Enhancing Financial Service Providers' business process and outcomes through project and programme management

Dr Thabo Msimango and Dr Lunga Msengana

DOI: 10.29322/IJSRP.14.05.2024.p14938
10.29322/IJSRP.14.05.2023.p14938

Paper Received Date: 20th April 2024
Paper Acceptance Date: 23rd May 2024
Paper Publication Date: 31st May 2024

Abstract- Businesses, such as Financial Service Providers (FSP), constantly seek methods to increase revenue and reduce costs in the challenging market. Employees are required to deliver goods and services at a high standard of quality without taking shortcuts, even under intense pressure. Each element of these tasks must be completed to the utmost standards achievable.

Operational duties usually grow as the company expands. Organisations must prioritise their business processes, efficiencies, and technology utilisation for continued success and growth. This component is essential for shaping an organisation's future direction. To stay relevant in the rapidly evolving business environment, it is essential to stay updated on technological advancements. The dynamic business environment necessitates continual assessment, improvement, and optimisation of procedures because they are constantly evolving.

Several nations have enacted regulations after a prolonged and sluggish recovery, in response to public perception. Some may question the necessity or benefits of this modification. The 2008-2009 Financial Crisis significantly impacted global economies. Several economies experienced substantial fluctuations during that time, leading reputable financial institutions to struggle financially.

Changes in the operational setting can directly impact businesses. Implementing novel management strategies is a result of managers recognising that conventional methods and protocols are not successful.

Managing shifts is crucial for operating a company in an unpredictable setting. This article examines the economics and performance of South African financial service providers while analysing how they employ project and programme management. The evaluation process will also consider its influence on other financial sectors impacted by the economic recession.

To prosper and advance in a rapidly evolving world, businesses need to modify their workflows. Consistent process updates are essential to prevent organisations from being unprepared.

Index Terms- Financial Service Provider, Regulation, Business Processes, Project, and programme management.

I. Introduction

In 2007, the global financial markets began facing challenges due to losses on financial assets tied to mortgages. During that December, the United States economy faced a downturn.

Situated at the most southern point of the continent, South Africa was impacted by the global challenges stemming from events in the United States of America. These challenges affected far-off areas too. Whenever the United States of America faces a setback, its repercussions are felt globally. This proverb has been handed down through the generations.

The consequences and effects of the economic crisis have varied from one country to another and from one region to another, depending on a wide variety of factors like financial capabilities and demographics. This is due to the crisis having the potential to result in a variety of impacts. Some experts suggested that African countries may not be impacted by the economic crisis right away due to their limited connections to the global economy. This theory was proposed in the initial stages of the crisis. This article delves into the increased severity of the financial crisis and its resulting impact.

II. WHAT WERE THE FACTORS THAT CAUSED FAILURE OR PROBLEMS?

During the onset of the Great Recession in 2007, the banking systems of other OECD countries were impacted. After the global financial crisis began, it started affecting developing countries and emerging market economies. The decrease in trade and, in some instances, remittances from workers significantly impacted these economies.

As per Pagliari's (2013) analysis, the global financial crisis originated in the US subprime mortgage sector in the summer of 2007 and escalated in 2008, leading to a banking crisis that impacted both the US and Europe. This incident significantly influenced all facets of the global agenda. It has been suggested that this event has changed the way the world's financial markets are managed.

The crisis has hastened the reorganisation of international financial regulation. The significant differences in regulatory frameworks give rise to several important conceptual issues, which will be discussed in the next section. Amidst this timeframe, several new regulatory initiatives and institutional innovations have surfaced, including the Financial Stability Board (FSB).

According to Allen (2013), the 2008 financial crisis posed a significant threat to the global monetary system. Furthermore, the system would have suffered a significant setback if governments and central banks had not intervened. Financial crises have occurred frequently over the last four decades, including the Latin American debt crisis that lasted from 1977 to 1998.

The severity of the 2007–2009 crisis was clearly outlined. The critical difference was that it jeopardised the entire global economy by threatening the survival of numerous well-known banks all over the world. The crisis had a global impact, affecting several regions.

The crisis prompted the implementation of numerous regulatory and supervisory measures. The countries hit hardest by the crisis had to act quickly to strengthen their financial markets and institutions. The top priority for global supervisors and regulators is to streamline regulatory policies to reduce the likelihood of future crises.

Viñals (2009) suggests that during a financial crisis, policymakers should prioritise three interconnected goals. Banks must avoid widespread withdrawals to keep depositors and creditors' funds safe.

One additional goal is to assist financially vulnerable or otherwise unstable financial institutions in their resolution processes. Identifying losses, evaluating banks' financial status, implementing operational adjustments to strengthen weak but viable banks, and closing non-viable banks are all critical steps in this process. The third objective is to deal with the issue of banks accumulating problematic assets that are too large or complex to manage on their own.

The global financial crisis of 2008 highlighted the importance of a strong resolution framework for all financial systems. Because given the size, complexity, and interdependence of certain banks, governments were forced to implement "bailouts" during the Bank of England - Resolution crisis. If businesses and individuals were permitted to declare bankruptcy, they would still be unable to access their funds or conduct any type of financial transaction.

According to a Bank of England report from 2017, certain entities are considered critical to the economy and financial system, as their failure could have far-reaching consequences.

III. EFFECTS ON THE BROADER ECONOMY

The US subprime mortgage markets began in the summer of 2007 and deteriorated in 2008, leading to a transatlantic banking crisis. Pagliari documented all of this in 2013. This event had a profound and widespread impact on various aspects of the international agenda. This event has led to reforms in the regulation of international financial markets, sparking significant discussion.

There has been significant activity in restructuring global financial regulation since the crisis. In the upcoming section, we'll delve into key conceptual issues stemming from the notable disparity in regulatory frameworks. One of the numerous new institutional developments and global regulatory efforts that have occurred during this period is the Financial Stability Board (FSB).

According to Allen (2013), the 2008 global financial crisis posed a significant threat to the worldwide monetary system. If governments and central banks hadn't intervened, the system would have suffered significant damage. The Latin American debt crisis, spanning from 1977 to 1998, was just one of the many financial crises that have occurred in the last four decades.

The severity of the crisis that occurred in 2007–2009 was evident. The significant danger it presented to the global economy and the potential collapse of several prominent financial institutions worldwide were its main features. The crisis had extensive repercussions worldwide, beyond just one region.

Viñals (2009), explains that a range of regulatory and supervisory measures have been implemented in response to the crisis. Countries heavily impacted by the crisis have acted quickly to strengthen their financial systems and institutions. Globally, supervisors and regulators are emphasising the importance of enhancing regulatory policies to reduce the likelihood of future disasters.

During a financial crisis, policy measures should align with three interconnected objectives, as outlined by Viñals (2009). The primary goal is to implement measures to prevent creditors and depositors from withdrawing large amounts from banks.

Identifying and addressing financially unstable or unsustainable financial institutions is the secondary goal. It is essential to identify losses, assess the financial health of banks, implement operational adjustments to strengthen weak but viable banks, and address non-viable banks. The third goal is to address the issue of banks accumulating troubled assets that are too large or complex to manage independently.

An essential takeaway from the global financial crisis of 2008 is the significance of a robust resolution framework in every financial system. Amid the Bank of England - Resolution crisis, governments had to introduce "bailouts" as some banks were deemed too big, intricate, and interconnected to face insolvency like other businesses.

If people and businesses had been allowed to fail, they would have faced difficulties accessing their money or conducting financial transactions. There are certain entities that have expanded to a size where their potential collapse could have widespread consequences, leading to concerns from the Bank of England in 2017 about the risks they pose to the economy and financial system.

IV. IMPACT ON SOUTH AFRICA

Rena and Msomi (2014), citing McCarthy (2009), claim that the crisis affected businesses in developed and developing worlds, including South Africa.

At the onset of the crisis, there was a widespread belief worldwide that developing economies would stay resilient while taking a role in the global economic recovery (Lin et al. 2013: 7). Nevertheless, because of the deteriorating crisis, all emerging economies felt its effects (Lin et al. 2013: 7).

South Africa faced the repercussions of the third and final global financial crisis for two main reasons. South Africa's focus on exporting higher value-added goods was mainly towards

European and US markets, which had already encountered challenges due to the crisis and subsequent slowdown.

According to Steytler and Powel (2010), the global financial crisis significantly negatively affected South Africa. In 2008/09, a recession hit, marking the first one in 17 years. In 2009, approximately one million jobs were lost in total. The economy is displaying signs of growth once again, but the recovery is delicate, with a possibility of another downturn. The increase in joblessness and financial hardship has led to a higher need for government assistance, while income has decreased. Amid mounting political pressure, there are calls for the government to reassess its economic policy.

The current issues in South Africa are partially due to the many significant shocks the country has experienced. Would the challenges have been minimised with improved management of macroeconomic policy?

Based on research conducted in 2011, Selassie found that while many African countries experienced a resurgence of economic growth and experienced little impact from the global financial crisis, South Africa continued to lag. This situation has persisted and may have even worsened.

V. THE IMPACT ON NATIONAL GOVERNMENT

Given the dramatic and rapid economic downturn, the national government felt the impact acutely; as its revenue contracted, the social demands on its services increased. In large measure, the national government absorbed the full impact of the global financial crisis and the fallout from the 2008/2009 recession.

The global financial crisis had a direct impact on the national government. First and foremost, public expenditure as a percentage of GDP has exceeded revenue, with the deficit funded through substantially increased borrowing. The declining revenue growth, which has slowed budget growth, forced expenditure re-prioritisation.

VI. GOT POLICIES RIGHT

Amidst the financial crisis, the national government, with the outgoing and incoming ministers of finance (Trevor Manuel until April 2009 and thereafter Pravin Gordhan), took on crucial leadership roles in readying the population for the challenges ahead and guiding the path to economic recovery. Four messages were consistently communicated: Initially, the government's careful handling of the economy and public finances positioned the country well to withstand the most severe impacts of the financial crisis as long as the country remained united.

Industries and organisations must constantly adjust and respond to different types and levels of change. To thrive in a rapidly changing environment, it is crucial to take more significant steps than usual for small changes, and for drastic changes, even more decisive actions are necessary. Managing a company in a volatile environment requires the ability to adjust to change.

According to Nadler and Shaw (1995), those who can adapt swiftly and efficiently to evolving environmental conditions will thrive in the future. Emphasising specific skills like adaptability, flexibility, and responsiveness is crucial.

Embracing change can pose a significant challenge for numerous long-standing companies in various operational and procedural aspects. We must adapt and customise business processes to suit different geographical and cultural settings. Adapting to changing work methods, necessary skills and knowledge, and global interactions with collaborators and customers is crucial for workforce development.

To successfully integrate the newly implemented processes, the organisation's culture needs to change. As stated by Bainbridge (1996), assignments, systems of reward, appraisal metrics, and structures all need to be redefined. While relationships with suppliers, customers, and other stakeholders need to be adjusted, leadership styles and management practices should change as well.

As per Steyn (2010), conventional organisational structures and management techniques are becoming obsolete. Conventional management approaches are no longer sufficient to keep up with the requirements of modern settings. Communication in conventional organisational setups can be unnecessarily complicated, restricting managers' capacity to share information and make decisions. This issue is made worse by inefficient bureaucratic leadership.

Consequently, management in such organisations often lacks a distinct strategic focus and customer-centric approach. A major challenge facing project and programme managers today, according to David Partington (2000:4), is that many of the presumptions from earlier decades no longer hold. The challenges of the information revolution and global economic integration are now facing society due to the rapid advancements in technology, as well as an increase in innovation and knowledge.

VII. EMBRACING CHOICES AND MAKING DECISIONS

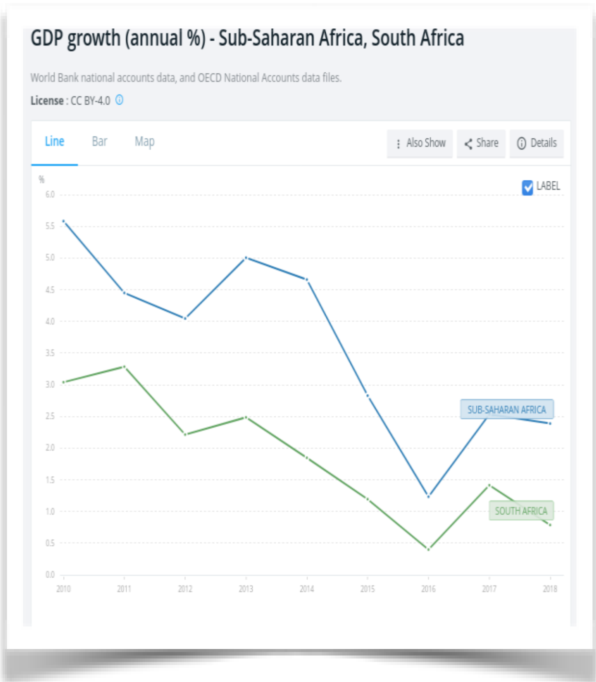
Beginning a journey symbolises the initiation of recognising consciousness and the opportunity to adopt new ways of living. An organisation must be ready to reassess its business strategy and potentially modify its fundamental principles at this stage. People now have more options and the responsibility that comes with being able to make decisions with greater consciousness because of growing awareness.

Kaminski (2001) emphasises the quick obsolescence of conventional business practices. Antiquated frameworks and stringent regulations may impede the efficient handling of change. Managing individuals' inflexible and uncompromising stances on change can be a significant challenge.

You can improve your life by altering your responses. Leaders are accountable for connecting strategic decisions with the practical execution of changes in the organisation's structure and workforce. Comprehending and dealing with various intricate details and impacts is essential for successfully adjusting to change in all areas of a business.

A new model of organizational learning is important for survival and adaptation in the new century. Learning is a key requirement for both leaders and followers for any effective and lasting change to occur.

According to Caravatta (1998), a new model of organisational learning is necessary for survival and adaptation in the new century. Learning is essential for both leaders and followers in order for any change to be effective and long-lasting.



Nowadays, most organisations agree that effective leadership is one of the most important contributors to overall organisational performance and transformation. Intelligent leaders possess a wealth of skills and knowledge acquired through experience, allowing them to manage daily tasks effectively and efficiently. Effective leadership is always required to bring about meaningful changes.

VIII. EFFECTS OF FINANCIAL REGULATION

Following the resolution of the upheaval in the financial market, attention naturally turned towards implementing reforms to enhance the oversight and regulation of the financial services industry. This transition was driven by a strong commitment to avoid repeating past events and ensure a more secure future. To reduce the chances of facing financial difficulties, various measures have been proposed or put into action.

Selassie (2011) contends that the slow and uncertain recovery in South Africa has sparked discussions about the wider aspects of economic policy. Criticism has been directed towards the macroeconomic framework, specifically the inflation-targeting regime, as well as the structure of the labour and product markets. Attributing short-term fluctuations in output to gradually evolving factors like institutional frameworks is typically challenging. However, the interplay between shocks and institutions can still impact economic outcomes.

Despite the global economy's post-2008 Great Recession boom, South Africa's economy remained stagnant and exhibited only marginal growth (Economics, 2020). African countries with ample natural resources, such as Ghana, Nigeria, Angola, Zambia, and others, reaped significant advantages from the upswing in commodity prices during the early 2010s.

Other than the 2010 World Cup, there were no significant events. The World Bank (2018) highlights that South Africa continues to face limitations due to its low growth potential. The country is unable to take advantage of the new economic opportunities that are opening globally or to catch up to competitor economies in terms of standard of living because of its slow growth in private investment and poor integration into global value chains.

Building on two World Bank reports – the Poverty and Inequality Assessment and the forthcoming Systematic Country Diagnostic – this 11th edition of the South Africa Economic Update argues that significantly raising South Africa's economic potential will require breaking away from the equilibrium of low growth and high inequality in which the country has been trapped for decades.

In this equilibrium, slow growth and high inequality reinforce each other: inequality fuels the contestation of resources (through taxation, expropriation, corruption, and crime), which discourages the investment needed to accelerate job creation and reduce inequality.

Indeed, the actual figures are more unfavourable, considering that during that time, South Africa ranked either as the top or second largest economy in Sub-Saharan Africa, alongside Nigeria (Figure 1).

Figure 1. 2019 was not better, with just 0.66% GDP growth in South Africa. Adapted from Economics (2020).

Every company acknowledges the importance of effective processes, yet numerous businesses face workflow inefficiencies that require rectification. As businesses undergo digital transformation in today's fiercely competitive business environment, ineffective processes can have a detrimental effect on the company's overall operations.

Adapting business processes is essential for survival and growth in a fast-evolving world. Processes must be regularly updated to prevent organisations from being taken by surprise. Organisations must quickly adjust to rapid changes in the market, technological progress, and changing customer demands, all of which are occurring at an unprecedented speed.

IX. THE BENEFITS OF OPTIMISING BUSINESS PROCESSES?

An effectively managed process that is constantly refined can minimise mistakes, speed up completion times, optimise workloads, pinpoint inefficiencies, remove redundancies, and boost overall business performance. Improving a business process can lead to enhanced consistency, quality, and compliance, as well as decreased risks and improved visibility for customers and executives.

Business processes within a company may evolve and change as the organisation grows and experiences transformations. Each day, individuals involved with an organisation engage in an array of business processes, as highlighted by Schmelzer and Walch (2024). These stakeholders are involved in a wide variety of business processes. This is always the case, irrespective of the organisation's size. The statement is pertinent because a majority of financial service providers vary in size from small to large, with their sizes determined by various factors dating back to their establishment.

In South Africa, new FSP typically do not progress beyond the initial stage of growth, known as the existence stage, to reach subsequent stages like survival, success, take-off, and resource maturity. Many of these types of FSPs have been reported to fail in their early years of operation, thus not delivering their benefits to society.

As a business owner, simply having enforceable goals and strategies do not automatically lead to success as they may be incorrect, ineffective, or unsuitable for specific environments. One key element that sets successful FSP owners apart is having clear goals, core strategies, and a plan to propel their business ahead.
Success is influenced through multiple variables such as personality, human capital, and the surrounding environment, which can be managed through effective strategies and action plans.

Dynamic capabilities are defined as the capacity to reorganise, refocus, transform, and suitably shape and integrate current core competencies with external resources, as well as advantageous and additional resources, fulfil the requirements in a limited in time, quickly evolving competitive environment, based on Steyn and Semolic (2020), citing Teece (2007).
Steyn and Semolic (2020) reference a study by Steyn and Schmikl (2016) to highlight the importance of fostering enthusiasm in followers and motivating them to exceed their boundaries. It's essential to grasp and impact the thoughts and emotions of those you lead to shape the organisation's collective mindset, as all actions stem from individuals. People's motivation and attitudes have a big impact on how well they lead.

Setting goals, adding value to support the organisation's and its members' development, and enhancing people's skills through education and training to better support the organisation are all part of what it takes to be a leader (Schmikl, 2018). Providing direction and assistance through coaching, mentoring, and offering strategic advice to enhance the organisation's experience curve.

Maximising business processes is essential for thriving and expanding in a swiftly evolving environment. It's crucial for organisations to continually update procedures to avoid unforeseen circumstances. Businesses must quickly adjust to market changes, technological advancements, and evolving customer expectations, all of which are progressing at an unprecedented pace.

Moreover, the process of change extends past just altering structures and task methods; it also impacts the performance, expectations, and perspectives of all individuals involved. Not only must there be a major shift among organisational levels, but also within each player, for the change to last. Going through personal transformation can be tough, yet it's essential for each team member to feel empowered and self-driven for success in today's ever-changing environment.

X. THE PROJECT AND PROGRAMME MANAGEMENT WAY

Helping organisations coordinate projects and programmes is crucial for aligning corporate strategy, business strategy, and operational strategy (Steyn, 2001). Businesses use projects and programmes to reach their objectives and fulfil different value expectations, as highlighted by Martinsuo, Teerikangas, Stensaker, and Meredith (2022) and Martinsuo and Hoverfält (2018). Although strategic adjustments may not be labelled as projects or programmes, they usually improve project-related tasks.

As per Martinsuo *et al.* (2022), organisations must adjust to the present operating environment and foresee and lead changes within it. Certain changes can be significant, prompting companies to reassess their objectives and roles within the value chain. The adjustments are made strategically to rejuvenate the core principles that organisations depend on for their functioning. Evaluating strategic change typically requires redefining the mission and objectives and making significant adjustments in goals to align with a new direction in response to environmental threats.

As per Steyn (2001), conventional organisational structures and management techniques are becoming obsolete. Traditional management methods are insufficient to meet current needs. Communication within conventional organisational frameworks can be overly complex, hindering the exchange of information and decision-making by management. Management in these organisations frequently lacks a distinct strategic direction and customer-focused approach.

Steyn (2001) also highlights the challenges faced by project and programme management due to outdated presumptions from the nineteenth century. Managers are adopting a risk-taking culture where business outcomes are only predictable in the short term. To successfully navigate through this period of risk and uncertainty, organisational structures and management need to change and evolve. Furthermore, these new structures should be extremely adaptable.

Achieving success requires acting, not just having knowledge. There's a common belief that acting leads to rewards. Notwithstanding the obviousness and validity of this idea, many people—including managers—tend to become unduly obsessed with analysing, planning, and organising as opposed to acting.

Improving and simplifying business processes may appear difficult, but it can be achieved. To increase the chances of success, start by optimising individual processes, involving stakeholders, and setting practical and achievable goals. Organisations that embrace change and consistently enhance their processes as they grow can experience streamlined workflows, cost reductions, operational effectiveness, and improved customer and employee satisfaction.

XI. GUIDING CHANGE PROCESSES

In today's business world, a new approach to FSP management is essential. As noted by Steyn (2001), effective leadership skills such as communication, negotiation, motivation, facilitation, conflict resolution, and counselling are becoming more and more essential.

Overcoming obstacles results in individual growth and progress. Proficiency in managing difficult situations increases the chances of achieving success and significant accomplishments. Opting for the more challenging route demands courage, determination, and a readiness to surpass our usual boundaries. It entails accepting challenges and obstacles as chances for development and enhancement. Opting for the more challenging route exposes us to novel experiences, abilities, and viewpoints that may result in enhanced success eventually. Individuals who are resilient and determined to overcome obstacles are more inclined to confront difficulties directly and persist through adversity to achieve remarkable success.

Managers are adjusting to a risk-averse environment where short-term business outcomes are predictable, as mentioned by Steyn (2010). During this period of continual change and uncertainty, organisational structures, leadership, and management must adapt more than before. Comparing the views of Steyn (2010) with that of Brauns (2015), change nowadays is a reality for businesses and organisations, those which resist change, risk losing their competitive edge.

Change is one of the most significant aspects that affect organisations. The ability therefore to manage change effectively has become vital as mentioned by Msimango (2023). It is crucial that organisations understand the implications that change may have on the employees 'culture, history, goals, aims, objectives and so on.

Moreover, these new structures must be highly adaptable and responsive. Adapting FSP strategies is a feasible method to attain commercial success and improve competitive performance. Successfully navigating strategic change is crucial for thriving post-industrial organisations. As Teixeira (2023) notes, "Strategic business analysis involves outcome-focused thinking to frame the scope of the transformation, articulate the business need/outcome, and shape the agenda for transformation." It also requires understanding the business context, business challenges, and the complexities of the internal and external environment simultaneously.

XII. CONCLUSSION

Today's fast-paced environment requires FSPs to adjust to significant shifts validate business process improvements. Steyn (2001) agrees that the complexity of today's technologies, emerging businesses, and business environments necessitates specialisation and long-term collaboration. The new business environment necessitates vibrant, adaptable, high-performing virtual organisations comprised of innovative specialised partners. When comparing Steyn's (2001) views with those of Li, Hu, Zhao, and Li (2021), focusing on internal capabilities, leadership, and connections, as well as aligning digital transformation with business strategy, improves organisations' agility to respond to environmental change. Managing projects in the finance industry can be a complicated task. With so many stakeholders, tight deadlines, and the need for accuracy and compliance, it is critical to follow best practices for effective project and programme management.

One of the first steps in successful project and programme management is to precisely define the project's objectives and boundaries. This ensures that all team members and stakeholders share a common understanding of the objectives that must be met. Clarifying project goals improves understanding, reduces ambiguity, and provides a solid foundation for the project's success.

Successful FSP change requires skilled and innovative managers to implement effective change management strategies. Change can be managed from the top down or through a highly participatory process involving all levels of the organisation. Because change is situational and company-specific, no single change process is appropriate for all circumstances or organisations. Leaders are responsible for establishing the framework for change within an organisation.

A culture and vision must be created to facilitate planned changes and address unforeseen ones. Visualising, invigorating, and empowering are critical strategies for gaining support for change initiatives. Leaders must guide, instruct, coach, and recognise employees as they embrace and progress through the change process. Long-term change requires that habits, attitudes, and values at all organisational levels align with the process's vision and objectives. The wise leader accepts change as an essential component of their role.

It is critical to the success of the FSP and its individuals. Because of the inherent complexities of the finance industry, effective project and programme management is critical, especially for FSPs who are constantly confronted with new regulations. Implementing best practices such as clearly defining project goals, creating a detailed project plan, utilising collaborative tools, encouraging effective communication, and proactive risk management increases the likelihood of successful project delivery in the finance sector. Using these strategies, FSP professionals can efficiently manage projects, optimise processes, and achieve positive results.

Projects do not exist is a vacuum in organisations. They fall within the bigger sphere of achievement of an organisational strategy. Often at times, when projects and programmes are challenged, most leaders tend be too preoccupied with the problems at those levels and in the process totally neglecting to create an environment of success for projects and programmes.

It is understandable though that when projects and programmes are failing, one would be tempted to think that that is the only place where the problems are emanating from, without careful consideration of the environment in which these projects and programmes are in. That is why some solutions become superficial, only scratching the surface, only to find out that the problem resurfaces are a few months later. This creates a never-ending cycle, in the end there could be blame shifting, because no one seems to be getting to the root of the problem.

Graham and Englund (2004: 31) relate the project environment to soil. A farmer can spend a lot of money on quality seed, but if he or she throws it to a hard and dry ground, that seed will not grow. No matter how much efforts are spent in fixing problems at project and programme levels, if the environment is not considered, the efforts will not be sustainable in the long run. The Project Management Institute (PMI) often talks about the Enterprise Environmental Factors (EEFs) which are key to the running of a project (PMI, 2017: 37). According to PMI, EEFs are not under the control of the project team, but often influence, constrain, or direct the project (PMI, 2017: 37). Some of these factors can include, but not limited to:

- Organisational culture, structure, and governance.
- Geographic distribution of facilities and resources.
- Organisation's infrastructure.
- Information technology software.
- Resource availability.

➢ Employee capability.

If such factors are outside the control of the project team, therefore senior managers need to ensure that they are in control of these for the running smoothly of projects. This cannot be passed on to project teams. They will not accomplish much in this area.

According to Maxwell (1999: xi), everything rises and falls on leadership, projects are not exception to this rule. Senior managers, portfolio managers and programme managers often get it wrong because their perspective of leadership is about looking over the shoulders of project managers, which sometimes can even be likened to micromanagement. In this case of projects, such leaders should demonstrate their leadership by removing the roadblocks and serving the team.

This is servant leadership. Servant leadership focuses on increased service to others, rather than oneself (Msengana, 2012: 35). It takes more than words to embed servant leadership in an organisation's culture; rather it must be reinforced through organisational structures, systems and rewards for it to take root (Msengana, 2012:36). This is not something that is a quick fix but involves deliberate efforts in the long run.

REFERENCES

[1] Allen, W. 2013. International Liquidity and the Financial Crisis. Cambridge University Press. February 2013.

[2] Bainbridge, C. 1996. Designing for change: A practical guide for business transformation. New York: John Wiley.

[3] Brauns, M. 2015. The management of change in a changing environment – To change or not to change? November 2015Corporate Board: Role 11(3):37-42. DOI: 10.22495/cbv11i3art4 License CC BY-NC 4.0

[4] Caravatta, M. 1998. Let's work smarter, not harder: How to engage your entire organisation in the execution of change. Milwaukee, WI: ASQ Quality Press.

[5] Economics. 2020. 9 Reasons why the economy in South Africa is on the verge of a crash. The Wandering Investor.https://thewanderinginvestor.com/economics/9-reasons-why-the-economy-in-south-africa-is-on-the-verge-of-a-crash/

[6] Graham, R.J., & Englund, R.L. 2004, Creating and Environment for Successful Projects. John Wiley & Sons, Inc.

[7] Kaminski, J. 2000. Leadership and Change Management: Navigating the Turbulent Frontier. https://www.nursing-informatics.com/N4111/changemant.pdf.

[8] Li, H., Hu, Q., Zhao, G. And Li, B. 2021. The co-evolution of knowledge management and business model transformation in the post-COVID-19 era: Insights based on Chinese e-commerce companies. Journal of Knowledge Management (2021), 10.1108/JKM-03-2021-0177

[9] Lin C. Y; Edvinsson. L; Chen. J and Beding, T. 2013. Impact of the 2008 Global Financial Crisis. In: National Intellectual Capital and the Financial Crisis in Brazil, Russia, India, China, Korea, and South Africa. New York: Springer, pp. 7-20.

[10] Lundin, R.M. and Söderholm, A. 1995. A theory of temporary organisation. Scandinavian Journal of Management 11 (1995, pp. 437-455.

[11] Maxwell, J.C. 1999. The 21 Indispensable Qualities of a Leader. Thomas Nelson, Inc.

[12] Martinsuo, M. Teerikangas, S., Stensaker, I. and Merideth, J. 2022. Editorial: Managing strategic projects and programs in and between organisations. https://www.sciencedirect.com/journal/international-journal-of-project-management/vol/40/issue/5 . Science direct. Elsevier.

[13] Martinsuo, M. and Hoverfält, P. 2018. Change program management: Toward a capability for managing value-oriented, integrated multi-project change in its context. International Journal of Project Management, 36 (1) (2018), pp. 134-146.

[14] McCarthy, C. 2009. The Global Financial and Economic Crisis and its Impact on Sub-Saharan Economies. From<http://www.tralac.org/cause_data/images/1694.

[15] Msengana, L. 2012. The Missing Link in Projects. Know Res Publishing.

[16] Msimango, T. 2023. Change management and organisational transformation are necessary for major financial service providers. International Journal of Scientific and Research Publications, Vol 13, Issue 6, June 2023. ISSN 2250-3153.

[17] Nadler, D.A., Shaw, R.B. & Walton, A.E. 1995. Discontinuous change: Leading organizational transformation. San Francisco: Jossey-Bass.

[18] Pagliari, S. 2013. Public Salience and International Financial. Explaining the International Regulation of OTC Derivatives, Rating Agencies, and Hedge Funds. University of Waterloo, Ontario, Canada. February 2013.

[19] PMI, 2017. The Project Management Body of Knowledge (PMBOK). The Project Management Institute.

[20] Rena, R. and Msomi, M. 2014. Global Financial Crises and its Impact on the South African Economy: A Further Update. April 2014. Journal of Economics 5(1):17-2. DOI: 10.1080/09765239.2014.11884980

[21] Selassie, A, A. 2011. IMF (International Monetary Fund). What Ails South Africa. FINANCE & DEVELOPMENT, December 2011, Vol. 48, No. 4.

[22] Schmeltzer, R.S. and Walch, K. 2024. How to improve and optimise a business process, step by step. Tech Accelerator.

[23] Schmikl, E. 2018. A Perspective on Strategies of Shadowmatch: An Evolutionary Focus Within Organization Practice", PM World Journal, Vol.VII, Issue XII, December. (PMWJ Award Winning Article for 2018).

[24] Steyn, P. 2001. Managing organisations through projects and programmes: the modern general management approach. Management Today" and "Project Pró", April 2001.

[25] Steyn, P. 2010. The need of a Chief Portfolio Officer (CPO) in Organisation. Cranefield College of Project and Programme Management. South Africa. PM World Today, XII(VII), 3-4, July.

[26] Steyn, P. and Semolic. B. 2020. Leading Virtual Dynamic Learning Organisations. PM World Journal (ISSN: 2330-4480). IX, Issue V – May 2020. www.pmworld.com.

[27] Steytler, N. and Powel, D. 2010. The impact of the global financial crisis on decentralised government in South Africa.Centre international de formation europécnne | « L'Europe en Formation » 2010/4 n° 358 | pages 149 à 172. ISSN 0014-2808.

[28] Teece. D. J. 2017. Business models and dynamic capabilities. Volume 51, Issue 1, February 2018, Pages 40-49. Science Direct. 2017. Elsevier Ltd.

[29] Teixeira, L. A. 2023. Why should financial service providers (FSP's) do an analysis of their practices? https://www.linkedin.com/pulse/why-should-financial-service-providers-fsps-do-liana-ahrens-teixeira/

[30] The World Bank. 2018. (South African, Version 11 IRBA. https://ppp.worldbank.org/public-private-partnership/ppp-knowledge-lab.

[31] Viñals, J. 2009. IMF. Lessons Learned from Regulatory and Supervisory Responses to the Crisis, Remarks by Mr. José Viñals, Financial Counsellor and Director, Seoul, Korea, November 11, 2009.

AUTHORS

First Author – Dr Thabo Msimango
Second Author – Dr Lunga Msengana