

UNIVERSITY OF KWAZULU-NATAL

**AN EVALUATION OF MANDENI MUNICIPALITY AS A KNOWLEDGE-BASED
INSTITUTION AS A STRATEGIC LEVER FOR COMPETITIVE ADVANTAGE**

By

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**Graduate School of Business and Leadership
College of Law and Management Studies**

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Abstract

South African municipalities have a critical role to play in growing the country's economy. In order to contribute towards eradicating the triple challenge the country is faced with, it is important that they grow their institutional capacity and capability to lever competitive advantage. Therefore, more than ever, they must realize the important role information and knowledge management (KM) plays as a strategic resource to gain competitive advantage. The aim of this exploratory qualitative phenomenological research study was to evaluate Mandeni Municipality (MM) as a knowledge-based institution as a strategic lever for competitive advantage. A non-probability sampling procedure together with a judgmental sampling technique was used to select a sample of five people from the target population that comprised of managerial staff from MM who had knowledge on the subject. Data were collected through in-depth face-to-face interviews with each of the five participants in the sample. An inductive thematic analysis of the data revealed that there were six major themes applicable to MM in becoming a knowledge-based institution. A salient finding of the study was that; although there is a supporting legislative framework in place applicable to MM as a knowledge-based institution, it was not a single source and not user-friendly. The findings also revealed five significant factors applicable to MM being a knowledge-based institution; human resources, information and communication technology, organizational culture, organizational structure; and resources constraints. , Although these factors were in place, they were inefficiently applied and had inadequacies which impacted negatively on its capacity and capability to gain competitive advantage. In addition, it was also recommended amongst others that MM should: persuade the provincial and national departments responsible for local government to consider KM as a specific requirement in their Integrated Development Planning (IDP) Framework; prepare a KM strategy which must form a sector plan in its IDP; use the KM strategy to inform the on-going municipal budgeting process and the annual organizational, departmental and individual performance plans; appoint a dedicated knowledge and information management officer to champion the strategy.

Key Words: South Africa, Competitive Advantage, Knowledge Management, Integrated Development Planning, Mandeni Municipality, Strategy.

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List of Abbreviations

Abbreviation	Meaning
CHRP	Comprehensive Human Resources Plan
GDP	Gross Domestic Product
HR	Human Resources
ICCTI	ILembe Chamber of Commerce Tourism and Industry
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IUDF	Integrated Urban Development Framework
KM	Knowledge Management
KMS	Knowledge Management System
KS	Knowledge Sharing
LAN	Local Area Network
LGSETA	Local Government Sector Education and Training Authority
MANCO	Management Committee
MBV	Market-Based View
MFMA	Municipal Finance Management Act
MILE	Municipal Institute of Learning
MM	Mandeni Municipality
MMICTMSP	Mandeni Municipality Information and Communication Technology Master Systems Plan
MPPMR	Municipal Planning and Performance Management Regulations
MSA	Municipal Systems Act
MSP	Municipal Services Partnerships
MTERF	Medium Term Expenditure and Revenue Framework
NDP	National Development Plan
NRGI	Natural Resource Governance Institute
PAMA	Public Administration Management Act
PFFM	Porter's Five Forces Model
PMS	Performance Management System
RBV	Resource-Based View
RSA	Republic of South Africa

SCP	Structure-Conduct-Performance
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
Stats SA	Statistics South Africa
WSP	Workplace Skills Plan