https://doi.org/10.4135/9781412986281>
- Sekaran, U., & Bougie, R. (2009). Research Method for Business Textbook: A Skill Building Approach. *John Wiley & Sons Ltd*.

- Shrivastava, P. (1994). CASTRATED Environment: GREENING Organizational Studies. *Organization Studies*, 15(5), 705–726. <https://doi.org/10.1177/017084069401500504>
- Singh, A., Lim, W. M., Jha, S., Kumar, S., & Ciasullo, M. V. (2023). The state of the art of strategic leadership. *Journal of Business Research*, 158, 113676.
- Singh, P., & Kumar, B. (2012). Trade-off Theory vs Pecking Order Theory Revisited: Evidence from India. *Journal of Emerging Market Finance*, 11(2), 145–159.
- Swanwick, T. (2019). Leadership and management: what’s the difference? *BMJ Leader*, 3(4), 99–101.
- Taherdoost, H. (2016). Sampling Methods in Research Methodology; How to Choose a Sampling Technique for Research. *International Journal of Academic Research in Management (IJARM)*, 5, 5.
- Taherdoost, H. (2021). Data Collection Methods and Tools for Research; A Step-by-Step Guide to Choose Data Collection Technique for Academic and Business Research Projects. *International Journal of Academic Research in Management (IJARM)*, 10(1), 10–38.
- Thompson, J. L. (1997). Lead with vision : manage the strategic challenge. In *Smart strategies series*.
- Wieczorek, A., Economic, M. M.-D. D. I., & 2017, undefined. (n.d.). Personal dynamic capabilities in the context of a corporate success. *Hrcak.Srce.HrA Wieczorek, M MitreĝaDIEM: Dubrovnik International Economic Meeting, 2017•hrcak.Srce.Hr*. Retrieved August 4, 2024, from <https://hrcak.srce.hr/clanak/276304>
- Wiklund, J. (1998). *Small firm growth and performance: Entrepreneurship and beyond*.
- Wiklund, J., Patzelt, H., & Shepherd, D. A. (2009). Building an integrative model of small business growth. *Small Business Economics*, 32(4).
- Ying, Q., Hassan, H., Sustainability, H. A.-, & 2019, undefined. (n.d.). The role of a manager’s intangible capabilities in resource acquisition and sustainable competitive performance. *Mdpi.Com*. Retrieved August 5, 2024, from <https://www.mdpi.com/2071-1050/11/2/527>
- Zabolotnyy, S., & Wasilewski, M. (2019). *The Concept of Financial Sustainability Measurement: A Case of Food Companies from Northern Europe*.

APPENDIX A: INFORMED CONSENT

UKZN HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE (HSSREC)

APPLICATION FOR ETHICS APPROVAL
For research with human participants

INFORMED CONSENT

UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Information Sheet and Consent to Participate in Research

Date: 24 June 2024

Dear Valued Participant,

My name is Rendani Mathoho from bulk sanitation department, Cell [REDACTED]
email rmathoho@randwater.co.za

My research forms part of my dissertation as a requirement for the completion of my Masters degree in commerce (MCom).

My supervisor's details are as follows;

Prof J. Dubihlela
Head of Masters and Postgraduate Programmes
Graduate School of Business and Leadership
Email: dubihlelaj@ukzn.ac.za
Telephone: 031 260 1479

The Research Office contact at Graduate School of Business and Leadership is:
Mrs Nokukhanya Mthethwa
Email: MthethwaN4@ukzn.ac.za
Contact: 031 260 1383

You are being invited to consider participating in a research study through interviews. The study is titled; The effect of strategic leadership principles in achieving growth and sustainability for a water utility: A Rand water case study. The aim of this study is to explore the impact of strategic leadership principles in achieving business

growth and ensuring sustainability for Rand Water. The study is expected to enroll fifteen Rand Water staff at various management levels and portfolios.

The study will involve the following procedures:

1. Through sending an email
2. Making calls to book an appointment with the interviewee
3. Conducting interviews through teams

The duration of your participation in the form of an interview is estimated at 30 minutes if you choose to enrol. The study is supported and funded by Rand Water

The study does not involve any risks and/or discomforts. We hope that the study will create benefits resulting in long-term financial growth and sustainability for Rand Water.

The study will provide no direct benefits to participants. No scientific/other benefits are hoped for from the study). Your participation in this study is voluntary

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number HSSREC/00007509/2024).

In the event of any problems or concerns/questions you may contact the researcher at Cell [REDACTED], email rmathoho@randwater.co.za or the UKZN Humanities & Social Sciences Research Ethics Committee, contact details as follows:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION
Research Office, Westville Campus
Govan Mbeki Building
Private Bag X 54001
Durban
4000
KwaZulu-Natal, SOUTH AFRICA
Tel: 27 31 2604557- Fax: 27 31 2604609
Email: HSSREC@ukzn.ac.za

Participation in this research is voluntary and participants may withdraw participation at any point. In the event of refusal/withdrawal of participation the participants will not incur penalty or loss of benefit to which they are normally entitled. The participants will not experience any negative consequence should the participant wish to withdraw from the study. The participant would need to send an email notification for orderly withdrawal.

Confidentiality of personal information will be managed and maintained by the researcher in an access controlled, with only the researcher and the supervisor having access to the information. As per university guidelines, research will be stored for five years and thereafter shredded and destroyed.

CONSENT

I _____ have been informed about the study entitled

The effect of strategic leadership principles in achieving growth and sustainability for a water utility: A Rand water case study

I understand the purpose and procedures of the study being to explore the impact of strategic leadership principles in achieving business growth and ensuring sustainability for Rand Water.

I have been given an opportunity to answer questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

I have been informed that there is no compensation and that the study bears no risk of loss or injury.

If I have any further questions/concerns or queries related to the study I understand that I may contact the researcher at Cell [REDACTED] email rmathoho@randwater.co.za

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researchers then I may contact:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

**Research Office, Westville Campus
Govan Mbeki Building**

Private Bag X 54001
Durban
4000
KwaZulu-Natal, SOUTH AFRICA
Tel: 27 31 2604557 - Fax: 27 31 2604609
Email: HSSREC@ukzn.ac.za

Additional consent, where applicable

I hereby provide consent to:

Audio-record my interview / focus group discussion YES / NO

Signature of Participant

Date

Signature of Witness
(Where applicable)

Date

Signature of Translator
(Where applicable)

Date

APPENDIX B: ETHICAL CLEARANCE



02 September 2024

Rendani Mathoho (221120788)
Grad School of Bus & Leadership
Westville Campus

Dear R Mathoho,

Protocol reference number: HSSREC/00007509/2024

Project title: The effect of strategic leadership principles in achieving growth and sustainability for a water utility: A Rand water case study

Degree: Masters

Approval Notification – Expedited Application

This letter serves to notify you that your application received on 15 August 2024 in connection with the above, was reviewed by the Humanities and Social Sciences Research Ethics Committee (HSSREC) and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

Incidents of adverse events and serious adverse events (AEs and SAEs) should be reported in writing to HSSREC, the study sponsors, and any regulatory authority (where appropriate), within 7 working days of the occurrence for local sites and 14 days for all other South African sites.

This approval is valid until 02 September 2025.

To ensure uninterrupted approval of this study beyond the approval expiry date, a progress report must be submitted to the Research Office on the appropriate form 2 - 3 months before the expiry date. A close-out report to be submitted when study is finished.

HSSREC is registered with the South African National Health Research Ethics Council (REC-040414-040).

Yours sincerely,



Professor Dipane Hlalele (Chair)
/nng

Humanities and Social Sciences Research Ethics Committee

Postal Address: Private Bag X54001, Durban, 4000, South Africa

Telephone: +27 (0)31 260 8350/4557/3587 Email: hssrec@ukzn.ac.za Website: <http://research.ukzn.ac.za/Research-Ethics>

Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville

INSPIRING GREATNESS

APPENDIX C: INTERVIEW QUESTIONS GUIDE

Participant's role at Rand Water

1. Can you describe your role and responsibilities at Rand Water?
 - Title of the position and level (mid-management or senior management)
2. Can you share your thoughts about Rand Water's vision, mission, and strategy?
3. Can you share your experience in developing a strategic plan(s) at Rand Water? What was your role and contribution?
4. Can you share your experience in implementing a strategy or strategic plan(s) at Rand Water? What was your role and contribution?
5. How would you define organizational growth in the context of Rand Water?

Business growth

6. What are your thoughts about Rand Water's growth in revenue, profit, or extension to new business?
7. How would you describe the performance of Rand Water in terms of revenue over the past 10 years?
8. How would you describe the performance of Rand Water in terms of Profit over the past 10 years?
9. Can you share your views on how Rand Water will perform in terms of revenue and profit in the next 10 years? (decline/increase)
10. What factors do you think contribute to revenue growth at Rand Water?
11. What factors do you think negatively impact revenue growth at Rand Water?
12. Can you share your views on how Rand Water can grow revenue? What needs to be done? What should be stopped? What opportunities should be pursued? What should be avoided?

Leadership principles

13. Can you share your experience of leading teams at Rand Water? Which teams did you lead? What is your approach to leadership?
14. What principles are most important when you exercise your leadership responsibilities at Rand Water?

Sustainability

15. How would you define financial sustainability in the context of Rand Water?
16. What are your views on financial sustainability at Rand Water?
17. Do you think Rand Water can achieve financial sustainability?
18. What are the opportunities? What are the threats?
19. What needs to be done to achieve financial sustainability? What needs to be stopped?

APPENDIX D: GATEKEEPER LETTER



Tel: +27 (0)11 682 0911

Physical address:

522 Impala Road
Glenvista 2058
South Africa

20 June 2024

Permission letter for Mr. R. Mathoho to conduct research in Rand Water.

Dear Sir/Madam

This letter serves to confirm that Mr. Rendani Mathoho, student number 221120788, registered for Master of Commerce in Leadership at the University of KwaZulu Natal is supported by Rand Water. He has been granted permission to collect research data through questionnaire and interview protocol in Rand Water.

This authorisation is given to assist him in conducting the research required for his dissertation. The raw quantitative and qualitative data will remain private and the property of the company, and only the analysis thereof will be published in fulfilment of his thesis and may be made available to interested parties.

Yours sincerely,



Dr. MF Ngoatje
Head: Rand Water Institute
Tel: (011) 682 0926
Email: ngoagtje@randwater.co.za