

**An Investigation into the State of Governance in a Public Entity
Through the Application of World Governance Indicators: The
Case of ESKOM, South Africa**

by

Maureen Miles

2017483187

mmiles@randwater.co.za

Master of Arts in Governance and Political Transformation

in

Humanities

at the

UNIVERSITY OF THE FREE STATE

BC170031

Supervisor: Dr W. Marias

Submission Date: 18/01/2019

TABLE OF CONTENTS

LIST OF TABLES	iv
LIST OF ABBREVIATIONS	vi
ACKNOWLEDGEMENTS	vii
EXECUTIVE SUMMARY	viii
A CURRENT MEDIA OVERVIEW ON GOVERNANCE IN ESKOM	ix
CHAPTER 1: INTRODUCTION	1
1.1 PROBLEM STATEMENT	3
1.2 AIM OF STUDY	4
1.3 RESEARCH OBJECTIVES	4
CHAPTER 2: LITERATURE SURVEY	6
2.1 ROLE OF MEDIA IN GOVERNANCE REPORTING	6
2.2 CORPORATE GOVERNANCE IN SOUTH AFRICA	8
2.3 CORPORATE GOVERNANCE, SUSTAINABILITY OR THE TRIPLE BOTTOM LINE	10
2.3.1 Examples of TBL Applications.....	12
2.4 CORPORATE GOVERNANCE PRINCIPLES	13
2.5 WORLD GOVERNANCE INDICATORS (WGI)	15
2.5.1 World Governance Indicators (WGI)	16
2.5.2 Voice and Accountability (WGI 1).....	16
2.5.3 Political Stability and Absence of Violence (WGI 2)	16
2.5.4 Government Effectiveness (WGI 3).....	16
2.5.5 Regulatory Quality (WGI 4)	17
2.5.6 Rule of Law (WGI 5).....	17
2.5.7 Control of Corruption (WGI 6).....	17
CHAPTER 3: RESEARCH METHODOLOGY.....	18

3.1	RESEARCH APPROACH OVERVIEW	18
3.2	METHOD OF DATA COLLECTION AND SAMPLING.....	19
3.2.1	Sampling procedure	19
3.2.2	Source types and characteristics.....	20
3.2.3	Sampling period and frequency.....	20
3.3	DESCRIPTION OF MEDIA SOURCES	20
3.3.1	Sunday Times – Online	20
3.3.2	Eye Witness News (EWN) - Online	21
3.3.3	SABC News – Online	22
3.4	MEASUREMENT INSTRUMENTS.....	23
CHAPTER 4: RESULTS		25
4.1	RESULTLS: CONTENT ANALYSES.....	25
4.1.1	Voice and Accountability	25
4.1.2	Political Stability and Absence of V/T	27
4.1.3	Governance Effectiveness.....	30
4.1.4	Regulatory Quality	32
4.1.5	Rule of Law	34
4.1.6	Control of Corruption	36
4.2	FREQUENCY OF PUBLICATION IN THE STUDY PERIOD.....	40
4.2.1	Sunday Times	40
4.2.2	EWN.....	40
4.2.3	SABC.....	40
CHAPTER 5: DISCUSSION		41
5.1	VOICE AND ACCOUNTABILITY	41
5.1.1	Discrimination in energy service and/or disruption of electricity supply	45
5.1.2	Repayments and Financial Responsibilities	47

5.1.3	Lack of Infrastructure Maintenance	48
5.2	POLITICAL STABILITY AND ABSENCE OF VIOLENCE/TERRORISM	48
5.2.1	General overview on Political Stability in South Africa: Case of Eskom	51
5.2.2	Political stability and economic growth	53
5.3	GOVERNANCE EFFECTIVENESS.....	53
5.4	REGULATORY QUALITY.....	58
5.4.1	Policies Bodies and Regulatory Environment.....	62
5.5	RULE OF LAW	63
5.6	CONTROL OF CORRUPTION.....	67
CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS.....		74
6.1	CONCLUSION.....	74
6.2	RECOMMENDATIONS	78
REFERENCE LIST		80
APPENDIXES.....		91

LIST OF TABLES

Table 2:1: Principles aligned to Governance Practices for Eskom and proposed Sources of Data	14
Table 3:1: Media sources used in current study	20
Table 4:1 Sunday Times – Voice and Accountability	25
Table 4:2 EWN – Voice and Accountability	26
Table 4:3 SABC – Voice and Accountability	27
Table 4:4 Sunday Times – Political Stability and Absence of V/T	27
Table 4:5 EWN – Political Stability and absence of V/T	28
Table 4:6 SABC – Political Stability and absence of V/T	29
Table 4:7 Sunday Times – Governance Effectiveness.....	30
Table 4:8 EWN – Governance Effectiveness.....	30
Table 4:9 SABC – Governance Effectiveness.....	31
Table 4:10 Sunday Times – Regulatory Quality	32
Table 4:11 EWN – Regulatory Quality.....	33
Table 4:12 SABC – Regulatory Quality	33
Table 4:13 Sunday Times – Rule of Law.....	34
Table 4:14 EWN – Rule of Law	35
Table 4:15 SABC – Rule of Law.....	36
Table 4:16 Sunday Times – Control of Corruption	36
Table 4:17 EWN – Control of Corruption.....	38
Table 4:18 SABC – Control of Corruption	39
Table 5:1 Brief extracts from news articles related to Voice and Accountability	41
Table 5:2 Brief extracts from news articles related to Political Stability and Absence of Violence/Terrorism.....	49
Table 5:3 Brief extracts from news articles related to Governance Effectiveness.....	54

Table 5:4 Brief extracts from news articles related to Regulatory Quality59

Table 5:5 Brief extracts from news articles related to Rule of Law63

Table 5:6 Brief extracts from news articles related to Control of Corruption67

LIST OF ABBREVIATIONS

ACLED	Armed Conflict Location and Event Data Project
AR	Annual Reports
Co. Act	Companies Act
ECOWAS	Economic Community of West African States
ESKOM	Electricity Supply Commission (previously known as ESCOM)
EWN	Eye Witness News
IIAG	Ibrahim Index of African Governance
IoD	Institute of Directors
Ltd	Limited
MA	Media Articles
NER	National electricity regulator
NERSA	National Electricity Regulator of South Africa
OECD	Organisation for Economic Co-operation and Development
PFMA	Public Finance Management Act
Pty	Private Company
RoL	Rule of Law
SA	South Africa
SABC	South African Broadcasting Corporation
SCA	Supreme Court of Appeal
SoD	Source of Data
SOE/SOEs	State-owned Entity/Entities
TBL	Triple Bottom Line
TV	Television
WBCSD	World Business Council for Sustainable Development
WGI	World Governance Indicator

DISCLAIMER

This research was conducted between January 2018 and December 2018 in partial fulfilment of a **Master of Arts in Governance and Political Transformation** in Humanities at the University of Free State, under the supervision of Dr W. Marias. Media articles published by the Sunday Times, Eye Witness News and South African Broadcasting Corporation (31 July 2017 to 31 July 2018) were assessed and analysed to articulate research findings, conclusions and recommendations. Any potential publications originating from this dissertation will be in the interest of research and academia. Prior to finalisation of this research (December 2018), a brief overview is given of the latest governance aspects published by the media platforms used in the current study. These aspects include load shedding and coal shortages, which are considered as important information for this study.

ACKNOWLEDGEMENTS

I would like to express the deepest appreciation to following people and institutions:

- My husband and children; thank you for your love and support.
- My supervisor, Dr Willemien Marias. Thank you for your guidance, academic inputs and support.
- The academic and administration team of the Humanities Facility at University of Free State. Thank you for your continuous support and guidance.
- To my colleagues: Wayida Mohamed, Asief Alli and Hendrik Ewerts; thank you for your support and encouragement.

EXECUTIVE SUMMARY

South Africa's monopolistic power utility, ESKOM, generates up to 95 percent of electricity utilised in the country. The provision of electricity by ESKOM is considered as an essential service that is critical for everyday and economic activities. However, the country has experienced load shedding (sporadic electricity supply) over the last decade (since 2006 – 2008), which has become more frequent in recent years (2015 – current). Load shedding, amongst other challenges, can be directly linked to poor service delivery which is often associated with poor corporate governance. Governance transgressions in government entities or state-owned entities (SOEs) such as ESKOM are mostly communicated to the public through media platforms; therefore, the role of the media is described in literature as being the so-called "watchdogs". In addition, the media can also be used to facilitate various aspects of governance (e.g., openness and transparency), which can ultimately reduce corruption and enhance good governance in the public domain. Good governance in SOEs is guided by principles, codes, and legislative frameworks, and the effectiveness thereof can be evaluated or verified using tools such as governance indicators.

A globally applied tool is comprised in the World Governance Indicators (WGI) that are based on the following six domains: 1) voice and accountability, 2) political stability and absence of violence, 3) government effectiveness, 4) regulatory quality, 5) rule of law, and 6) control of corruption. Therefore, the primary aim of this study was to determine the overall state of governance of ESKOM, measured against the WGI, and to subsequently evaluate what the specific governance transgressions are, as published by South African media platforms. In addition, a measurement instrument for organisational performance was also applied in measuring the following dimensions of sustainability: economy, society and environment. Both the WGI and organisational performance measuring instruments were applied simultaneously to assess and evaluate the overall state of governance in ESKOM.

Online news articles reporting on issues in ESKOM were extracted for analysis (assessing and evaluation) from The Sunday Times, Eye Witness News (EWN) and the South African Broadcasting Corporation (SABC) over a period of 12 months (31 July 2017 – 31 July 2018), allowing for a maximum of 53 articles. The methodology followed mainly a qualitative approach, using the six WGI to cluster the content of articles as either negative or positive.

An organisational performance framework, based on sustainability dimensions (economy, society and environment) was also modified in collaboration with WGI as an appropriate measurement instrument. Governance performance is specifically the performance domain as it is anticipated to that good governance practices have a positive impact on the organizational decision-making and subsequently influencing other performance domains of the organization in a positive manner (Crucke and Decramer, 2016:6). The results (assessments and evaluations) indicated that governance effectiveness performed the best, while the poorest performance was recorded for control of corruption. Both these WGI outcomes were strongly supported by two dimensions of sustainability; namely: 1) economy and 2) society.

Based on the total percentage outcomes for all domains, ESKOM should prioritise the following indicators from an economic and society perspective: 1) control of corruption, 2) political stability and absence of violence/terrorism, and 3) regulatory quality. Other indicators associated with good governance practices or organisational performance which included the following: 1) rule of law, 2) voice and accountability, and 3) governance effectiveness. It has become evident from this study that ESKOM is making good progress regarding decision-making, planning, and implementation within the domain of governance effectiveness; however, the SOE's ability to control corruption is highlighted as a major concern in this study. The state of governance, measured through online media reports, could be used as an effective approach to alert or inform regarding potential governance transgressions that may require further investigation.

A CURRENT MEDIA OVERVIEW ON GOVERNANCE IN ESKOM

A brief media overview of recent governance activities and transgressions in ESKOM, as published by media platforms used in the current study (October 2018 – November 2018)

According to Dassah (2018:6), the board of ESKOM was appointed indecorously in terms of the principles given in the King (III) report on good corporate governance, and it is subsequently stated that the SOE failed to act in the best interest of the country. Furthermore, no mechanisms are in place to deal with conflicts of interest, while evidence

exists that government officials often fail to take responsibility to prevent conflicts of interest (Dassah, 2018:7). The consequences of the existence of such poor corporate governance principles in SOEs and other government entities are frequently reported by the media. Media articles about ESKOM over the last two months (October 2018 until November 2018) mostly focused on the following events: load shedding, coal shortages, and financial irregularities.

On 16 November 2018, an EWN article, “ESKOM sets aside R11.5 billion to address coal supply shortages”, reported that the following question had been directed to the ESKOM CEO (Phakamani Hadebe): “*Do you want to ensure the financial performance is acceptable or do you want to put South Africans first and make the best that you can to avoid as much as possible load shedding?*”, to which the response was: “*I feel South Africa comes first*”. An article published by the SABC on 12 October 2018 reported that one of South Africa’s coal suppliers, Exxaro, was looking to supply coal to ESKOM. The coal shortages that have hit ESKOM recently pose a threat to electricity supply in Africa’s most industrialised economy. On 21 November 2018, it was reported in the Sunday Times that irregular spending had reached R51 billion and it is now expected that department heads pay out of their own pockets for irregular expenditure. The latter is described as accountability and/or responsibility in terms of good corporate governance. The Sunday Times articles also stated that the Auditor General now has the powers to hold heads of government departments and board members of SOEs personally liable for irregular expenditure that cannot be justified.

CHAPTER 1: INTRODUCTION

The “global public sphere” is often referred to as the space of communication where ideas and projects that originate from the civil society are addressed by the state or decision makers. This public sphere creates a network for communicating information for global societies to express values and interests; and furthermore, it builds a connection between governments and civil societies (Castells, 2008: 78). Supporting the public sphere, are the media communication networks which include internet media and wireless communication networks. However, the public sphere is not only limited to media or other forms of public interaction; it can be driven by traditional sources that facilitate public debate to influence the decisions of the state (Castells, 2008: 79). Castells (2008: 82) also states that a growing gap exist within the public sphere (between global societies and governments), which is characterised by political crises that influence the institutions of governance.

The media industry in South Africa has changed remarkably after the demise of the apartheid-era in 1994, as reporting on news is now no longer censored and enjoys freedom of expression. Although this freedom of expression is enjoyed by the media industry in South Africa, censorship is still a major problem in many countries, and thus the media needs to adhere to constitutional compliance and legislation (Sebola, 2012: 410). Items of legislation that are relevant to media in South Africa include “*Constitution of the Republic of South Africa*, 1996; the *Broadcasting Amendment Act*, 2002; the *Independent Broadcasting Authorities Act*, 1993; and the *Independent Communications Authority of South Africa* (Republic of South Africa, 2002).

Bilješka (2012:7) argues that, if media are to play a more prominent role in facilitating participation in the public sphere in order to promote democratic values, significant institutional efforts will be required. This simply means that media policies should be developed and implemented to an extent that allows for collaboration among social society, media industries, academic institutions and other stakeholders (Livingstone, 2011 cited by Bilješka, 2012:7). In the digital era, although members of civil society are technologically equipped to distribute their opinions independently from political institutions and mass media, they still depend largely on debate in the public sphere that is broadcasted by the

media (Bilješka, 2012:7). The aforementioned statement is a typical observation of South African civil society that is strongly dependent on media broadcasting on political and governance issues (Bilješka, 2012:7). Corporate governance in the context of South Africa is measured against the country's legal framework, which includes laws, regulations, codes of best practice such as the King Reports, and company constitutions (Naidoo, 2016:37).

Good corporate governance is primarily about management and leadership that are effective with key drivers such as ethical standards of responsibility, accountability, fairness and transparency (Naidoo, 2016:3). *Principle 1.1* of the King III report, published in 2009 by Institute of Directors (IOD) in Southern Africa, states that “the board should act as the focal point of corporate governance” (IOD, 2009:21). In terms of South Africa as a country, “the board” can be seen as the “government”. Furthermore, the concept of good corporate governance is also described by the King IV™ Report (2016) as “*wholesome leadership*” in practice, which has its foundations in effective and ethical leadership. The state of governance in South Africa is often reflected by the country's organisations, which will be referred to as state owned entities (SOEs) in this research.

Naidoo (2016: 353) argues that the importance of good corporate governance in SOEs cannot be over emphasised in order to ensure effective governance, since it is essential to the success of the entity itself and those who are impacted upon by it. The ratings agency, Moody's, has announced that a probable downgrading for many of the SOEs would occur as a result of poor corporate governance practices (Business Day, 2017). Events of this nature may be closely associated with poor governance practices in SOEs, such as ESKOM (Business Day, 2017). The aforementioned SOE, amongst others, has appeared frequently in media reporting in recent years.

A South African multi-platform news publisher, Eyewitness News (EWN), recently published an article (30/01/2018) entitled “*ESKOM board thanks media for exposing corruption*” (Nicolaidis, 2018). ESKOM released its interim financial results in January 2018, which show a dire financial situation. The SOE's executive management confirmed through EWN media reporting that issues of poor governance and corruption at the power utility have contributed to the financial situation (Nicolaidis, 2018). The City Press, in collaboration with News24, published an article authored by Alex Mitchley (15/05/2017) that stated “*ESKOM*

couldn't accept "good governance": Manual roasts Molefe, Brown". This media publication made specific reference to the ESKOM board's responsibility for providing direction and leadership in order to ensure good corporate governance (Mitchley, 2017).

The South African newspapers and news media that frequently report on governance issues in ESKOM include: 1) News24, 2) Times LIVE, 3) City Press, 4) EWN, 5) Netwerk24, 6) Sowetan LIVE, 7) eNCA, 8) Mail and Guardian, 9) Citizen, and 10) Media24 (Marklives.Com, 2017). Reports on governance issues are also published in other news platforms (not previously listed); however, for the purpose of this research, a selected number of media platforms will be chosen. News articles on governance-related matters in the ESKOM will be critically analysed and assessed against the world governance indicators (WGI).

The state of governance in ESKOM, as reported through media platforms, will thus be measured against the WGI, which include the following: 1) voice and accountability, 2) political stability and absence of violence, 3) government effectiveness, 4) regulatory quality, 5) rule of law, and 6) control of corruption. The WGI can thus be considered as an effective tool to measure the quality of public services, civil services and an SOE's degree of independence from political interferences, as well as the quality of policy formulation and implementation (WPP, 2010: 6). In addition to the latter, the *Organizational Performance Instrument* based on sustainability dimensions (economy, society and environment) will be applied in combination with the WGI to assess and evaluate ESKOM's performance (Crucke and Decramer, 2016:1). This instrument was selected due the nature of this study and the growing interest in sustainability for organizations to measure their responsibilities and reporting on non-financial performance in particular.

1.1 PROBLEM STATEMENT

ESKOM is a monopolistic power utility in South Africa that generates approximately 95 percent of the electricity used by South Africans as an essential service. In addition, 45 percent of the total electricity produced is supplied to other African countries (Thomas, 2012: 455). Eskom therefore provides a service that is critical for everyday and economic activities. According to the Thomas (2012: 455), the number of media reports regarding ESKOM over the period of two years under review totalled 6 269. It became evident from these reports

that ESKOM, amongst other SOEs, has been lacking in compliance with internal and self-regulated governance demands.

In recent years (over the last decade), growing evidence published in various media sources supported the idea of poor governance practices in ESKOM. Therefore, this research arises from the frequent publishing of governance-related issues in media platforms regarding ESKOM. Additionally, an interest in the state of governance transgressions became a central part of this investigation, which will be measured against the WGI. Thus, the main research question is as follows: “What is the state of governance in the South African public entity, ESKOM, measured against the WGI, as ascertained through media reports?” A sub-question to the main research question is “What are the governance transgressions made by ESKOM that appear frequently in media reporting?”

1.2 AIM OF STUDY

The main aim of this study is to determine the overall state of governance in the public entity, ESKOM, measured against the world governance indicators and organisational performance indicators based on sustainability dimensions. These dimensions will include performances of the ESKOM in terms of the economy, society and environment. This will subsequently assess and evaluate governance transgressions in ESKOM as published in online South African media articles and sources.

1.3 RESEARCH OBJECTIVES

The research objectives of this study are as follows:

- a. To determine ESKOM’s organisational performances based on sustainability dimensions to assess and evaluate how the organisation perform in terms of the economy, society and environment. The organisation’s triple bottom line approach and achievement.
- b. To determine the state of governance in ESKOM according to the WGI as appears media reports;
- c. To identify which indicators within the WGI are areas of concern;
- d. To suggest the governance transgressions in ESKOM that should be given priority;

- e. To discuss possible implications of the major findings that might hamper the mandate of ESKOM as an essential service provider;
- f. To give recommendations and potential mitigation measures that could be considered by public entities in terms of improving governance practices.

CHAPTER 2: LITERATURE SURVEY

In this chapter, literature will include books, scholarly articles and texts on governance generally, and a specific focus will be placed on media reporting on governance and ethics and any relevant frameworks. It will also refer to applicable laws, legislation and governance principles relating to media reporting, communication, and media ethics, globally and within the South African context. This chapter will also draw significant data and articles from a representative sample of national news media over a period of time that focus on ESKOM.

2.1 ROLE OF MEDIA IN GOVERNANCE REPORTING

Castells (2008:78) is of the opinion that the public sphere comprises the milieu of communication of concepts and projects that emerge from communities, which are primarily addressed to decision-makers in public institutions. The media play an important role in terms of providing information to the public and in shaping opinion. Reporting on any issue needs to be undertaken in an impartial and unbiased manner. Sebola (2012: 410) argues that independent institutions (with reference to print and broadcast media) may look into the activities of the public sector with a serious judgement, since their neutrality is a relative concept used in the framework of individual bias in the public and political environment. According to Costanza-Chock (2006, cited by Castells, 2008:85), the globalisation of communication leads to the globalisation of media politics. The idea of media politics is closely related to the mobilisation of people or society in supporting or rejecting participation in public interventions. In doing so, the media is able to put pressure on government or government institutions, especially where voting to keep government in power is a concern (Castells, 2008:85). Schwella (2013:65) stated that when manifestations of corruption are being considered, many examples of bad leadership in the South African public leadership are often found in media. Schwella (2013:88) investigated the case of Jackie Selebi and showed how public and media oversight might finally bring accountability, even under circumstances of serious challenges.

Olum (2014:614) argues that media should be seen as a fundamental to investigating and exposing any factors that hinder governance in a country (e.g. proper accountability or

effective service delivery). Liberalised media, which include the press and FM radio stations, have become a vanguard for morality and responsibility in terms the performance of a country, despite the harassment that the media sometimes encounters (Olum, 2014:617). Bird and Garda (n.d.:1, cited by Sebola, 2012:413) stated that one of the characteristics of media is the notion of propaganda, which is often fulfilled through the use of media in a country. However, state propaganda rests in its ability as an ideology to legitimise and validate the state. Sebola (2012:413) is thus of the opinion that democracies in African countries currently experience media that is friendly to governments, while, on the other hand, some media is not considered as government-friendly.

Media plays two significant roles in a democracy; firstly, it mobilises citizens to make informed decisions, rather than broadcasting information that is not reliable; and secondly, information serves as a checking function to prompt those elected to uphold their promises (Sebola, 2012:413). The latter is often experienced during the voting process, especially in terms of voting for a government that promises in its manifestos to improve service delivery. In the case of South Africa, there are a number of national TV stations (e.g. SABC 1, 2 and 3), while privately funded stations are accessed through pay-for-view channels (e.g. M-NET, SOWETO TV and Cape Town TV). According to Sebola (2012:414), about thirty-eight radio stations exist in South Africa (national and community) as well as over ten national newspapers, including Business Day, Daily Sun, Mail and Guardian, Rapport, Sowetan, Sunday Independent, Sunday Times, Sunday Sun, Sunday World, The Citizen and City Press.

The SABC TV stations are seen to comprise South African state-owned broadcasting, and their role in the South African democracy and good governance is currently casting doubt on the neutrality of its reporting due to its friendly ties with the ruling party of the country (Sebola, 2012:414). Moreover, it was observed that public officials leaving the ruling party often receive negative reporting from the same channels. In contrast with this view of 'state' of reporting is the reporting covered by a certain private channel, which is the most feared station in the country (Sebola, 2012:415). This TV station's investigative journalism is responsible for the downfall of many public figures and has also helped to keep politicians and public officials accountable in performing their duties. News media in South Africa have been subjected to the regulation of their actions that is aimed at limiting their freedom in one

way or another. The latter intention was manifested through the suggestions of the ruling party for the introduction of the Media Appeals Tribunals, which can be seen as government's intention to limit press freedom in South Africa (Sebola, 2012:415). Sebola (2012:416) also stated that South African radio stations, like the SABC stations, are so called "national radio stations" and are aligned to the ruling government; thus, broadcasting may pose major challenges in term of neutrality. Although the latter refers to a number of traditional media platforms, the South African public domain is also scrutinised by social media.

In a recent study, Stamati et al. (2015:12) explored the use of government social media for purposes of openness and accountability. An extended literature study highlighted a number of benefits of social media, especially in the context of enhancing citizen participation and engagement in decision-making (Stamati et al., 2015:15). In addition, social media is a platform to facilitate openness and transparency, which can ultimately reduce corruption and enhance good governance in the public domain. Mushwana and Bezuidenhout (2014:63) investigated the perceptions regarding the state of developing and implementing social media in companies in South Africa. It has thus become evident from their study that social media comprises a part of the internal audit universe in most companies, and one of the findings was that companies and internal audit functions have not yet fully understood the nature and potential negative impact that social media may have on business. Although the impact of social media on companies has been widely published globally, less has been published in the context of South Africa (Mushwana and Bezuidenhout, 2014:64). Klinger and Svensson (2014:1) have proposed a concept of network media logic, which is aimed at discussing how online social media platforms change political communication, without the restoration to technological determinism or normalisation. This will lead to different ways of producing content and distributing information and using media.

2.2 CORPORATE GOVERNANCE IN SOUTH AFRICA

The concept of "*good corporate governance*" is characterised by a number of key drivers such as ethical standards, which include: 1) responsibility, 2) accountability, 3) fairness and 4) transparency (Naidoo, 2016: 3). Many organisations, globally, often fail to adhere to these standards, which can be referred to as "governance failures". The King Codes on Corporate

Governance, published by Institute of Directors (IoD) (1994, 2002, 2009), strongly influence corporate governance in both the private and public sectors of South Africa. Although this code plays a prominent role in influencing governance in SOEs, such as ESKOM, the Public Finance and Management Act (1999) and other related Protocols on Corporate Governance published by the Department of Public Enterprises also regulate governance in South Africa, and in particular in the public sector. Wang et al. (2009:106) refers to globalisation as the process whereby the world's economy is transformed, which enables private-owned companies to relocate to countries with good corporate governance and ethical practices. Rossouw (2005:95), on the other hand, proposes that the realisation exists in Africa that sound corporate governance is aimed at attracting foreign investment, and which can prevent corruption or unethical business behaviour. South African companies have some control over some governance transgressions, and this can be considered as symptomatic of strategic weakness, especially in an economy that is competing globally (Williams, 2010:34). This statement includes governance failures that are characterised by the following:

- Ineffective leadership and lack of proper managerial strategies, as well as instability in executive leadership (Klein, 2010, cited by Thomas, 2012:451).
- Unsuitable incentives or rewards that are not linked to performance outputs, or in some instances, an SOE underperforms, while its board members receive excessive payments and benefits (Theunissen, 2010, cited by Thomas, 2012:451).
- Mismanagement of resources and irregularities that include fruitless and wasteful expenditure, which are some of the issues that are listed as concerns in SOEs (Thomas, 2012:451).

Within the governance framework, it is often found that the board and the management of companies are focused on compliance, rather than on the business of an enterprise (IoD, 2009:7). However, in the case of a trading enterprise, it is the duty of the board to undertake risk in order to improve the economic value of a company (IoD, 2009:7). The Co. Act further legislates in respect of state-owned companies (defined in the Public Finance Management Act (PFMA)), and all companies have to prepare annual financial statements, subject to limited exceptions from the statutory requirement for an external audit of financial statements (IoD, 2009:11). Therefore, the board should consider sustainability as a

business opportunity, since the primary objective for the existence of a business enterprise is to create value, which could narrowly be viewed as financial value for shareholders (IoD, 2009:23). The notion of value in terms of the TBL evaluates the performance of social, economic and environmental areas (IoD, 2009:23). The board and senior management should use every endeavour to promote a culture that supports enterprise and innovation, in-line with the short-term and long-term rewards that are fair and realisable (IoD, 2009:43).

Lekhanya and Mason (2014:1) conducted a study on small businesses in rural areas of South Africa and found that some of the major factors affecting enterprise development are lack of access to finance (or funding) and shortage of skills, amongst others. Promoting enterprise development (small, medium, micro enterprises) creates an enabling environment which reduces unemployment, providing jobs that are more sustainable (Peters and Naicker, 2013:13). Accordingly, the government of South Africa has identified a number of initiatives to not only address unemployment challenges, but also to foster skills development to create a more equitable distribution of wealth across the country.

2.3 CORPORATE GOVERNANCE, SUSTAINABILITY OR THE TRIPLE BOTTOM LINE

McKenzie (2004:1) states that sustainability has become a broad, multi-focal agenda where terms such as “triple bottom line” and “sustainable development” are being implemented interchangeably. The concept of “triple bottom line” (TBL) was developed by John Elkington (an environmentalist and economist) in 1997 and has an everyday use internationally to describe the approach of corporate reporting on environmental, social and economic matters (McKenzie, 2004:6; Elkington, 1999:75). The TBL is an approach for assessing performance and managing the interdependence of economic, environmental and social criteria, and is aimed at reporting, assessing and improving an organisation in terms of sustainability (Nagawat and Mathur, 2011:146-147). Therefore, the TBL is used in the process of managing, measuring and publicly reporting multi-dimensional performance and integrating with management processes (Nagawat and Mathur, 2011:147). Furthermore, TBL is considered as an important tool to support sustainability goals, with respect to performance

along interrelated dimensions of the three 'P's (people, planet and profits) (Nagawat and Mathur, 2011:147).

The King III Report is the third report on governance in South Africa, which has become a necessity due to the expected new Companies Act (Co. Act) and international governance trends (IoD, 2009:6). The Co. Act (Act. No. 71 of 2008) was signed by the South African President on 8 April 2009 and published in the Government Gazette (No. 32121) (Government Gazette, 2009:2). The Co. Act should be seen to be a responsible corporate instrument by the board of companies that does not undermine the sustainability of its social and natural environment, but rather as a tool to protect and develop them (IoD, 2009:21). According to the IoD draft report on Governance in South Africa (entitled "The Business of Leaders") published in 2009, extensive attention on sustainability issues is growing, globally and locally, because companies form an integral part of society (IoD, 2009:15). Therefore, companies are expected to be seen as decent citizens with regard to the implementation of the TBL approach.

Corporate citizenship that is accountable can be referred to as an ethical relation between a company and its neighbouring communities or the society it operates in (PWHC, 2009:5). The concept of corporate citizenship is explained more concretely in the King III Report, which places specific emphasis on the missing links between ethical leadership, company strategy and sustainability (PWHC, 2009:5). Sustainability in terms of the three 'P's (people, planet and profit) is referred to as the TBL, which makes a significant contribution to the principles of the King III Report. In the light of companies being seen as responsible citizens, the following recommendations, amongst others, should be considered: 1) not only considering financial performance, but the also the impact on society and the environment; 2) promote the well-being of the economy, society and the environment; 3) company performance and interaction with stakeholders is guided by the legislation; 4) ensure that quantifiable corporate citizenship programmes are implemented; and 5) ensure the management develops corporate citizenship policies (PWHC, 2009:6).

2.3.1 Examples of TBL Applications

A study conducted by Fauzi et al. (2010:1345-1360), entitled 'Triple Bottom Line as "Sustainable Corporate Performance": A Proposition for the Future', revised corporate performance, corporate financial performance and corporate social performance, and proposed the TBL as constituting sustainable corporate performance (SCP). Fauzi et al. (2010:1354) presented a proposition for the future that states that SCP should replace the traditional TBL and include the following elements, namely 1) financial, 2) social and 3) environmental. Appendix Tables 1-3 list three case studies with practical examples of implementing the TBL (Gold et al., 2013:788). The companies (or their projects) Danone, BASF and Nestlé used the TBL approach to 1) provide affordable nutritious food products, 2) provide condensed vitamins and minerals to enrich food products, and 3) provide a supply of raw materials for milk production, respectively. In all case studies, the significant contributions towards sustainability, TBL and enterprise development, are highlighted. These case studies show innovative aspects as being part of sustainable enterprise development and TBL objectives that are fair and achievable. In terms of the TBL, the following important views toward the three Ps are listed below regarding how businesses or policies can be adapted:

- A business (or company) has a responsibility towards its employees and society (and the communities in which it operates). Companies that follow the TBL approach always consider their actions and impacts on the people involved with them by offering better working conditions and do not exploit their labour force (Nagawat and Mathur, 2011:148).
- Policies and practices that are environmentally friendly are priorities for companies that follow the TBL approach (Nagawat and Mathur, 2011:148). Such companies try to avoid harmful exposure of those that may work in hazardous environments, as well as the disposal of harmful products into the environment (Nagawat and Mathur, 2011:148). These companies adopt "Going Green" policies and make profit through the use of renewable energy sources (Nagawat and Mathur, 2011:148).
- TBL Companies work without negative impacts on social and environmental surroundings, and when calculating their organisations' profitability, they consider the costs of pollution, employee displacement costs and various other costs that may affect the community (Nagawat and Mathur, 2011:148). They focus on making profit that is

helpful for the whole community and not only beneficial to the shareholders and management (Nagawat and Mathur, 2011:148).

The International Labour Organization is known to promote a people-focused and sustainable approach to enterprise development (ILO, 2014:2). Sustainable enterprises are aligned with enterprise-related growth and create jobs with sustainable development goals (ILO, 2014:2). Due to the fact that the operations of a sustainable enterprise may affect the environment, such enterprises should not only contribute to inclusive growth, job creation and reduction of poverty, but also make significant contributions towards mitigating climate change effects and promoting environmental sustainability (ILO, 2014:2). In addressing the previously mentioned challenges such as environmental impacts, enterprises can apply and use best-fit technologies and respond to the growing demand for green products and services as a business opportunity (ILO, 2014:2).

2.4 CORPORATE GOVERNANCE PRINCIPLES

According to Business Day (2005, cited by Mokoena, 2005:5), the South African Government (through its Department of Public Enterprises) has made it clear that SOEs should be managed in line with strict corporate governance principles. The principles specific to State Owned Entities (SOEs) that are aligned to general principles were introduced within the *Guidelines on Corporate Governance* of SOEs (OECD, 2005). These principles, together with the framework of governance practices and potential data sources, are explained in Table 2.1 below:

Table 2:1: Principles aligned to Governance Practices for Eskom and proposed Sources of Data

Governance practice principles (Thomas, 2012: 458)	SoD
<u>Principle 1: Corporate Governance Framework:</u> Eskom's adherence to general laws and regulations, to mandate, avoidance of anti-competitive acts, and no price collusions.	MA
<u>Principle 2: Key Ownership Functions:</u> The energy utility will adhere to the following: 1) no political interference in operational activities and/or board decisions; 2) form committee structures; 3) effective operational performance; and 3) fair remuneration of board and executives to ensure sustainability.	MA AR
<u>Principle 3: Equitable Treatment of Shareholders:</u> Eskom's shareholders have access to information as well as active communication and consultation with all shareholders.	AR
<u>Principle 4: Role of Stakeholders in Corporate Governance:</u> Eskom provides regular reporting on stakeholder relationships, developing internal code of ethics and discloses issues that impact stakeholders.	AR
<u>Principle 5: Disclosure and Transparency:</u> This principle will focus on Eskom's regular annual reporting, sound accounting and auditing standards, annual external audits and full risks disclosure.	AR
<u>Principle 6: Responsibilities of the Board of Directors:</u> An evaluation of Eskom's performance in terms of the following governance aspects: 1) Full accountability to the government (AR); 2) Annual appraisal of board performance (AR); 3) Monitoring of management (including of ethical transgressions and reputational risk) (MA); 4) Clear direction and strategy provided by board (AR); 5) Constructive relationship between board and CEO (MA); 6) Absence of conflicts at board level (MA); and 7) Board composition that ensures objective and independent judgment (AR)	AR MA

ESKOM's business conduct policy is based on ten ethical principles, for employees in all capacities, to serve as a basis on which to empower them in order to ensure ethical conduct in work relationships and stakeholders (Mokoena, 2005:11). Potts and Matuszewski (2004, cited by Mokoena, 2005:16) are of the opinion that it is necessary for ethics to be an integral part of organisational culture; therefore, the board should be aware or create awareness of the importance of corporate ethics and values.

The following ethical principles were formulated and adopted in terms of ESKOM's business conduct policy:

- i. All duties are performed with honesty, integrity and to best of employees' ability.
- ii. All people are treated with fairness, consideration and sensitivity with respect to their rights.
- iii. For their actions and decisions, they need to take accountability.
- iv. Behaviour should be in a way that is above reproach.
- v. Compliance with all rules, procedures and regulations that are applicable to ESKOM and the way the organisation conduct business.
- vi. The use of information should only be for the intended purpose.
- vii. Respect should be given to all ESKOM's assets and property. Thus, ESKOM's resources and time should not be wasted.
- viii. Share and declare information related to any conflict of interested.
- ix. Refuse gifts that could be regarded as an attempt to influence you.
- x. Challenges others that may react in an unethical way.

2.5 WORLD GOVERNANCE INDICATORS (WGI)

The concept of WGI is defined as comprising the customs and institutions by which authority in a country is exercised, and includes the processes by which governments are elected, monitored and placed (The World Bank Website, 2018). These indicators provide an instrument to measure the capacity of governments to effectively formulate, implement sound policies along with civilisation and the state for institutions that govern social-economic interactions among them (The World Bank Website, 2018). Failure in good corporate governance has become a global concern; thus, the world governance indicators

(WGI) were developed to cover 200 countries and territories, and measure six dimensions of governance (Kaufmann et al., 2010:4).

2.5.1 World Governance Indicators (WGI)

The WGI project was developed as a cross-country initiative, consisting of six indicators of broad dimensions of governance, covering several hundred variables obtained from 31 different data sources (Kaufmann et al., 2010: 2). These indicators are used to capture governance perceptions as reported by survey respondents, non-governmental organisations, commercial business information providers, and public sector organisations, worldwide (Kaufmann et al., 2010: 2).

2.5.2 Voice and Accountability (WGI 1)

This measures the extent to which citizens participate in selecting a government; freedom of expression; freedom of association; and free media (Kaufmann et al., 2010:4).

2.5.3 Political Stability and Absence of Violence (WGI 2)

This involves perceptions of the probability that government will be destabilised or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism (Kaufmann et al., 2010:4).

2.5.4 Government Effectiveness (WGI 3)

This measures perceptions of the ability of public services; the quality of civil services and their degree of independence from political pressure; the quality of policy formulation and implementation; and the credibility of government to commit to these policies (Kaufmann et al., 2010:4).

2.5.5 Regulatory Quality (WGI 4)

Perceptions of the ability of the government to formulate and implement sound policies and regulations to promote private sector development are considered under this measure (Kaufmann et al., 2010:4).

2.5.6 Rule of Law (WGI 5)

This measures perceptions of the extent to which agents have confidence in and abide by the rules of society, quality of contract enforcement, property rights, the police, and likelihood of crime and violence (Kaufmann et al., 2010:4).

2.5.7 Control of Corruption (WGI 6)

Perceptions of the extent to which public power is exercised for private gain (petty and grand forms of corruption), as well as capturing the state by elites and private interest groups, are considered under this measure (Kaufmann et al., 2010:4).

The variables associated with the WGI indicators measure the traditions and institutions by which decision-making and/ or authority in a country implemented (Winters and Martinez, 2015:522). It is believed that the WGI are most appropriate operationalisation for measuring governance effectiveness and it was found that results seem to commonly reinforce the notion of an overlap between the WGI, with no clear preference for one indicator over another (Winters and Martinez, 2015:527). Cilliers and Aucoin (2016:5) investigated the state of politics and growth in South Africa and applied the World Bank's global governance indicators, finding that governance effectiveness and control of corruption had declined steadily since 1997 (see Appendix Figure 1). This study further discusses various governance issues related to social foundations or rising political instability in South Africa. An important conclusion made from this study is that South African state-owned institutions have been experiencing governance problems from constantly shifting policy direction, especially when considering media reporting on overall poor management and political cooperation with electricity crisis (Cilliers and Aucoin, 2016:18).

CHAPTER 3: RESEARCH METHODOLOGY

3.1 RESEARCH APPROACH OVERVIEW

This research study adopted mainly a qualitative approach, but also included aspects from a quantitative approach which gives two advantages according to Choy (2014:101). The overall goal was to convey numerically what is being seen in the research and to arrive at specific and observable conclusions. Using a deductive approach will assist the researcher in understanding the subject and to ultimately answer the primary research question (Bryman et al., 2014: 31).

3.1.1 Research paradigm

Associated with the strong qualitative approach, this study followed an interpretive paradigm, which provides a deep insight into complexity. Interpretive research accepts that reality is socially constructed, and the researcher becomes the vehicle whereby this reality is revealed (Cavana, et al., 2001). Researchers who apply interpretive research seek experiences and perceptions of individuals for their data instead of relying on numbers of statistics (Thanh and Thanh (2015: 26).

3.1.2 Research design

The rationale behind the chosen method was explore the state of governance in ESKOM as a public enterprise; therefore, the following aspects were considered in the design of the research:

- The researcher collected the relevant information through an extensive literature search, consulting scholarly literature by means of academic journal articles, books, online media articles, dissertations and legislation.
- The objective of this literature review was to explore governance transgression trends in previously published literature. Given the orientation of this study, the researcher aimed to explore governance issues reported in online media articles.
- The WGI is used as a primary instrument in clustering governance related contents.

- In addition, published literature on instruments to measure organizational performance was also applied with specific emphasis on aspects related to sustainability or the triple bottom line.

3.2 METHOD OF DATA COLLECTION AND SAMPLING

According to Creswell (2009:178), it is important for the researcher to clarify boundaries by purposefully selecting documents that will assist in understanding the research problem and subsequently answering the research questions. The data collected from the selected news sources were used in the analysis. The selection of news sources for this study was based on widespread usage of news media by South Africans.

3.2.1 Sampling procedure

The sampling procedure was carefully designed to extract relevant articles, opinion pieces, columns and news reports that would be appropriate for this study. A maximum of 53 articles, collected from three news platforms, will be analysed. Limitations occurred, since there were occasions where no governance related articles on ESKOM are published. However, the aim of the sampling was to analyse the maximum number of articles. Bakare (2013:38, cited by Thompson, 2016:71) refers to this practice of sampling as “*purposive sampling*”, especially when limited to selected sources over a fixed period. To access the media responses to governance issues and other related matters in ESKOM, articles and content from three different media platforms were collected. The data collection period commenced on 31 July 2017 and continued for a period of 12 consecutive months (until 31 July 2018). The selection period is based on two aspects, namely 1) an appropriate time frame within the overall study period, and 2) ESKOM’s frequent appearance in different South African media platforms. Therefore, for the purpose of this study, the following South African news media platforms in English were selected:

- The Sunday Times
- Eye Witness News (EWN)
- South African Broadcasting Commission News (SABC News)

Only articles published online by the above-listed news media platforms were used for the analyses in this study.

3.2.2 Source types and characteristics

Table 3:1: Media sources used in current study

News Source	SA: Readerships / Listenership / Users/ Circulation
Sunday Times	Readership 3 411 000 (Jan. 2012-Dec.2012) and Circulation of 368 974* by 2013 (Politicsweb, 2018)
EWN	EWN currently has about 1,4 million unique users and 7 million page views. It is currently ranked as the 4th biggest news site in South Africa, according to Effective Measure (2018)
SABC News	The SABC's on-line news service, SABCnews.com attracts an average of 600 000 site visits a month (Media Club South Africa, 2019).

3.2.3 Sampling period and frequency

A period of 12 months (31 July 2017 – 31 July 2018) was chosen because of the extensive volume of news articles available on ESKOM in diverse media sources. The sampling period was deemed current and sufficient for purposes of answering research questions, since many governance-related changes have transpired in ESKOM during the selected period. The sampling period consisted of approximately 53 weeks, and a minimum of one news article per news source was examined. A minimum of one article on ESKOM was collected weekly for analysis. In instances where more than one article was published regarding ESKOM in a week, the most popular article was selected.

3.3 DESCRIPTION OF MEDIA SOURCES

3.3.1 Sunday Times – Online

The Sunday Times is South Africa's biggest Sunday newspaper (readership of 3 411 000 – Jan. 2012 to Dec. 2012; circulation of 368 974 for Q2 circulation in 2013). There are three

sub-newspapers as parts of the Sunday Times group that are published in South Africa. These newspapers are 1) Times Select, 2) TimesLIVE, and 3) TshisaLIVE. All these newspapers publish content as both printed newspapers and online articles. The Sunday Times is marketed to be a “paper for the people” that can relate to any person of any interest, profession, character, age and gender. The sub-newspapers are specifically intended to reach a broader South African audience (Times Live, 2018).

The newspaper covers all major national and international news events, while also focusing on aspects such as influential columnists, analysis, lifestyle content, sport and entertainment. Its audience ranges from students, people influenced by a working/office environment, business people and anyone who is interested in keeping abreast of local and international affairs. Amongst other news events, this newspaper also publishes content of governance issues that occur in the spheres of government. In recent years, the newspaper has published numerous articles on governance aspects in state-owned enterprises (Times Live, 2018).

The Sunday Times has many policies in place that protect the newspaper as an outlet for freedom of speech, as well as protecting the interests and opinions of the reader. There are acts that readers are prohibited from doing, including (but are not limited to) framing, modifying, distributing, commercialising, exploiting or altering of the Sunday Times website or the website content or incorporating any part of the website content in any other work or publication. As a reader (or in the case of this study, as a researcher), a person must understand that the use of the Sunday Times website and the use of the website content is made entirely at a person’s own risk (Times Live, 2018).

3.3.2 Eye Witness News (EWN) - Online

EYE WITNESS NEWS (EWN) is a South African multi-platform news publisher that focuses on local and international breaking news. This news platform is aimed at keeping South Africans informed with accurate news through radio, desktop and mobile devices. EWN focuses on the latest local and international business and political news that involve many aspects, such as governance failures and other issues concerning South Africans (Primedia Broadcasting, 2018).

EWN allows the audience to see when the EWN website has added new content, and the audience can get the latest headlines as soon as they are published, without having to visit the website. It has many ways whereby the audience can stay informed, for example by receiving news via the EWN WhatsApp news briefs. EWN caters for different audiences, and is especially a convenient media source for traffic updates for those who are constantly traveling on the road. EWN is available on PRIMEDIA broadcasting 94.7, 702, KFM, and the Cape Town Talk radio station, and currently has 1.4 million users and 7 million page viewers (Primedia Broadcasting, 2018).

The EWN website is currently ranked as the fourth largest news site in South Africa. EWN policies are aligned with the policies of PRIMEDIA broadcasting, and these policies include public access to the personal information they publish about an individual or company. The privacy laws are affiliated with the laws of the Broadcasting Complaints Commission of South Africa. These policies protect what the EWN publishes, as well as protects and restricts the reader (Primedia Broadcasting, 2018).

3.3.3 SABC News – Online

The South African Broadcasting Commission (SABC) inspires change through enriching, credible, relevant and compelling content that is accessible by all and is aimed at educating, informing and entertaining all audiences from different walks of life. The SABC is strongly value-driven and strives to achieve this through conversations and partnerships, restoration of human dignity, and building a common future. The SABC is not solely limited to the television broadcasting, and has various media platforms which include radio (SABC website).

The main objective of the SABC is to supply broadcasting and information services to the general public in South Africa and beyond its borders, and to achieve the objectives as set out in the Broadcasting Act, 4 of 1999, in accordance with the objectives set out in the Independent Broadcasting Authority Act, 153 of 1993. SABC news does not have one focus or topic; it strives to broadcast information that is relevant to the world around us (SABC website).

The SABC also emphasises news events that emerge on a national and local level with headlines that always relate to the people and community. SABC news bulletins provide updates on breaking news, sport, weather, lifestyle, business, and national and international politics. Not only does the SABC provide information that comprises on-going political stories, it also follows the story and provides the latest updates (SABC website).

3.4 MEASUREMENT INSTRUMENTS

Figure 1 below gives an illustration of the measuring instruments or tools applied in this study. The WGI previously discussed in this study was used to classify news media content, while a modified “organizational performance” measurement instrument, originally developed by Crucke and Decramer (2016:5) was applied to further measure the media reactions in terms of ESKOM’s performance. The measurement instrument for the purpose of this study will be referred to as the “WGI Organisational Performance” measuring tool.

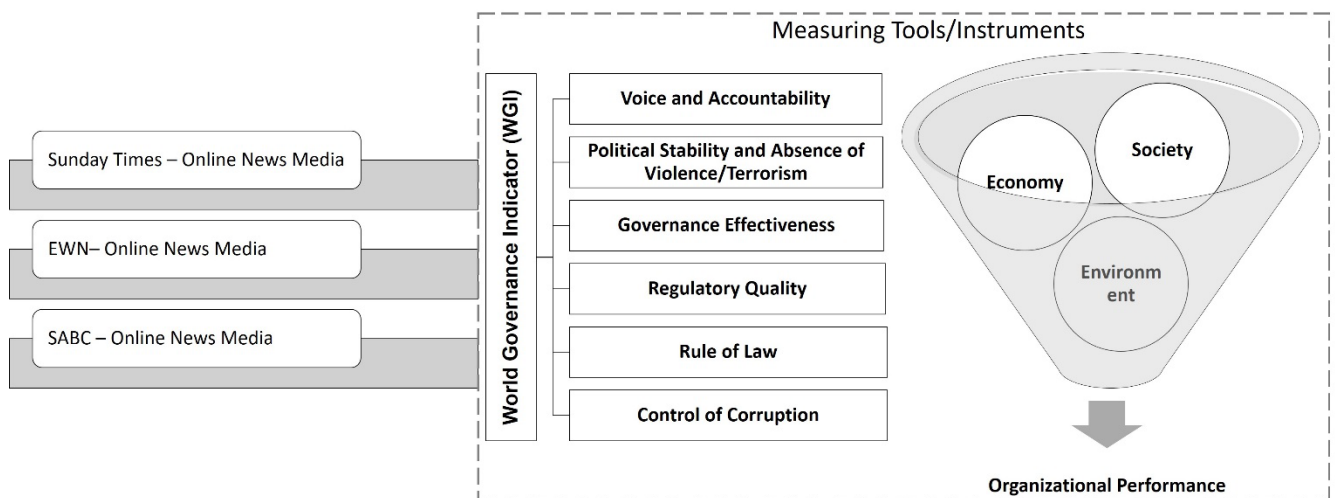


Figure 1: An illustration of the measurement instruments applied in this study

- a) *Economic performance* – measure the conditions that support strong financial position and economic indicators influencing financial indicators (Crucke and Decramer, 2016:5) as reporting in news media sources.
- b) *Society (community) performance* – how ESKOM as an organization deals with its responsibilities in society including their interactions or relations with key stakeholders

which include beneficiaries of the social operation and customers (Crucke and Decramer, 2016:6). An example could be, paying for products and services delivered.

- c) *Environmental performance* – This dimension of the organization's performance focuses on the efforts that ESKOM will make to protect nature (Crucke and Decramer, 2016:6) or the environment it is operating in.

Scores and percentage calculations

Key concepts isolated from media content were allocated to specific WGI and marked according to performance domains (a-c). The sum total of all domains associated with each of the WGI was determined, as well as the sum total for each performance domain to determine percentage. Media contents were also classified as negative or positive reactions, which are indicated as "actual number of reactions" associated with a WGI.

The application of the WGI & Organisational Performance measurement instrument

1. Identify or record the actual number of occasions, a specific media source reports on content related to an indicator (WGI).
2. Determine whether the content in media articles were negative or positive and give a score based on the action number of reactions.
3. Classify content key concepts according to the following sustainability dimensions: economy, society and environment. Count the total sustainability score and determine a percentage for each dimension, e.g. economy (40%), society (35%) and environment (25%).
4. Highlight media content associated with the dominant sustainability dimension.
5. The overall view of the measurement instruments on the governance in ESKOM specific WGI (give name) linked to the dimensions of sustainability.

CHAPTER 4: RESULTS

Results and analyses obtained from applying the WGI & Organisational Performance measurement instrument are presented in Tables 4.1 – 4.18.

4.1 RESULTS: CONTENT ANALYSES

4.1.1 Voice and Accountability

Table 4:1 Sunday Times – Voice and Accountability

Voice and Accountability	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
Media Keywords and Headlines	2	5	
1. Financial position, tariff increase 2. Corruption, state capture, rethink processes 3. Eskom interim results 4. Eskom is insufficient, discriminators in energy 5. Overstaffed, too many overheads, cash flow problem 6. 'Racist' remark on radio ad 7. Overstaffed, too many overheads, cash flow problem	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	60%	40%	0%

The Sunday Times news media reported on *Voice and Accountability* during seven occasions, while the sustainability dimensions appeared at least 9 times. The content focussed mostly positive reactions of ESKOM as indicated in Table 4.1, while only 2 negative reactions were recorded. The organisational performance measured on basis of sustainability dimensions shows that the economy dimension was dominant (60%), while society consisted of 40% thereof. No percentage were recorded in terms of environment under this specific WGI. The influence on the economic dimension of the ESKOM organisational performance associated with the following aspects: financial position;

corruption and cash flow problems. The measurement instruments give an overall good view on ESKOM in terms of *Voice and Accountability*.

Table 4:2 EWN – Voice and Accountability

Voice and Accountability	Actual Number of Reactions Recorded		
Media Keywords and Headlines	Negative Reactions	Positive Reactions	
	4	9	
1. Eskom report 2. Infrastructure not maintained 3. Eskom’s credibility 4. Evidence leadership 5. SA economy, budget review, budget speech 6. New employees, expertise in the business sector 7. Financial challenges 8. Qualified individual to managed or run an organisation 9. Financially stranded power utility gives employees a total bonus amount of R4.2 billion 10. Shortages at seven stations 11. Utility is experiencing coal shortages at seven of its power stations 12. Unions pushing for a figure of 9%. 13. Wage related talks; Disruption of power supply	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	50%	37.5%	12.5%

EWN reported on *Voice and Accountability* during 13 occasions, while sustainability dimensions appeared 20 times. The content focus was mostly positive (9 reactions), while 4 of the occasions were associated with negative reactions (Table 4.2). The organisational performance was dominated by the economy dimensions (50%) followed by society (37.5%) and environment (12.5%). Media contents influencing the dominant dimension were the

following: ESKOM report, ESKOM credibility, evidence of leadership, South Africa economy, budget review and speech, financial challenges, financial position or organisation and disruption of power supply (Table 4.2).

Table 4:3 SABC – Voice and Accountability

Voice and Accountability	Actual Number of Reactions Recorded		
Media Keywords and Headlines	Negative Reactions	Positive Reactions	
	4	1	
1. Financial crisis, run a loss 2. Coal supply contractual obligation 3. Financial trouble, bad corporate image 4. Incorrect assumptions 5. Settle the wage negotiations	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	67%	33%	0%

The SABC reported on *Voice and Accountability* during 5 occasion, making reference to the sustainability dimensions about 6 times. The content followed mostly a negative trend, with 4 negative reactions and 1 positive reaction (Table 4.3). The organisational performance dimension was predominantly focused toward the economy dimension (67%), while 33% of sustainability focused on society. The media contents associated with the economy dimension included financial crisis, run a loss, coal supply, contractual obligations and financial trouble. From the results and analysis, poor governance and organisations performance associated with *Voice and Accountability* were evident in ESKOM as reported by the SABC.

4.1.2 Political Stability and Absence of V/T

Table 4:4 Sunday Times – Political Stability and Absence of V/T

Political Stability and Absence of V/T	Actual Number of Reactions Recorded	
Media Keywords and Headlines	Negative Reactions	Positive Reactions
	4	1

<ol style="list-style-type: none"> 1. Service agreement, workers strike 2. Wage talks 3. Power outages, wage negotiation, strike 4. Travel perks, cut costs 5. Units down, wage negotiations, employees strike 	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	60%	40%	0%

The WGI, *Political Stability and absence of V/T* appeared during 5 occasions, with reference to sustainability dimensions 5 times. The content focus shows mainly negative reactions, with actual number of 4 recording and 1 positive reaction (Table 4.4). The organisational performance is dominated by economy (60%) followed by society (40%). Media content influencing the economy dimensions includes service agreement, power outages, travel perks and cost cuts. An overall negative governance performance is associated with *Political Stability and absence of V/T* that is closely linked to the economic and society dimensions of ESKOM.

Table 4:5 EWN – Political Stability and absence of V/T

Political Stability and Absence of V/T	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
Media Keywords and Headlines	5	0	
<ol style="list-style-type: none"> 1. Municipalities owed the power utility R13.8 billion 2. Cash-strapped utility 3. March's due to wage increase 4. Tools down over wages 5. Eskom moved higher than its proposed 7% 	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	60%	40%	0%

EWN reported on *Political Stability and absence of V/T* during 5 occasions, while referring to sustainability aspects 6 times. The content followed a strong negative focus, as all reactions were listed for this study as negative (Table 4.5). The organisational performance were within the economy and society dimensions as 60% and 40% respectively (Table 4.5).

The media contents influencing the economic dimension were the following: municipality owing the power utility R13.8 billion and cash-strapping of the utility. Analyses of *Political Stability and absence of V/T* indicates poor governance and organisational performance of ESKOM.

Table 4:6 SABC – Political Stability and absence of V/T

Political Stability and Absence of V/T	Actual Number of Reactions Recorded							
	Negative Reactions	Positive Reactions						
Media Keywords and Headlines	4	0						
1. Gupta-owned mine failed to meet their contractual obligations to supply Eskom 2. Unions not happy with Eskom wage offer 3. Load shedding due to tools down/wage negotiations 4. Wage negotiations	Organisational performance based on sustainability dimensions <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Economy</th> <th>Society</th> <th>Environment</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">40%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table>		Economy	Society	Environment	40%	60%	0%
Economy	Society	Environment						
40%	60%	0%						

The WGI, *Political Stability and absence of V/T* appeared during 4 occasions in SABC online media, while sustainability dimensions were mentioned 4 times. The contents followed a negative trend with actual number of reactions recorded as 4 (Table 4.6). The organisational performance based on sustainability dimensions were 60% and 40% for economy and society respectively (Table 4.6). Media contents that influenced the dominating sustainability dimension were the following: Gupta-owned mine failed to meet contractual obligations to supply EKSOM; Load shedding and failure in wage negotiations. Based on the measurement instrument analyses, governance in terms of *Political Stability and absence of V/T* was poor.

4.1.3 Governance Effectiveness

Table 4:7 Sunday Times – Governance Effectiveness

Governance Effectiveness	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
Media Keywords and Headlines	2	2	
1. Legal action, disputed contracts, irregular expenditure 2. Board changes, what Eskom needs 3. Global rating 4. Sufficient liquidity for Eskom	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	100%	0%	0%

During the study duration, Sunday Times reported on *Governance Effectiveness* in four occasions, while aspects related to sustainability appeared 4 times. These contents were recorded as both negative and positive (Table 4.7). The organisational performance were measured in terms of only the economic dimension, which was 100%. Matters contributing to the economic dimension of the performance included: legal action and disputes contracts; irregular expenditure; board changes, global rating and liquidity of the organisation. The governance of ESKOM can therefore be considered fairly acceptable, since the reactions related to *Governance Effectiveness* were not recorded as negative influencing the economic dimension (Table 4.7).

Table 4:8 EWN – Governance Effectiveness

Governance Effectiveness	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
Media Keywords and Headlines	0	8	
1. Loan from BRICS bank 2. 13 new board members 3. Renewable energy projects, Job creation	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	87.5%	12.5%	0%

<p>4. Clear company corruption, improve company's liquidity and restore investor confidence</p> <p>5. Permanent appointment Eskom CEO</p> <p>6. Financially strapped utility plans a foreign issuance</p> <p>7. Secure funding to stay afloat, R19 billion lost through irregular expenditure</p>	
---	--

EWN reported on matters related to *Governance Effectiveness* during 8 occasions and mentioned issues of sustainability 8 times. Media contents were predominately positive with an actual number of reactions recorded at 8 (Table 4.8). Organisational performance was demonstrated by 87.5% and 12.5% within the economic and society dimensions respectively (Table 4.8). Media contents associated with the dominant dimension included the following: loan from BRICS bank; new board members; job creation; investor confidence; permanent appointment of chief executive officer; financial position and irregular expenditure. ESKOM's governance performance is considered be good, especially with reference to the economy and show excellent performance in terms of *Governance Effectiveness*.

Table 4:9 SABC – Governance Effectiveness

Governance Effectiveness	Actual Number of Reactions Recorded								
	Negative Reactions	Positive Reactions							
Media Keywords and Headlines	1	7							
<p>1. Municipality debt</p> <p>2. State owned company, downgraded status, new leadership</p> <p>3. Accountability</p> <p>4. Eskom remains at risk of defaulting</p> <p>5. Favourable candidate bringing forward great change</p> <p>6. Short-term and long-term liabilities</p> <p>7. Release of the Integrated Energy</p>	Organisational performance based on sustainability dimensions <table border="1" style="margin: 10px auto;"> <thead> <tr> <th>Economy</th> <th>Society</th> <th>Environment</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">75%</td> <td style="text-align: center;">12.5%</td> <td style="text-align: center;">12.5%</td> </tr> </tbody> </table>			Economy	Society	Environment	75%	12.5%	12.5%
Economy	Society	Environment							
75%	12.5%	12.5%							

8. R20 billion in irregular expenditure; Tax abuse	
---	--

SABC reported on *Governance Effectiveness* during 8 occasions and matters related to sustainability were also highlighted 8 times. The contents followed follow a strong positive trend (7 actual positive reactions), while only 1 actual reaction was recorded as negative (Table 4.9). The organisational performance based on sustainability was dominated by the economy dimension (75%), while society and environment achieved 25% each (Table 4.9). The economy dimension was influence by media content that included: municipality debt.; downgraded status; risk of defaulting; short-term and long-term liabilities; release of integrated energy and irregular expenditure together with tax abuse. The overall view of governance from a *Governance Effectiveness* perspective was positive with a strong focus on the economy dimension.

4.1.4 Regulatory Quality

Table 4:10 Sunday Times – Regulatory Quality

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	3	1	
1. Sign agreements, extra customers, overcapacity	Organisational performance based on sustainability dimensions		
2. Costs and revenues, capital expenditure			
3. Financial reports	Economy	Society	Environment
4. Eskom earnings, loss, audit	60%	40%	0%

The Sunday Times reported on the WGI, *Regulatory Quality* during 4 occasions, mentioning aspects of sustainability about 5 times. The content was analysed as mostly negative with an actual number of 3, while only 1 reaction was positive. Organisational performance was dominated by the economy dimension (60%) followed by society dimension (40%). Influencing the dominant dimension from a media contents perspective were the following: sign agreements; costs and revenues, financial reports and audits. Analyses and results for

Regulatory Quality show poor governance and organisational performance of ESKOM, especially within the economic dimension.

Table 4:11 EWN – Regulatory Quality

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	2	5	
1. Coal supply agreement 2. Employee bonuses 3. Maladministration and malpractice at Eskom 4. New employees, expertise in the business sector 5. Interim results, newly appointed board members 6. Improve the power utility's cash flow 7. Financial Allegations	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	50%	37.5%	12.5%

EWN reported on *Regulatory Quality* issues on 7 occasions, while sustainability matters were raised 8 times. Positive reactions were documented in the study 5 times, compared to fewer negative reactions of 2. Dominating the organisational performance was the economy dimensions at 50%, followed by society and environment at 37.5% and 12.5% respectively (Table 4.11). The dominant dimension was influenced by content such as coal supply agreement, maladministration and malpractices at ESKOM, interim results and improved cash flow. The organisational performance of ESKOM was well distributed across all sustainability dimensions (Table 4.11), showing good governance under *Regulatory Quality*.

Table 4:12 SABC – Regulatory Quality

Media Keywords and Headlines	Actual Number of Reactions Recorded	
	Negative Reactions	Positive Reactions
	3	1
1. Detrimental effect on the economy, escalating costs, 20% tariff hike	Organisational performance based on sustainability dimensions	

2. Coal supply contractual obligation			
3. Investigations	Economy	Society	Environment
4. Investigate Eskom's coal contracts	100%	0%	0%

SABC reported on *Regulatory Quality* on 4 occasions during the study period and referred to sustainability aspects 4 times. A higher number of negative reactions (3) were documented, while 1 positive reaction became evident. The organisational performance was demonstrated on in the economy dimension (100%). The influences on this dimension associated with the following media content: detrimental effect on the economy, coal supply contractual obligations, investigations and investigations into ESKOM's coal contracts. Poor governance performance as a result of economic transgressions were revealed under the WGI, *Regulatory Quality*.

4.1.5 Rule of Law

Table 4:13 Sunday Times – Rule of Law

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	7	4	
1. Eskom promises, RDP houses, illegal connections, informal settlement	Organisational performance based on sustainability dimensions		
2. Recover, unlawful	Economy	Society	Environment
3. Disconnection, bulk electricity supply	44.44%	50%	5.56%
4. Tariff increase			
5. Women work together to restore power, saving 950 miners			
6. R5 billion loan, pension fund, bridging facilities			
7. Pollution, air quality			
8. Load-shedding, coal stock, recovery plan			
9. Financial unsustainability at Eskom			

10. Eskom wins awards	
11. Wage negotiations, wage offer	

Matters related to *Rule of Law* appeared during 6 occasions in online media articles of the Sunday Times during the study period, while issues related to sustainability were present 8 times. The actual number of negative and positive reactions recorded from the analyses were equal at 3. The organisational performance was demonstrated in all dimensions, dominated by society (50%), followed by economy (44.44%) and environment (5.56%). The society dimension was influenced by media content such as RDP houses and illegal connections, informal settlements, disconnection of electricity, tariff increase, women work together to restore power, load shedding, and wage offers. Under the WGI, *Rule of Law*, ESKOM is displaying poor governance practices that is affecting society negatively.

Table 4:14 EWN – Rule of Law

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	2	2	
1. Power cuts, debt 2. Tariff hike 3. Signing 27 renewable energy contracts ultimately resulting in job losses 4. Recover Funds that were deemed unlawful	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	57.14%	42.86%	0%

EWN reported on *Rule of Law* during 4 occasions, while issues related to sustainability were highlighted 7 times. The actual number of reactions were divided equally between negative and positive at 2 each (Table 4.14). The organisational performances were demonstrated in two dimensions, which were dominated by economy (57.14%) and followed by society (42.86%). The content influences the economic dimensions included aspects such as power cuts, debt., tariff hikes, job losses and recovered funds deemed unlawful. Governance performance associated with *Rule of Law* can be considered relatively good, which is strongly represented by two dimensions of sustainability (Table 4.14).

Table 4:15 SABC – Rule of Law

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	3	3	
1. Tariff hike 2. Recover a shortfall 3. Coal supply agreement 4. 7 000 lose their jobs by the end of 2018 as the construction is nearing its end 5. Settlement agreement is part of the parastatal's 6. Unpacking the issues and the agreements irregular expenditure	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	75%	25%	0%

SABC reported on *Rule of Law* during 6 occasions, highlighting sustainability aspects 8 times. Table 4.15 shows an equal distribution of actual numbers recorded from content analyses. The organisational performance was dominated by the economy dimensions at 75%, followed by 25% for society. Influencing content on the dominant dimensions includes aspects such as tariff hike, recovery of shortfall, coal supply agreements, 7000 lose their jobs and irregular expenditure. From a *Rule of Law* perspective, governance is considered relatively good with a strong focus on the economy dimension (Table 4.15).

4.1.6 Control of Corruption

Table 4:16 Sunday Times – Control of Corruption

Media Keywords and Headlines	Actual Number of Reactions Recorded	
	Negative Reactions	Positive Reactions
	18	2
1. Municipalities owe Eskom 2. Audit, loans, future 3. Eskom coal suppliers, contracts	Organisational performance based on sustainability dimensions	

4. Settlements paid out, millions	Economy	Society	Environment
5. Membership suspended, allegations of corruption	61%	29%	10%
6. Corruption and mismanagement, huge rate increase, office			
7. Death threats, contracts, bribery			
8. Business rescue, finance shortfall, coal mine			
9. Gupta's influence on Eskom, meetings, contacts			
10. State capture summary			
11. Lower quality coal, more expensive rates, negotiations, contacts, tenders			
12. PFMA, PPPF report finding, money recovery			
13. Unsigned contracts, refurbish power stations			
14. Capital expenditure, escalation coal prices, no maintenance			
15. Power outages, municipalities must settle their debt			
16. Double the price, half the quantity			
17. Repay legal fees, resignation agreement			
18. Municipalities in debt			
19. Payment error, master service agreement			
20. Travel perks, cut costs			

During the study period, SABC reported on *Control of Corruption* on 20 occasions, mentioning aspects of sustainability 31 times. Media contents followed a strong negative trend with 18 actual number of reactions, while only 2 reactions were positive. The organisational performance included all dimensions of sustainability which was

demonstrated as follows: economy (61%), society (29%) and environment (10%). The dominant dimension was influenced by the following media contents: municipalities owing, Eskom; loans; coal suppliers and contracts; allegations of corruptions; corruption and mismanagement; bribery; financial shortfalls; Gupta influences; state capture; tenders; money recovery; unsigned contracts; capital expenditure; repayment of legal fees; payment errors; and travel perks. Poor governance practices were observed were revealed under *Control of Corruption*, strongly affecting Eskom's sustainability within the economic dimension.

Table 4:17 EWN – Control of Corruption

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	14	1	
<ol style="list-style-type: none"> 1. Payments, Gupta linked company 2. Lies, legal action, misleading the public 3. Chair contact 4. Misleading corporate plan 5. Sponsorship deal, irregular activity 6. Dubious contracts 7. Dispute over municipalities debt 8. Corruption and lies 9. Senior executives reinstated 10. Fictitious tendering 11. Signed dodgy deals and leaked confidential information 12. Summoned to appear, Public Enterprises Committee 13. McKinsey to payback money if court finds the contract unlawful 14. Power stations are running low on coal 	Organisational performance based on sustainability dimensions		
	Economy	Society	Environment
	60.87%	34.78%	4.35%

15. utility accused of spending R100M to transport coal, threats to shut down coal supply	
---	--

EWN reported on *Control of Corruption* during the study period on 15 occasions, while issued related to sustainability appeared 23 times. The content focus was strongly negative with 14 actual negative reactions and 1 positive reaction. The organisational performance based was demonstrated in all dimensions of sustainability and dominated by economy (60.87%), followed by society (34.78%) and environment (4.35%). The contents influencing the dominant dimension included the following aspects: Gupta-linked company payments; lies, legal action; misleading corporate plan; sponsorship deal, irregular activity; dubious contracts; corruption and lies; fictitious tendering; signed dodgy deal and leaked confidential information; unlawful contracts associated with McKinsey; and utility accused of spending R100 million on transporting coal. Analyses results show that governance practices associated with *Control of Corruption* were poor, especially from an economy perspective (Table 4.17).

Table 4:18 SABC – Control of Corruption

Media Keywords and Headlines	Actual Number of Reactions Recorded		
	Negative Reactions	Positive Reactions	
	13	1	
5. Power cuts, debt, tourism, negative effects	Organisational performance based on sustainability dimensions		
1. Municipality debt, ANC district			
2. Eskom inquiry,	Economy	Society	Environment
3. Chairperson, Gupta	61%	39%	0%
4. False claims			
5. Disciplinary process			
6. Fraud, investigations, bail out			
7. Resigned before disciplinary hearing			
8. Municipalities to pay their electricity bills, threatening the power utility's cash flow			

9. Silenced death	
10. Under business rescue	
11. Power utility liaising with National Treasury to procure coal	
12. Coal supply shortage	
13. Outstanding debt	

A total number of 14 occasions were reported for *Control of Corruption* during the study period by the SABC, highlighting 18 sustainability issues. The contents followed a negative trend with an actual number of 13 negative reactions, while only 1 positive reaction was recorded (Table 4.18). The organisational performance was dominated by the economy dimension (61%), while society (39%) was an important dimension. The content influencing the economy dimension included the following: municipality debt.; Gupta influences; false claims; disciplinary process; fraud, investigations; resigned before disciplinary process hearing; threats to the power utility's cash flow; and outstanding debt among others. This analysis shows results of poor governance associated with *Control of Corruption* that have a negative impact on the organisations economic performance.

4.2 FREQUENCY OF PUBLICATION IN THE STUDY PERIOD

The frequency calculation will include both occasions where no articles were published or articles were not accessible. Equation 3 is applied in the calculations below:

4.2.1 Sunday Times

$$= 52 / 53 \times 100 = 98\%$$

4.2.2 EWN

$$= 46 / 53 \times 100 = 87\%$$

4.2.3 SABC

$$= 40 / 53 \times 100 = 76\%$$

Accordingly, the publication frequency for all news media platforms is calculated as follows:
 $98\% + 87\% + 76\% = 261\% / 3 = 87\%$

CHAPTER 5: DISCUSSION

5.1 VOICE AND ACCOUNTABILITY

News media sources reported all dimensions of sustainability, where the economy dimension was highlighted as the dominant sustainability focus ranging between 50% and 67% of the total content analysis of issues related to Eskom under the auspices of *voice and accountability* (Table 4.1 – Table 4.3). The society dimension was also identified an important aspect of sustainability, ranging between 33% and 40% of the total content published on issues related to Eskom, while environmental issues appeared in fewer news content during the study period, ranging between 0% and 12.5% (Table 4.1 - Table 4.3). The WGI, *voice and accountability* demonstrates mostly good governance practices, while organisational performances of Eskom are strongly focused on the economy, society with a minimal focus on the environment.

Lieberman et al. (2017:4) are of the opinion that South African politicians have important substantive implications, and that individual-level characteristics, which are inclusive of race, gender, wealth and age, could predict attitudes and perceptions on important questions about voice and accountability. However, this study highlights the following seven aspects which were obtained from published content as being important components of voice and accountability: 1) Disclosure of results and reports; 2) insufficiency in terms of capital resources; 3) discrimination in energy service and/or disruption of electricity supply; 4) repayments and financial responsibilities; 5) lack of infrastructure maintenance; 6) new employees and wage negotiations, and 7) sustainability (society, economic and environment).

Table 5:1 Brief extracts from news articles related to Voice and Accountability

Brief caption/extracts from news articles	Date of Publication
“Ahem: about that missing R3bn, Eskom”	<u>2017/08/13</u>

<p><i>“Future growth made clear its concerns that the bank, as a funder of government institutions such as SOEs and municipalities, was not doing enough to ensure good governance and accountability.”</i></p> <p><i>“It was particularly concerned about the size of the bank’s exposure to Eskom, given its appalling governance and lack of accountability.”</i></p> <p>(Sunday Times, 2017).</p>	
<p>“Eskom to meet with Business Leadership SA over its suspension”</p> <p><i>“South Africans have been rightly disturbed in recent times at the numerous allegations of corrupt behaviour and colossal failures of corporate governance and accountability at both Eskom and Transnet.”</i></p> <p>(Sunday Times, 2017)</p>	<p><u>2017/09/29</u></p>
<p>Eskom: The real work has begun</p> <p><i>“Executives need to be held fully accountable to drive the culture of efficiency and accountability.”</i></p> <p>(SABC online article published in 2018).</p>	<p>2018/01/27</p>

Two of the news sources analysed in this study demonstrate overall positive reactions and outcomes in terms of voice and accountability (Table 4.1 – Table 4.3 above). These positive reactions and outcomes can be confirmed by extracts from articles published by the Sunday Times (2017/09/29) and the SABC (2018/01/27) with the following respective views: “*corporate governance and accountability*” in line with business leadership and the notion that “*executives need to be held fully accountable*” (Table 5.1 above). According to literature published over recent decades, the following governance aspects related to voice and accountability are issues that should be considered: disclosure of results and reporting (Bird and Martinez-Vazquez, 2008:66; Surty et al., 2018:4).

The publication of interim results and reports play an important role in demonstrating ESKOM's effectiveness in governance, which is measured as voice and accountability. Interim results thus indicate the SOE's strong role of voice and accountability, and support society's willingness to pay tax, since this shows good governance in institutions such as ESKOM. The notion of is thus important in high-income countries (Bird and Martinez-Vazquez, 2008:66). However, South Africa was listed as a country with an "upper-middle-income" economy in 2017 (World Bank, 2017). Bird and Martinez-Vazquez (2008:68) concluded their argument by stating that an improvement in voice and accountability practices will lead to higher tax effort. Rivlin (1996, cited by Surty et al., 2018:4) stated that the notion of the dissatisfaction of taxpayers with reference to the use of public funds has accordingly led to accountability becoming a key concern of SOEs, which cannot be ignored. News article extracts surveyed in this study have confirmed the lack of accountability (Table 5.1 above).

The international integrated reporting framework (IR Framework) is considered to be a relative new concept that is used by institutions globally to report information. This framework has gained significant attention in recent years, with South Africa taking the lead by implementing it, as stated by Makiwane (2012, cited by Surty et al., 2018:2). The application of the IR Framework for integrated reporting has become evident in the case of ESKOM (Black Sun, 2015:32). Surty et al. (2018:8) made the following declarations regarding ESKOM as an SOE in terms of integrated reporting, which was identified in this study as a component of voice and accountability: 1) ESKOM comprehended the nature of integrated reporting as a sole reference point whereby the SOE could make information known to the public, especially in regard to frequently asked questions about the entity; 2) implementing the IR Framework added significant value to ESKOM in terms of resources and time, since all relevant information required by all stakeholders is included in its integrated report; and 3) this has also allowed ESKOM to disclose in a single report on technical and financial performances and how these aspects have affected each other. This study recommends minor considerations to ESKOM in terms of this indicator, which could easily be improved by the entity's existing disclosure and reporting frameworks as discussed this far.

Negative reactions and outcomes were also recorded for voice and accountability, which are associated with financial mismanagement, bad corporate image, and incorrect assumptions. Negative reactions and outcomes were noted specifically in the SABC news articles, among other news sources. Literature confirmed these negative governance issues related to ESKOM (Ntshangase, 2017:3). Insufficiency in one of these resources will have negative impact on ESKOM's ability to operate effectively. The essential operations in the value chain of the SOE include the generation, transmission, distribution and sale of electricity, as well as the construction of new power generation facilities and networks (ESKOM, 2018:8). These essential operations are supported by proficiencies in finance, human resources, procurement, risks and sustainability, information technology, telecommunications, stakeholder management and corporate communications (ESKOM, 2018:8). It is thus evident that matters related to insufficiency in terms of governance are associated with the WGI, voice and accountability.

Although the results demonstrate that voice and accountability requires minor attention matters of insufficiency should be discussed to explain some of the negative reactions observed in media resources. Insufficiencies may therefore be directly associated with the delay factors that ESKOM has experienced in various projects across South Africa and elsewhere outside the country's borders. In a recent study, Ntshangase (2017:3) identified delay factors in electrical distribution projects in ESKOM's Northern Cape operating unit. One of the major attempts by ESKOM was to comply with the Electricity Regulation Act, 4 of 2006, in order to provide efficient, effective and sustainable electricity supply infrastructure.

Although the SOE has planned to implement projects, there have been serious delays, leading to a negative impact on the economic growth and population of South Africa. These delays in distribution projects have been identified by the research team of the University of Cape Town, who found that delays are affected by the following reasons: 1) poor communication, 2) poor planning and 3) project scheduling not being properly done (Ntshangase, 2017:3). Furthermore, it was recommended by this study that the aforementioned three root causes of delay can be used to as precarious points for eliminating delays in electrical distribution projects.

It has become evident that from the literature that the aspect of insufficiency and the impacts thereof associated with the WGI, voice and accountability, were previously investigated by academic institution and find solutions to improve the situation. In addition, the literature provides evidence that ESKOM is constantly seeking new solutions and investment opportunities that will have a positive impact on voice and accountability, and subsequently improve power generation in South Africa. Eberhard et al. (2016:159) stated that the South African government had the opportunity to invest in feed-in tariffs, which means that individuals could generate their own electricity and sell energy back to ESKOM. However, it was declined due to the competitive tenders from ESKOM (Eberhard et al., 2016:159). This accordingly left ESKOM to improve efficiencies, management skills and create a level playing field between public and private investments in the country. The news article extracts listed in Table 5.1 above give an overview on the state of leadership in ESKOM.

5.1.1 Discrimination in energy service and/or disruption of electricity supply

Many countries around world (including those with developed economies, such as China) depend primarily on the use of fossil fuels to meet the increasing demand for energy (Zhou et al., 2014:143), and South Africa is no exception. The notion of discrimination in terms of energy services and the disruption of energy supply were some of the issues highlighted in recent media articles published on ESKOM, which were classified under the category of voice and accountability. Zhou et al. (2014:143) further stated that as a result of the over exploitation of fossil fuels, the fossil fuel-based energy consumption structure has resulted in a series of disastrous consequences, such as impacts on the environment (e.g. air pollution, climate change just to mention a few), as well as resource shortages.

It has become evident from media articles that discrimination in energy service and disruption of power supply may not only be a concern associated with voice and accountability, but may also have an adverse impact on the sustainability of ESKOM in terms of society, economy and environmental goals. In South Africa, the content in terms of how SOEs such as ESKOM should perform in terms of sustainability goals is legally and regulatory guided by the Companies Act, 2008, and the King IV Report (King IV™) on Corporate governance for South Africa (ESKOM, 2018:2). In addition to the latter legislative framework, ESKOM also needs to comply with the Electricity Regulation Act, 4 of 2006, in

order to provide efficient, effective and sustainable electricity supply infrastructure (Ntshangase, 2017:3).

Is related to discrimination in energy service and/or disruption of electricity supply are broadly discussed in media articles and other forms of news media in South Africa. These concepts are therefore classified in the current study as the aspect of voice and accountability. A recent study conducted by Baker (2016:1) describes the challenges of managing low-carbon transition in electricity shifts in terms of ESKOM's future that closely relates to energy services and the supply thereof. The previously mentioned study highlights the following aspects, which give an overview of certain aspects pertaining to energy services and electricity supply (Baker, 2016:1):

- The 2011 electricity master plan allows for up to 20% of installed generation capacity to be sourced from renewable energy, which will produce approximately 9% of the national electricity supply.
- ESKOM's financial crisis closely associates with the SOE's ability to supply energy, where the reserve margin is less than 15%.
- Load shedding experienced over recent decades (2006-2008 and 2015-2016) clearly indicates disruption in electricity supply.
- South Africa has gone from having the cheapest electricity tariffs in the world in 2008 to experiencing an increase of 250% in 2015, which is considered as being below cost-reflective levels. However, this may a form of discrimination for lower income-household or communities where the socio-economic conditions are poor.
- Major concerns exist, since cheap and abundant coal-based trajectories for power generation are no longer considered sustainable. These trajectories are affected by a number of other sustainability commitments such as those regarding climate change, and by the fact that the nature of economic growth has changed. The latter associates with a decline in the commodities market, although the services and finance sector seems to be much more significant (e.g. 24% of the gross domestic product).

5.1.2 Repayments and Financial Responsibilities

Bayliss and Hall (2002:5) are of the opinion that governments often commit themselves to financial obligations which have the same nature as debt burden. This debt burden could be a result of contractual arrangements for infrastructure projects where institutions such as the World Bank bear the risks of uncertainty in polity or governance. It can thus be argued that institutions, with reference to ESKOM in the case of this study, may experience a number of repayment difficulties that have an impact on the sustained ability to meet financial obligations. This study identified “repayments and financial responsibilities” as an aspect of voice and accountability due to the reactions observed in news media article analyses for this study. Governments and SOEs are obligated to maintain payments, and are required to pay the due instalments regardless of changing circumstances (Bayliss and Hall, 2002:5). Furthermore, in terms of international debt, a fall in the local currency’s value makes it more difficult to meet foreign payment obligations (Bayliss and Hall, 2002:5).

In a recent study, Sadiki (2015:3) conducted an investigation into the financial assistance given to state-owned enterprises by the state in South Africa, with a focus on ESKOM, and made the following recommendations and findings:

- Although the government is providing continued financial support to SOEs, it remains the responsibility of the SOEs to borrow money, based on their financial strengths. This will also reduce their dependence on government guarantees, loans and high tariffs.
- The necessity of investing the effect of government loans or guarantees exists in the case of ESKOM, and thus requires different funding sources of funding and government policy making accordingly.

Sadiki and Pauw (2017:669) explained in a recent study that the South African government has decided to support ESKOM with substantial amounts of funds, where the Minister of Finance determined latitude loan conditions on behalf of the people in South Africa. Conditions stipulated in legislation (Act 3(b)) thus favoured ESKOM as the borrower, giving flexibility to ESKOM as the loan was structured in a manner that ESKOM was not obligated to repay the money, unless certain conditions on their side were met (Sadiki and Pauw, 2017:669).

According to the latter study, this leeway has resulted in ESKOM never repaying loan amounts, which was supported by the formulated conditions which were kept confidential. It can thus be argued that fact that ESKOM is not repaying amounts to government or is unable to meet financial obligations could be due to policy making that favours the entity or to the rationale that government is supporting ESKOM on behalf of the people of South Africa. Therefore, this approach in terms of governance could be viewed as ESKOM not being effective regarding voice and accountability.

5.1.3 Lack of Infrastructure Maintenance

In the case of ESKOM, maintenance of infrastructure closely associates with operational efficiency (Vorster and Marias, 2014:44). This aspect is classified as voice and accountability, since it has an interest in sustainability or the triple bottom line (TBL). The TBL consists of the following interests: 1) economic, 2) social and 3) environmental. The sustainability interest in terms of the TBL could be respectively explained by 1) economic impacts of infrastructure maintenance on business operations; 2) social impacts due to a lack of infrastructure maintenance; and 3) how the lack of infrastructure maintenance will impact on the environment (Vorster and Marias, 2014:44). Zwane et al. (2017:290) stated that the main cause of faulty equipment in the case of ESKOM results from the lack of maintenance, which could be ascribed to overhead power failures, fuse failures, unit equipment problems, and cable theft. Numerous solutions have been suggested for improving the reliability of ESKOM's electricity supply and distribution, which include investments in information technology systems; smart grid technologies; capital, operational and maintenance strategies; reliability improvement strategies; and in overhead power lines (Zwane et al., 2017:292).

5.2 POLITICAL STABILITY AND ABSENCE OF VIOLENCE/TERRORISM

News media sources reported on the sustainability issues that include economy and society, showing organisational performances between ranges of 40% - 60% and 40% - 60% respectively for the two dimensions (Table 4.4 – Table 4.6). Although the percentage ranges for economy and society were similar, the dominant dimension was economy. From the content analyses, generally negative associations were recorded, indicating poor

governance practices of Eskom in terms of *political stability and the absence of violence/terrorism* and the organisation's performance with reference to the economy and society.

Table 5:2 Brief extracts from news articles related to Political Stability and Absence of Violence/Terrorism

Brief caption/extracts from news articles	Date of Publication
<p><i>“Electricity supply remains constrained, Eskom warns”</i></p> <p><i>“The unions were protesting against a wage freeze by the electricity provider, which Public Enterprises Minister Pravin Gordhan said on Friday night was no longer an option.”</i></p> <p><i>“This comes as load-shedding was implemented on Thursday and Friday, with Eskom saying that disruptions during the protest action by unions was to blame”</i></p> <p style="text-align: right;"><i>(Sunday Times, 2018).</i></p>	2018/06/16
<p><i>“SA faces power cuts as 15 Eskom units are down - internal report”</i></p> <p><i>“Eleven of the units went down on Monday and Tuesday, underscoring the impact of the protests.”</i></p> <p><i>“The other four went down months ago or last year, for reasons unrelated to the protests.”</i></p> <p><i>“The threat of protests and outages had appeared to recede after Eskom offered to raise salaries by around 7 percent annually over the next three years, but trade unions want bonuses to be paid before they agree on a wage deal.”</i></p>	2018/07/31

<p><i>“Eskom was forced to implement controlled electricity outages in mid-June after workers protested over wages.”</i></p> <p style="text-align: right;">(Sunday Times, 2018)</p>	
<p><i>“Municipal Debt Spiralling out of Control”</i></p> <p><i>“Eskom board chairperson Jabu Mabuza has told Parliament that municipalities owed the power utility R13.8 billion at the end of April”</i></p> <p><i>“We’re saying that in most municipalities there is weak political and administrative leadership, ineffective councils in some cases, governance structures not in place, that contribute to the challenges as we see them,” Mogajane said.”</i></p> <p style="text-align: right;">(EWN article published in 2018).</p>	2018/05/16
<p><i>“Eskom Hopes to Resolve Wage Dispute Before CCMA Hearing”</i></p> <p><i>“Eskom has since blamed striking workers for load shedding, saying there’s been several reports of intimidation and damage to electricity infrastructure. Unions have rejected the claims.”</i></p> <p style="text-align: right;">(EWN article published in 2018).</p>	2018/06/19
<p><i>“Eskom: The real work has begun”</i></p> <p><i>It is unfortunate that Eskom has been used as a political tool, featuring strongly in the state capture project, spilling to cabinet reshuffles, thus undermining the progress of the state-owned companies’ governance, raising the risks that SOC debt could migrate onto the government’s balance sheet. Political players and executives are deeply involved in pursuing different agendas in the (exorbitant) nuclear programme, contract and procurement, thus increasing political tensions that undermine South Africa’ progress on fiscal consolidation, economic growth and business confidence.”</i></p>	2018/01/27

(SABC online article published in 2018).	
<p><i>“Unions demand to see Ramaphosa over Eskom wage talks”</i></p> <p><i>The intentions by some of the unions to go on strike on Thursday. From our end we really would like to remind them that in terms of the law, and it’s not an Eskom law, but the loss of this nation, people who work for companies like Eskom are not supposed to go on strike. And if that happens that they go on strike we can assure South Africa that we do have measures that we will be putting in place to make sure that we keep the system running.”</i></p> <p style="text-align: center;">(SABC online article published in 2018).</p>	2018/06/12

5.2.1 General overview on Political Stability in South Africa: Case of ESKOM

The concept of “political stability and absence of violence” is used to measure and describe the perceptions of the likelihood that a government will be destabilised or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism (Ezcurra and Rodríguez-Pose, 2014:1734). McKellar (2010:94) identified a number of aspects that contribute to political instability in a country, which include the following: 1) civil unrest, 2) violent protests or strikes, and 3) terrorism. Media news articles analysed during this study highlighted a number of incidents that associate with ESKOM regarding power outages, employee dissatisfaction about wages, and load shedding. Load shedding is a method used by ESKOM whereby the electricity supplies to certain areas or towns are disrupted or disconnected due supply capacity constraints. Rajan and Zingales (2003, cited by Cabral, 2017:8) stated that the public entities and political institutions of a country constitute a decisive factor when the political stability of a country is considered. Public entities or SOEs have different market constraints and are influenced differently by political dimensions, norms, laws, practices and economic situations (Cabral, 2017:5).

Domestic unrest and confrontation has been ebbing and flowing frequently in recent decades, and this notion is especially prominent in the evolution of developing countries (McKellar, 2010:16). The subsequent impacts of domestic unrest, which phenomenon is

often referred to as a political risk, have drastic consequences on the following matters in a country: 1) repression, which has an influence on national workers and in some instances also on emigrants; 2) dramatic changes in foreign investment regulation transported by sudden regime change; and 3) being caught accidentally in localities where violence suddenly explodes (McKellar, 2010:16). According to Chuenyane (2009:6), South Africa has been experiencing violent service delivery protests in all nine provinces since 2009. These protests came about as a result of a lack of service delivery, poor governance practices, lack of water and sanitation, unemployment, and a lack of electricity.

Mpehle (2012:224) found that improvements in services were minimal in a few municipalities affected by protests, and thus asked the question: "Are such protests justifiable?" In attempting to answer this question, it can be stated that evidence exists that millions of South Africans are still living under terrible conditions, while political conditions in South African SOEs such as ESKOM remains unstable. According to Neethling (2016:90), a statement released by the International Monetary Fund team in 2005 found that severe electricity shortages, the worst since 2008. These electricity shortages have been an important obstacle to growth, especially since ESKOM was unable to meet electricity demands for 2015 after reintroducing a load shedding or rolling blackouts schedule in November 2014.

Political instability, characterised by violent protests, has become a common phenomenon in South Africa as a result of government's failure to provide or facilitate electricity supplies (through ESKOM), amongst other service delivery needs (Neethling, 2016:96). Another concerning matter in terms of electricity constraints is the fact that the African continent consumes only 3% of the global commercial energy, which is mostly supplied by ESKOM, relying on the availability of coal (Cilliers et al., 2011:42). This reliance may be risky for South Africa, given that many uncertainties exist in terms of fossil fuel endowments, volatile global processes, and high investment costs. This could simply mean that electricity shortages will continue, reducing the effectiveness of electricity provision in the country, which will result in increasing violent protests and political instability (Cilliers et al., 2011:42). Furthermore, Cilliers et al. (2011:42) are of the opinion that Africa is not energy poor, but simply exports the vast bulk of sub-soil natural resources that it extracts, at the expense of 500 million people living without electricity, while the full potential for alternative electricity resources are not being fully explored.

5.2.2 Political stability and economic growth

In a previous study conducted by Fletcher and Morakabati (2008, cited by Tang and Abosedra, 2014:2), political stability is highlighted as being an important contributing factor for a country's economic growth. Abu et al. (2015:45) investigated the causal relationship among corruption, political instability and economic development in the Economic Community of West African States (ECOWAS) using the Granger causal test. From this study, the following findings were made: 1) political instability Granger-causes economic development in the short term, while 2) political instability and economic development Granger-cause corruption in the long term.

Aisen and Veiga (2013, cited by Agbloyor et al., 2016:6) found that higher degrees of political instability are associated with lower growth rates and GDP per capita. It is thus evident from previous studies that institutions characterised by political instability contribute negatively to the economic growth of a country. In the case of ESKOM, an organisation which is solely responsible for electricity services in South Africa, political stability may impact negatively on economic growth of the county. In contrast, Yerrabati and Hawkes (2015:9) argue that a positive effect can be realised when political stability removes uncertainty within an uncertain political environment, and do subsequently increase investments, together with economic growth.

5.3 GOVERNANCE EFFECTIVENESS

Matters related to *governance effectiveness* were reported supported by all sustainability dimensions as reported in news media sources. The percentages recorded for these dimensions ranged between 75% - 100%, 0% - 12% and 0% - 12% for economy, society and environment respectively (Table 4.7 – Table 4.9). The economy (75% - 100%) is the dominant sustainability dimension, while the other two dimensions are showing less important contributions with relative low percentage ranges of 0% -12% for each. The WGI, *governance effectiveness* followed generally a positive trend as observed from contents analyses. The latter indicate good governance practices of ESKOM, especially within the

economy dimension. Other sustainability dimensions have less impacts on the organisational performance associated from a *governance effectiveness* perspective.

Table 5:3 Brief extracts from news articles related to Governance Effectiveness

Brief caption/extracts from news articles	Date of Publication
<p><i>“Ahem: about that missing R3bn, Eskom”</i></p> <p><i>"But we needed to send the message that issues of bad governance were not going to be tolerated."</i></p> <p><i>"It would also have placed at risk the international standing of South Africa's banks, which have to be compliant with the Basel III regulations on governance”</i></p> <p><i>"One of the things was to explore how we as an institution could ensure implementation of governance principles in our partners and our clients."</i></p> <p><i>“Future growth made clear its concerns that the bank, as a funder of government institutions such as SOEs and municipalities, was not doing enough to ensure good governance and accountability.”</i></p> <p><i>"They had a legitimate concern around what it is that we are doing in terms of ensuring governance in areas where we were exposed," says Moleketi"</i></p> <p><i>“It was particularly concerned about the size of the bank's exposure to Eskom, given its appalling governance and lack of accountability.”</i></p> <p><i>“Given the shocking state of governance and financial management at municipalities and SOEs, has the bank fallen well short of its obligations?”</i></p> <p>(Sunday Times online article published in 2017).</p>	<p>2017/08/13</p>

<p>“Eskom relies on 'ridiculous' lawyer's report to wipe slate”</p> <p><i>In his report Motimele raised serious warnings about poor governance and failure to adhere to internal processes at Eskom. But he made no determination as to which employees were responsible or accountable.”</i></p> <p>(Sunday Times online article published in 2018).</p>	2018/01/13
<p>“SIU takes first step in Eskom probe”</p> <p><i>“The Special Investigating Unit (SIU) has confirmed that it's already completed an initial probe to assess the scope of its investigation into alleged maladministration and malpractice at Eskom.”</i></p> <p>(EWN online article published in 2017).</p>	2017/10/02
<p>“ESKOM profits down by 34%, debt sitting at over R300bn”</p> <p><i>“We are here because of poor leadership across the whole spectrum of Eskom. Decisions that were meant to be taken, were not taken.”</i></p> <p><i>“Eskom says it’s doing everything it can to address governance issues so that it can increase investor confidence and raise funds.”</i></p> <p>(EWN online article published in 2018).</p>	2018/02/03
<p>“Eskom: The real work has begun”</p> <p><i>“For a start, Eskom is the most important State owned company (SOC) within the state portfolio. It can be argued that when Eskom sneezes, the rest of the South African economy catches cold. It is neither exaggeration nor finger-pointing that poor performance (and governance at) Eskom significantly contribute towards low GDP growth, rising government debt and postponement of debt stabilisation.”</i></p>	2018/01/27

<p><i>“It is unfortunate that Eskom has been used as a political tool, featuring strongly in the state capture project, spilling to cabinet reshuffles, thus undermining the progress of the state-owned companies’ governance, raising the risks that SOC debt could migrate onto the government’s balance sheet.”</i></p> <p>(SABC online article published in 2018).</p>	
<p><i>“Eskom: The real work has begun”</i></p> <p><i>“Independence of the board is sacrosanct to effective governance and execution of the fiduciary duties. Of course, the leadership has only few days left to meet the JSE requirements to finalise and publish the outstanding interim financial statements. This is critical to avert suspension of its bond.”</i></p> <p>(SABC online article published in 2018).</p>	2018/01/27

South Africa recently went through the process of leadership change, which is characterised by the replacement of cabinet ministers and a newly appointed president (President Cyril Ramaphosa). Although the country is under new leadership, governance failures and other administrative problems remain a reality (Klein, 2018:39). A significant amount of work needs to be done in order to see positive change, which is often measured by South Africans taking their frustrations to the street as demonstrated by protest actions (Cronje, 2017:23). This WGI is aimed at measuring perceptions of the quality of public services, the quality of the civil service, and the degree of its neutrality from political pressures. Thus, the quality of policy formulation and implementation, and the credibility of the commitment of a government, or in case of this study, of a government institution, to ensure the effectiveness such policies (Ezcurra and Rodríguez-Pose, 2014:1734).

Among the important policies affecting the business environment are generally those affecting contract enforcement, and electricity-specific policies that have an influence on the opportunities between electricity providers (Irwin and Yamamoto, 2004:5). Electricity-specific policies affecting opportunities between electricity providers may thus not be

relevant in case of ESKOM, as it is the sole electricity provider in South African. ESKOM has adopted the code of corporate governance set out in the “King Reports”. As regards the governance effectiveness of ESKOM, South Africa is regulated similarly to Mexico, which is dominated by a state-owned electricity utility. However, ESKOM's corporate governance structure is closer to that of companies in the private sector (Irwin and Yamamoto, 2004:33). Furthermore, ESKOM is legally separated from the government, since it was transformed from a statutory body into a public company (ESKOM Conversion Act, 2001) known as ESKOM Holding Limited (Irwin and Yamamoto, 2004:31).

ESKOM's governance framework, which regulates the relationship with its shareholder (the South African state), includes the following (Ramatabana, 2017:11):

- The ESKOM board and the shareholder are in consultation on various provisions of a memorandum of incorporation, which is a tool whereby certain authorities of different parties are set out.
- ESKOM's strategy or mandate, which includes operations, purpose, values and strategic objectives, are documented in a corporate plan.
- Codes of good governance (King Reports, Protocol on Corporate Governance in the Public Sector) applicable to SOEs guide the company.
- The relevant legislative framework is comprised of legislation such as the ESKOM Conversion Act (2001), Companies Act (Co. Act), Public Finance Management Act (PFMA), National Treasury Regulations, and NERSA and National Nuclear Regulations. The Co. Act (Act No. 71 of 2008) was signed by the South African President on 8 April 2009 and thereafter published in the Government Gazette (No. 32121) (Government Gazette, 2009:2). The Co. Act should be seen to be a responsible corporate entity by the boards of companies and as not operating to undermine the sustainability of its social and natural environment, but rather as a tool to protect and develop them (IoD, 2009:21).

The King Reports (III and IV) provide various corporate governance principles, which give explanations regarding 1) integrity, 2) competence, 3) responsibility, 4) accountability, and 5) fairness and transparency (IoD, 2009b; King IV™, 2016). The King III Report, published in 2009 by the Institute of Directors (IoD) in Southern Africa, states that “the board should

act as the focal point of corporate governance” (IoD, 2009b:21). Thus, it was expected from the board of ESKOM that it would adhere to this principle of good corporate governance; however, it has become evident from media publications that governance failures and the lack of effectiveness thereof at ESKOM are becoming a concern and require attention. Nevondwe et al. (2014:666) came to the conclusion that the King III Report should play a major role in the mission to promote good governance in South African SOEs, especially since the concept of ethics and their influence in corporate governance form the core of good governance required among SOEs such as ESKOM.

Good corporate governance in South Africa is primarily about effective management and leadership, with key drivers such as ethical standards of 1) responsibility, 2) accountability, 3) fairness and 4) transparency (Naidoo, 2016:3). This study uses the global or world governance indicators as a measurement and benchmarking instrument. The World Bank plays a pivotal role measuring governance effectiveness, globally. The World Bank’s global governance indicators show a decline in governance effectiveness, together with declining control of corruption, for South Africa since 1999 (Cilliers and Aucoin, 2016:5). According to Cilliers and Aucoin (2016:5), under President Jacob Zuma, the integrity and effectiveness of institutions have been subjected to extraordinary levels of political interference, in particular when it comes to the choice of unsuited and inadequate leaders. Data published (ACLEDA data 1997-2015) by the World Bank concerning governance effectiveness in South Africa is graphically illustrated by Cilliers and Aucoin (2016:6), where a steady declining trend for the latter governance indicator can be observed, while an increasing trend for political violence is shown on the same graph.

5.4 REGULATORY QUALITY

Online media sources reported on all sustainability dimensions under the WGI, regulator quality. The percentage ranges for the dimensions’ economy, society and environment were as follows: 50% - 100%, 0% - 40% and 0% - 12.5% (Table 4.10 – Table 4.12). The dominant dimension was economy, followed by society and environment, which are generally negative as observed from the content analyses. It can thus be stated that ESKOM’s governance practices were poor as evaluated under the WGI *regulator quality*. Furthermore, it has

become evident that organisational performances are strongly focus towards the economy dimension.

Table 5:4 Brief extracts from news articles related to Regulatory Quality

Brief caption/extracts from news articles	Date of Publication
<p><i>“Eskom must show there are consequences for corruption”</i></p> <p><i>“Deon Joubert, who works on economic regulation at Eskom, said one of the problems in South Africa is municipalities who buy about 42% of Eskom’s energy and sell it to residents at higher prices.”</i></p> <p><i>“He said Eskom cannot be fixed in isolation and needs good management, and government policy and regulation.”</i></p> <p><i>“Thembanani Bukula, chief executive of POWERX and former regulatory member at the National Energy Regulator (NERSA), said policies were made on the assumption that Eskom was going to fund itself.”</i></p> <p style="text-align: right;"><i>(Sunday Times, 2017).</i></p>	2017/11/21
<p><i>“Eskom overspent on primary energy costs and should not get refund: Outa”</i></p> <p><i>“This is the claim by the Organisation Undoing Tax Abuse as it opposes Eskom’s Regulatory Clearing Account (RCA) applications to the National Energy Regulator of South Africa (NERSA) for a R66.6bn revenue claw-back.”</i></p> <p><i>“The Electricity Regulation Act stipulates that only an efficient utility is entitled to acquire a return on its operations for regulatory purposes,” Outa’s energy portfolio manager, Ronald Chauke, said.”</i></p> <p style="text-align: right;"><i>(Sunday Times, 2018).</i></p>	2018/03/26

<p><i>“NERSA grants Eskom R32.6BN for regulatory clearing account”</i></p> <p><i>“The cash-strapped utility has been granted around half of the R60 billion it was trying to claw back from customers via the electricity tariff under the regulatory clearing account mechanism.”</i></p> <p><i>“JOHANNESBURG – The National Energy Regulator of South Africa (NERSA) has granted Eskom a total of R32.6 billion for its regulatory clearing account.”</i></p> <p><i>“The cash-strapped utility has been granted around half of the R60 billion it was trying to claw back from customers via the electricity tariff under the regulatory clearing account mechanism.”</i></p> <p style="text-align: right;"><i>(EWN article published in 2018)</i></p>	<p>2018/06/14</p>
<p><i>“NERSA refuses to grant Eskom electricity price hikes”</i></p> <p><i>“The power utility says the National Energy Regulator, NERSA, has based its refusal to grant it a 19% electricity price hike on incorrect assumptions. The utility has told parliament’s Energy Committee that these include the assumption that it will automatically close down two power stations and reduce staff by six thousand and cut its cost by 10%.”</i></p> <p><i>“It says the regulator also assumes that Eskom will have a cash flow of R32 billion at the end of the 2018 and 19 financial year.”</i></p> <p><i>“There’s a difference of opinion with the regulator on some of the numbers. Having raised the issues, we are comfortable we will find a solution between us. It is important that at some point we find an equilibrium with the regulator so that we are able to plant a clear future going forward.”</i></p> <p style="text-align: right;"><i>(SABC, 2018)</i></p>	<p>2018/03/27</p>

The National Electricity Regulator (NER) was established in 1995, with a mandate to regulate pricing, national tariff systems, and national service and technical standards (Mostert, 2002:2). The NER has since been renamed the National Electricity Regulator of South Africa (NERSA), and is mandated to focus on areas beyond electricity, to gas and other energy sources in terms of the National Regulatory Act, 40 of 2004 (Shangase, 2007:90). These regulatory frameworks are thus put in place to ensure good governance practices are followed by ESKOM. However, a number of international and global measurements are in place to strengthen regulatory quality. The WGI that measures perceptions of the ability of the government or government institutions to formulate and implement sound policies and regulations that permit and promote private sector development (Ezcurra and Rodríguez-Pose, 2014:1734).

Matsiliza (2017:38) stated that regulatory measures on corporate governance in SOEs could be used to look into strategies that translate the concept of corporate governance into practical solutions that are aimed at involving stakeholders and government support. South African SOEs are following global trends like those suggested by the Organisation for Economic Co-operation and Development (OECD) in its corporate governance and regulatory principles on good governance (Matsiliza, 2017:36). According to literature cited by Mohr and Wagner (2011:2), it is claimed that good regulatory governance is characterised by the following benefits and shortcomings:

- Good regulatory governance improves the ability of the financial system to survive unsound practices and occurrences of moral hazards, thus it has a positive impact on risk management capabilities. In contrast to the latter, a dysfunctional government or SOE arrangement will undermine the credibility of the regulatory authority, which may subsequently lead to unsound practices in governance, thereby jeopardising the stability of financial systems (Das et al., 2004, cited by Mohr and Wagner, 2011:2).
- Weak regulatory governance encourages weak financial systems, which in turn reduces economic performance and growth (Quintyn, 2007, cited by Mohr and Wagner, 2011:2).

The concept of regulatory governance, as in the case of financial stability with specific reference to the governance of regulatory authorities, is a multidimensional economic concept that is difficult to measure (Mohr and Wagner, 2011:9). Mohr and Wagner (2011:20)

devoted their study to the banking sector, and stated that policymakers should provide a high degree of independence to regulatory authorities. This provision should place authorities in the position to independently exercise judgement and powers in regulatory and supervisory activities. Furthermore, it is of high importance that regulatory authorities should be accountable to the executive and legislative branches of government, and that the financial institutions, in order to provide public oversight, should uphold legitimacy and enhance integrity (Mohr and Wagner, 2011:20). According to Kamal (2010, cited by Thomas, 2012:451), a number of universal problems, resulting from contradictory objectives associated with political interference and lack of transparency that usually occur in SOEs, add to the lack of effective regulatory and institutional frameworks. The efficacy of regulatory frameworks to promote standards of corporate governance is lacking in Africa as a whole (Thomas, 2012:451).

5.4.1 Policies Bodies and Regulatory Environment

ESKOM is actively participating in shaping the international business community in addressing global challenges, such as climate change and other sustainability challenges. This active participation by ESKOM is made possible through its involvement in the World Economic Forum (WEF) and the International Chamber of Commerce (ICC), as well as through demonstrating its active participation in the four areas of the WBCSD, which involve energy, climate, sustainability and development (ESKOM, 2011:62). At a local level, ESKOM is guided by the following regulators or enforcers: the National Energy Regulator, the National Nuclear Regulator, and the National Treasury (ESKOM, 2018:36).

Decisions about new capacity (what or when to build what) is not up to ESKOM, but are guided by policy decisions made involving new capacity. A recent study conducted by Gupta et al. (2017:226) indicates that the demands for electricity in South Africa have resulted in massive policy changes due to the country's industrialisation and urbanisation. These changes and their effects on residential and industrial electricity consumers have not been formally considered. In order to determine the changes in electrical demand, three tests have been conducted; the entropy test, the conditional symmetry test, and the Triples test. The findings showed that there is weak evidence of irregularity.

5.5 RULE OF LAW

News media reported on almost all sustainability issues associated with the WGI, *rule of law*. The dominant dimension was economy, ranging between 44.44% and 75%, while society is demonstrated as an important dimension within the range of 25% - 50%. Environment was document in a relative low range (0% - 5.56%) when compared to the other dimensions. An equal balance between positive and negative content (reactions) was mostly observed (Table 4.13 – 4.15). This shows that governance practices in Eskom under the WGI, *rule of law* are relative stable or fairly good. The notion of organisational performance is predominantly supported by the economy dimension with important contributions from the society dimension, while environmental contributions are fairly or less important.

Table 5:5 Brief extracts from news articles related to Rule of Law

Brief caption/extracts from news articles	Date of Publication
<p><i>“Eskom seeking to recover funds unlawfully paid to McKinsey, Trillian”</i></p> <p><i>“Eskom is obliged, pursuant to its statutory and common law duties, including the PFMA (Public Finance Management Act) and the Companies Act, to seek to set aside these unlawful decisions and to have all the money unlawfully paid out returned. Accordingly, Eskom wrote to each explaining the action it would take and requesting their cooperation in the matter.”</i></p> <p style="text-align: right;">(Sunday Times, 2017)</p>	2017/10/05
<p><i>“Eskom welcomes payment of R902m and apology from McKinsey”</i></p> <p><i>“We commit ourselves to root out financial mismanagement and malfeasance and we will continue to work with the six regulatory bodies and law enforcement agencies in addressing corruption, which are the National</i></p>	2018/07/10

<p><i>Treasury’s Special Investigative Unit (SIU), SAPS, Hawks, NDPP and the Zondo Commission.”</i></p> <p style="text-align: right;">(Sunday Times, 2018)</p>	
<p>“ESKOM awaits court date to recover funds from McKinsey, Trillian”</p> <p><i>“The power utility initiated legal action over two weeks ago to try and recover about R1.6 billion that was paid to the companies as the contracts were deemed unlawful.”</i></p> <p><i>“The power utility initiated legal action over two weeks ago to try and recover about R1.6 billion that was paid to the companies as the contracts were deemed unlawful.”</i></p> <p><i>“Eskom's Khulu Phasiwe said: ‘McKinsey has essentially indicated to Eskom that they are willing and ready to make the payments to Eskom, essentially returning the money that was unlawfully paid to them which is R1 billion. So, they are just waiting for a court order which will be essentially a trigger which will enable them to make the payment.’ ”</i></p> <p style="text-align: right;">(EWN article published in 2018).</p>	<p>2018/04/08</p>
<p>“Unions demand to see Ramaphosa over Eskom wage talks”</p> <p><i>“The intentions by some of the unions to go on strike on Thursday. From our end we really would like to remind them that in terms of the law, and it’s not an Eskom law, but the loss of this nation, people who work for companies like Eskom are not supposed to go on strike. And if that happens that they go on strike we can assure South Africa that we do have measures that we will be putting in place to make sure that we keep the system running.”</i></p> <p style="text-align: right;">(SABC, 2018).</p>	<p>2018/06/12</p>

This WGI (Rule of Law) is aimed at measuring perceptions of the extent to which agents have confidence in, and abide by, the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence occurring (Ezcurra and Rodríguez-Pose, 2014:1734). Where the Rule of Law exists, the regular compliance by public officials is demonstrated through their actions and that of respect for the authority of the law (Wouters et al., 2015:29). The existence of the Rule of Law, all laws, including that of direct or indirect discouragement of corruption or prevention thereof, as well as the mandate compliance by their sheer existence (Wouters et al., 2015:29). Therefore, it can be stated that effective anticorruption policies necessitate the creation and strengthening respect for the Rule of Law.

The Rule of Law is the foundation of South Africa's constitutional value; however, the Rule of Law has not been comprehensively defined in South African jurisprudence (Jones, 2015:89). The protection of the Rule of Law in the South African Constitution requires that the state provide the mechanisms for citizens to resolve disputes that arise between them (Wouters et al., 2015:247). Furthermore, it is suggested by Jones (2015:89) that it is useful to consider the Rule of Law from both a theoretical perspective as well as how it has been developed by the courts to date. The Rule of Law (RoL) has been developed through the principle of legality, to a large extent. This principle holds that "the Legislature and Executive in every sphere are constrained by the principle that they may exercise no power and perform no function beyond that conferred on them by law" (Hoexter, op. cit., note 19 at 255, cited by Jones, 2015:3). Jones (2015:109) discusses the relevance of this principle as regards unlawful tender awards and the implications for the principle of legality in terms of ESKOM Holding Ltd. This unlawful tendering practice was noted by the Supreme Court of Appeal in *ESKOM Holding Ltd vs New Reclamation Group (Pty) Ltd* (2009 (4) SA 628 (SCA)), cited by Jones, 2015:16) which noted there where there has been a reviewable irregularity in the award of the tender, an unsuccessful tenderer would be entitled to call for the award to be cancelled (ibid., para 11, cited by Jones, 2015:16).

In a recently published doctoral thesis, entitled "Energy Transitions: The Case of South Electric Security", it was stated that there are various path dependencies that block avenues of transition in South Africa (Van der Merwe, 2018:97). Van der Merwe (2018: ii) is of the opinion that, in order to understand actor influences on energy transitions, significant

attention should be given to an actor's (e.g. state, market, or community) impact on governance processes, which include the shaping of legislation or the rule of law. Thus, forming networks, regimes and governing processes at niche levels will consequently impact on governance and establish pathways for the realisation of electricity security. Good and effective governance thus reflects in a Rule of Law that is well shaped and implemented. In countries that are known for having a weak Rule of Law, especially where bribery is often required to do business, the risks of corruption are high (Wouters et al., 2015:386). Wouters et al. (2015:452) highlighted the following significant aspects of the Rule of Law:

- It is crucial to ask if it is realistic to expect civil servants to inform themselves and reach a stage where they can continually act in the interest of the public. If their answer to the previous statement is not 'yes', a plan must be devised that would bring about civic-minded action, without the need for complete recognition of the public or private distinction; furthermore, without full awareness of the public sphere and sense of civic duty. If the latter is possible, it can only be achieved through the Rule of Law (Wouters et al., 2015:452).
- If there is a set of rules that mandates public officials to act in a certain way, such rules should be incorporated in the Constitution and enforced by means of laws and bylaws (Wouters et al., 2015:453).
- The notion of the Rule of Law gives the authority of law the power to provide the public reason that mandates an official to no longer consider the merits of a case, and after it has been decided that the relevant legal norm applies to the case. In other words, law makes personal, moral intellectuality redundant and thus creates a new mode of existence (Wouters et al., 2015:453).
- In cases where the Rule of Law is fully functional, it is in the best interest of the public official to do what the law mandates. If the standard conditions for the functioning of law exist, and public officials behave accordingly, the law provides the assurance for all members of society that they will all be treated similarly. This creates a situation where the so called "prisoner's dilemma on a societal scale is averted (Wouters et al., 2015:453).
- During instances of corruption, the standard conditions for the effectiveness of law usually do not fully apply. The inapplicability of the conditions may not be an inherent

weakness of the law itself, but rather a problem associated with politics or governance behind the law itself (Wouters et al., 2015:453).

- The Rule of Law provides an applied reason for officials to not only act in the interest of the public, but also to perform their duties to the people. This may not necessarily be achieved through the internalisation of standards of public ethics or morals and an accurate understanding of the public interest, but through fidelity to law and a minimal understanding that loyalty to the law pays.

Overall good governance, effected through the Rule of Law, results in less political instability (as discussed previously), low levels of corruption (to be discussed later in the chapter), necessary governance effectiveness, and high regulatory quality, while appropriate voice and accountability maximises economic incentives (Yerrabati and Hawkes, 2015:4). Mbazira (2013:261) is of the opinion that increasing levels of service delivery protests and violence could be ascribed to the breakdown of the Rule of Law, which can be explained by the inefficiency of law and/or be attributable to corruption and poor governance.

5.6 CONTROL OF CORRUPTION

All dimensions of sustainability were reported on by online media sources, dominated by the economy dimension under the auspices of the WGI, *control of corruption*. The percentage ranges for economy, society and environment respectively were as follows: 60.87% - 61%, 29% - 34.78% and 0% - 10%. Although the economy dimension is highlighted as dominant, society is adding an important contribution to the organisational performance. The environment dimensions ranging between 0% and 10% also make a fair contribution (Table 4.16 – Table 4.18). The content analyses show a strongly negative trend for all news sources, indicating poor governance practices for ESKOM from a *control of corruption* viewpoint. Organisational performances were strongly influenced by the economy dimensions, with important influences from society and environment aspects.

Table 5:6 Brief extracts from news articles related to Control of Corruption

Brief caption/extracts from news articles	Date of Publication
<p><i>“ESKOM must show there are consequences for corruption”</i></p> <p><i>“Former finance minister Nhlanhla Nene and other experts have spoken out about the problems afflicting Eskom during a panel discussion in Johannesburg. Piet van Staden, chairperson of the Energy Intensive Users Group of Southern Africa, said Eskom must show there are consequences for corruption and state capture.”</i></p> <p><i>“We need to get this state capture, corruption things, out in the open.”</i></p> <p style="text-align: right;">(Sunday Times, 2017)</p>	<p><u>2017/11/21</u></p>
<p><i>“State capture at Eskom: the story so far”</i></p> <p><i>“As MPs on Parliament’s public enterprises committee dig into issues of state capture at Eskom, stories of corruption and meddling have emerged.”</i></p> <p><i>“Spokesman for the Eskom board, Khulani Qoma, raised some eyebrows when in his testimony earlier in the inquiry he called Brown a “liar” and accused her of not being able to do her job. He said that Brown was surrounded by people linked to corrupt activities, but expected people to believe she was untouched. Brown has denied the claims.”</i></p> <p style="text-align: right;">(Sunday Times, 2017)</p>	<p><u>2017/12/01</u></p>
<p><i>“ESKOM board on mission to root out corruption”</i></p> <p><i>“ESKOM’s new board is on a mission to root out all forms of corruption at the power utility. Less than three months since their appointment, they’ve already finalised a third of over 200 reported cases of suspected corruption”</i></p>	<p><u>2018/04/18</u></p>

(EWN article published in 2018)	
<p>“Anoj Singh 'lied' to Brown about ESKOM's dealings with Trillian” / “Corruption and Lies”</p> <p><i>“Singh is reportedly accused of financial misconduct and is facing internal disciplinary charges. The inquiry is investigating widespread corruption involving Gupta-aligned companies and executives at the state-owned power utility.”</i></p> <p><i>“The Organisation Undoing Tax Abuse has opened charges of corruption against him for his role in the Trillian fiasco.”</i></p> <p>(EWN, 2017).</p>	2017/12/06
<p>“Eskom mired in new corruption scandal”</p> <p><i>“The power utility is now mired in a new corruption scandal. Suspended Chief Financial Officer Anoj Singh is being accused of signing a dodgy deal with a Chinese company amounting to R400 million as a commission for getting a loan for Eskom in China.”</i></p> <p>(SABC, 2018).</p>	2018/01/19
<p>“Outa welcomes investigations into Eskom coal contracts”</p> <p><i>“Outa over the years has been provided with a lot of information from whistle-blowers with regards to deep-seated corruption; you know the Ingula project alone went from R8.9-billion to over R30-billion. We see Medupi, Kusile and the on-going increases to the capital expenditure projects suggested they're fraught with corruption and over-spending, so we really do welcome the president's announcement and we look forward to working with the SIU, and seeing the results of this work,” says Duvhage.”</i></p>	2018/04/07

(SABC, 2018).	
---------------	--

Control of Corruption is the WGI aimed at measuring perceptions of the extent to which public power is exercised for illicit private gain. This includes both petty and grand forms of corruption, as well as the “capture” of the state by elites and private interests (Ezcurra and Rodríguez-Pose, 2014:1734). Corruption is a phenomenon that has plagued countries globally since the beginning of organised human life, while our understanding of its foundation remains limited. However, research into corruption has increased substantially in recent years; therefore, our knowledge and understanding of the phenomenon is growing (Warf, 2018:247). Corruption typically refers to a condition where public officials follow private ends when using public resources, which undermines development and leads to poor socio-economic conditions in a country developing or worsening (Bhorat et al., 2017:2). The deterioration of SOEs in South Africa has been blamed on corruption; however, it is important to note that problems may go far beyond corruption (Bhorat et al., 2017:2). The South African National Treasury remains an essential institution for containing corruption and wasteful expenditure in the country, and the government’s anti-corruption task team assembles agencies that can identify corrupt practices, prosecute offenders and reclaim improperly attained assets (Butler, 2017:107).

In recent years, “corruption and state capture” have become prevalent concepts in South Africa, especially under leadership of former President, Jacob Zuma. Bhorat et al. (2017:5) have stated that corruption tends to be comprised of individual actions that are facilitated by a corrupt network in an exceptional case. The latter is described to be an informally organised, fragmented and opportunistic event. State capture, on the other hand, is considered to be systematic and well organised by people with established networks (Bhorat et al., 2017:5). Bhorat et al. (2017:14) make special reference to fraud and corruption directly related to procurement by SOEs. According to a graphic representation of fraud and corruption cases over time prepared by Bhorat et al. (2017:14), the highest number of 35 cases were recorded in 2012, followed 22 cases and 20 cases in 2010 and 2013, respectively. The SOEs where major cases were recorded (measured in Rand values) included Transnet, where cases involving R95.6 million were recorded for fraud and

corruption in 2010. The South African Social Security Agency (SASSA) was charged with fraud, corruption and transgressions under the Public Finance Management Act (1999), totalling an unknown amount, in 2012. ESKOM, in particular, was charged for fraud and corruption in 2013, in an amount of R 121.7 million (Bhorat et al., 2017:14). The latter case particulars were documented as follows: Eskom (emergency coal) Gauteng: SEOU enquiry CAS 04/03/2012.

South Africa's bureaucratic administration in terms of awarding tenders can be characterised by fraud and corruption, especially within SOEs and government departments where politicians have an upper hand in decision-making (Nevondwe et al., 2014:663). Baker and Phillips (2018:1) found that the reconfiguration of electricity supply faces substantial political and economic challenges, which are rooted in the country's socio-economic and radical inequalities, and its heavy dependence on coal-fired power. Bhorat et al. (2017) cited by Baker and Phillips (2018:7) confirmed that ESKOM was at the time of that study stuck in a financial, political and technical crisis associated with the national scandal on state capture and corruption. The latter is ascribed to years of mismanagement, while the effects thereof include periodic load shedding experienced since 2006 and high levels of unsustainable debt, despite various government guarantees and loans obtained from the World Bank (Baker and Phillips, 2018:7). Transparency International confirmed in 2008 that corruption in both public and private institutions in South Africa is growing, with a relatively high corruption perception index (CPI; ranked in the 43rd place), as ranked in the world (Olawale and Garwe, 2010:732).

Madonsela (2010:4) is of the opinion that corruption in South Africa was deeply rooted in the apartheid bureaucracy; thus, a corrupt government was inherited by the democratic government. Van Niekerk and Olivier (2012:132) stated that the democratic government stepped up in the establishing numerous anti-corruption initiatives, which involve legislative frameworks, policy measures, and anti-corruption strategies and agencies. These initiatives clearly indicate that government is committing itself to fighting against corruption, although mostly on paper and in speeches. Nevertheless, it has become evident from mass media reporting that cases of fraud, theft, misappropriation and gross negligence involving bribery have been reported regarding state agencies.

Van Niekerk and Olivier (2012:134) stated that a major challenge facing countries around the world is the fact that there is a general lack of trust in government, while government officials on the other hand create an impression that everything is under control. In order for countries, worldwide, to address various challenges of corruption, a number of anti-corruption agencies have been developed. These models include: 1) multi-purpose agencies with law enforcement powers; 2) law enforcement agencies; and 3) preventative, policy development and co-ordination agencies, all aimed at corruption prevention (Van Niekerk and Olivier, 2012:134). In South Africa, a multi-agency, anti-corruption approach that includes a comprehensive legislative framework to prevent corruption is being implemented. This framework consists of key institutions, sectors, laws, policies, practices and mechanisms that collectively contribute to good governance (ANON, 2009:14, cited by Van Niekerk and Olivier, 2012:138). According to Van Niekerk and Olivier (2012:138), South Africa has adopted a specific legislative framework since 1994 to address corruption issues, which framework involves the following:

- The Public Service Act (1994), as amended by Act 30 of 2007;
- The Executive Members Ethics Act (1998);
- Prevention of Organized Crime Act (1998);
- The Public Finance Management Act (1999);
- The Protected Disclosure Act (2000);
- Promotion of Administration Justice Act (2000);
- The Promotion of Access to Information Act (2000);
- Financial Intelligence Centre Act (2001);
- Municipal Finance Management Act (2003);
- Prevention and Combating of Corruption Activities Act (2004); and
- The Public Service Regulations (2001, as Amended).

In South Africa, the national anti-corruption agencies are responsible for the investigation and prosecution of persons charged with corruption (e.g. the recovery of taxation of assets, the proceeds of corruption, and the prevention of corruption). As listed by Van Niekerk and Olivier (2012:142), these agencies involve: 1) The South African Police Services (SAPS); 2) the Special Investigating Unit (SIU); 3) the Directorate of Private Crimes (DPC); the Asset Forfeiture Unit (AFU); the National Intelligence Agency (NIA); The South African Revenue

Services (SARS); and the Independent Complaints Directorate (ICD). Furthermore, other important anti-corruption institutions responsible for non-criminal investigations and prevention of corruption include: 1) The Public Protector; 2) The Auditor General South Africa (AGSA); and The Public Service Commission (PSC).

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 CONCLUSION

The state of governance in South Africa is often reflected through the effectiveness of public organisations or state-owned entities. In the context of South Africa, corporate governance is measured against the country's legal framework which contains laws, regulations, and codes of best practice such as the King Reports and company constitutions, among others as discussed in this study. Literature confirms that the King Reports play an important role in promoting good governance in South Africa. Various principles are put in place to ensure that governance practices in various SOEs the core of good governance to build South Africa. Literature also confirms that good governance in South Africa is primarily about management and good leadership, with the following key drivers representing commonly used ethical standards: 1) responsibility, 2) accountability, 3) fairness, and 4) transparency. However, many organisations in the global context often fail to adhere to these standards, which can be referred to as "governance failures". Failure in good corporate governance is highlighted in literature as a global concern; thus, the need for the use of the world governance indicators (WGI). The WGI consists of six dimensions, namely 1) voice and accountability, 2) political stability and the absence of violence/terrorism, 3) governance effectiveness, 4) regulatory quality, 5) rule of law, and 6) control of corruption.

The primary focus of this study was the use the WGI together with the organisational performance instrument that is based on sustainability dimensions as measurement instruments to assess and evaluate the state of governance in ESKOM. The importance of ESKOM as an SOE can be ascribed to the fact that the entity functions as a monopolistic institution, supplying approximately 95% of the electricity used in South Africa. Furthermore, this SOE provides a service that is critical for domestic and economic activities. In light of the latter statement and from corporate governance perspective, good governance practices in ESKOM remain a priority, not only in terms of electricity supply but also in terms of sustainability. The notion of the triple bottom line (TBL) or sustainability approach is inclusive of the SOE's social outputs, economic output and environmental outputs. TBL achievements thus present a holistic overview on how sustainability is being measured to ensure that people, and the planet, are not being compromised in the pursuit of profits, as discussed in literature (refer to the three Ps). Since ESKOM has a responsibility towards people and

society, it is important that any transgressions that may occur become known and are published in the public domain. The concept of informing the people of a country about state-entity transgressions is an essential part of good governance practices. Sharing information to the public is not always done effectively by government itself or by the public institutions; therefore, the role of the media as the so-called “watchdogs” is partially investigated in this study in order to answer research questions and subsequently achieve the study objectives.

The media play an important role in terms of providing information to the public and shaping opinion. Reporting on any issue needs to be undertaken in an impartial and unbiased manner. It has also become evident from literature that not all media platforms broadcast news that is objective and fair. The rationale behind the latter is that certain news platforms are funded by government (e.g. in South Africa, the SABC is owned by the government) and these are described in literature as government-friendly news media. In contrast to government-friendly news media, are the news media platforms that are privately funded (e.g., M-NET, SOWETO TV and Cape Town TV). According to literature, news media platforms that are privately funded experience less challenges in terms of maintaining neutrality. Three different publishers from among South Africa’s largest news media platforms were selected for the purposes of this study, 1) the Sunday Times (online publications), 2) Eye Witness News (online publications), and 3) South African Broadcasting Corporation (online publication). News articles related to ESKOM were extracted for analysis (assessing and evaluation), spanning a period of 12 months (31 July 2017 – 31 July 2018).

Details of news content related to governance aspects were captured in an MS Excel spreadsheet, and then processed using a measuring tool to determine the percentage weights obtained for each WGI. The statistical results confirmed that an overly negative outcome was achieved for the governance in ESKOM, as measured against the WGI. The negative percentages returned for WGI also indicated that no statistically significant differences (p-value of 7.15×10^{-06}) exist between all six dimensions of the WGI, while in terms of the positive percentages achieved, there is indeed a statistical significant difference between WGI (p-value of 0.11).

Although a number of limitations exist in this study due to the neutrality of the media articles published on ESKOM, a good and comprehensive understanding of some of the governance

transgressions are highlighted throughout this investigation. It has thus become evident that the performance regarding the governance of an SOE such as ESKOM should not be measured as an all-inclusive output, but rather that consideration should be given to the different dimensions of governance, as illustrated by the WGI. Therefore, the following additional conclusions were made from this study:

- During the selected sampling period (31 July 2017 – 31 July 2018, covering 53 weeks), the frequency of publication of articles on ESKOM were calculated in percentages of 98%, 87% and 76% for Sunday Times, EWN and SABC, respectively. The total percentage of frequency for all news articles published was calculated at 87% (see Appendix Table 3). The frequency of publication of ESKOM-related articles is relatively high (ranging between 76% and 98%), and the articles focus mostly on governance aspects, which are either negative or positive.
- The WGI consists of six indicators, each with a specific focus on an aspect governance. An overall good balance is observed between the negative and positive results obtained for the WGI (Table 4.1 – Table 4.18). Negative outcomes were recorded for five of the six indicators, while positive outcomes were recorded for three of the six indicators. Since three different news platforms were used in the study, certain results for WGIs may illustrate outcomes with both negative and positive reactions. Control of corruption (Table 4.16 – Table 4.18) was recorded as the poorest performing area, as measured against criteria for the WGI, while governance effectiveness (Table 4.4 – Table 4.6.) was the best performing area among others.
- Based on the total performance indicators and negative or positive outcomes illustrated in Table 4.1 – Table 4.18, the WGI that should be given first priority is control of corruption, followed by political stability and absence of violence/terrorism. Less priority of in terms of improvement are required for governance effectiveness, voice and accountability and rule of law.
- According to this study, there are two major findings related to the state of governance in ESKOM; namely 1) poor control of corruption, and 2) governance effectiveness that is notability good. Both major findings have an impact on the overall state of governance in ESKOM. The SOE's legal mandate is to provide electricity to the whole of South Africa and a few neighbouring African countries. The impact of corruption on service delivery is widely discussed in literature and is closely associated with protests. There has been

an increase in protests in South Africa in recent decades (Appendix Figure 1), where insufficient electricity supply is listed amongst other service delivery failings. It has also become evident from literature that load shedding is happening more frequently, which can be ascribed to corruption or alternatively to poor governance. Although there was a decrease in governance effectiveness in South Africa over the period 1997 to 2014 (Appendix Figure 1), with an ongoing norm in current years, it has become evident from this study that ESKOM is showing mostly positive outcomes in terms of governance effectiveness. Moreover, this finding is supported by recent media articles analysed over a relatively short period, from which it is clear that ESKOM is making good progress towards decision-making, planning and implementation, and in other related areas;

- The notion of sustainability and ESKOM's approach towards attaining the TBL achievements were widely reported in the media during the selected study period. In light of the corporate governance in ESKOM, the TBL is aimed at measuring how a state-owned entity or public company is performing in terms of adhering to principles that promote practices in society, the economy and in the environments where the company operates. Legislation such as the Companies Act, among others, makes specific reference to the point that a company should be seen as a corporate citizen by its board and should not undermine the sustainability of its social and natural environment, but rather act as an instrument to protect and develop them. This study cited at least three companies (see Appendix Tables 1–3) for their respective approaches towards the TBL, which can be used as benchmarking cases for many South African companies. Many irregularities or poor practices in terms of the TBL were observed throughout this study, as reported by media and literature. Some of the major concerns are the related to ESKOM's impacts on the economy and the environment, since 1) cheap and abundant coal-based trajectories are no longer sustainable and 2) the SOE is experiencing numerous repayment difficulties that may have an adverse impact on its sustainability in meeting financial obligations. Furthermore, these trajectories are affected a number of other sustainability commitments, such as those regarding climate change and the nature of economic growth that has changed.

6.2 RECOMMENDATIONS

The following recommendations were made from this study:

- This study followed mainly a qualitative research approach where a total of 138 online published media articles, collected from three media platforms, were analysed. The minimum number of media articles obtained from a media platform was 40, while the maximum number was 52, over a period of 12 months. Previous studies using a similar approach have collected more articles over longer periods; however, the time period for the current study was based on a shorter academic period in order to complete this study. A longer period of approximately 5 to 10 years might be more effective for following trends related to the state of governance in a public entity, using indicators such as the World Governance Indicators.
- The world governance indicators, capturing six key dimensions of governance (*Voice and Accountability, Political Stability and absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption*) were used in this study due to the WGI's long-standing research programme, supported by over 200 countries. In addition to these well-recognised indicators that measure governance quality, it is recommended that future research should consider looking into dimensions of similar tools measuring instruments such as those incorporated in "Good Governance", Government Performance and Results Act and the Ibrahim Index of African Governance (IIAG). Although ESKOM is a well-known South African SOE, it is operating across Africa; therefore, it is strongly advised that future studies should consider using the IIAG that is specifically designed to focus on governance in Africa. This recommendation is supported by the fact that South Africa, and Africa as a whole, is facing unique socio-economic challenges and accordingly its governance issues will differ from those that are reported globally.

The following recommendations are specifically aligned to certain objectives that were set for this study:

- In order to analyse an increased frequency of media articles that report on governance issues, it may be advisable to analyse or assess different media sources or platforms simultaneously, especially when considering the relatively short period.

Regardless of the media source or platform, online publications are generally available to most citizens.

- The state of governance, as measured according to online media reports, could be used as an effective analysis approach to alert or inform concerned persons or entities about potential governance transgressions that might require further investigation.

REFERENCE LIST

Abu, N., Karim, M.Z.A., Aziz, M.I.A. 2015. Corruption, political instability and economic development in the Economic Community of West African states (ECOWAS): Is there a causal relationship? *Contemporary Economics*, **9**(1):45-60.

Agbloyor, E.K., Gyeke-Dako, A., Kuipo, R. and Abor, J.Y. 2016. Foreign direct investment and economic growth in SSA: The role of institutions. University of Ghana Business School. Legon: Wiley.

Anglo Gold Ashanti. 2015. Integrated Report 2015. Strategy: Support our Strategy for sustainable cash flow improvements and returns.

Baker, L. 2016. Governing electricity: from monopoly to market? The case of South Africa. IEA workshop: The Role of State-owned Enterprises in the Low-Carbon Energy Transition. Brighton, United Kingdom.

Baker, L. and Phillips, J. 2018. Tensions in the transition: The politics of electricity distribution in South Africa. *Environment and Planning C: Politics and Space*, **0**(0):1-20.

Bayliss, K. and Hall, D. 2002. Unsustainable conditions – the World Bank, privatisation, water and energy. Public Service International Research Unit. University of Greenwich, London: United Kingdom.

Bhorat, H. 2017. State of manufacturing in South Africa. Development Policy Research Unit Working Paper 201702. ISBN 978-1-920633-41-7, University of Cape Town, South Africa.

Bilješka, U. 2012. Critical Insights in European Media Literacy Research and Policy. *Medijske Studije Media Studies* **3**(6): 2-12

Bird, R.M. and Martinez-Vazquez, J. 2008. Tax Effort in Developing Countries and High Income Countries: The Impact of Corruption, Voice and Accountability. *Economic Analysis and Policy*, **38**(1):55-71.

Black Sun. 2015. *The Integrated Reporting Journey: The Inside Story*. London: International Integrated Reporting Council.

Bryman, A., Bell, E., Hirschsohn, P., dos Santos, A., du Toit, J., Masenge, A., van Aardt, I. and Wagner, C. 2014. Oxford University Press Southern Africa: Cape Town.

Business Day, 2017. Moody's downgrades Eskom due to poor governance and the Guptas. <https://www.businesslive.co.za/bd/companies/energy/2017-11-29-moodys-downgrades-eskom-due-to-poor-governance-and-the-guptas/> (date of access:30/10/2018)

Butler, A. 2017. *Contemporary South Africa*. Third Edition. London, United Kingdom: Palgrave.

Cabral, J.D.C. 2017. How do the political constraints of the host country affect the choice of a new geographic market in the construction sector? Master Dissertation.

Cavana, R.Y., Delahaye, B.L. & Sekaran, U. 2001. *Applied business research: qualitative and quantitative methods*. Queensland: Wiley.

Castells, M. 2008. The New Public Sphere: Global Civil Society, Communication Networks, and Global Governance. *The ANNALS of the American Academy of Political and Social Science*, **616**: 78 – 93.

Choy, L. T. 2014. The Strengths and Weaknesses of Research Methodology: Comparison and Complimentary between Qualitative and Quantitative Approaches. *IOSR Journal of Humanities and Social Science*, 19 (4): 99-104.

Chuenyane, G. 2009. Burn, the beloved country. *City Press*, 26 July 2009.

Cilliers, J and Aucoin, C. 2016. Economics, governance and instability in South Africa. ISS (Institute for Security Studies) Paper 293. Pretoria, South Africa.

Cilliers, J. Hughes, B. and Moyer, J. 2011. African Futures 2050. Institute for Security Studies, Pretoria: South Africa.

Creswell, J.W. 2009. Research design: Qualitative, quantitative, and mixed methods approaches. London: SAGE Publications, Incorporated.

Cronje, F. 2017. A Time Traveler's Guide to South Africa in 2030. Tafelberg, Cape Town.

Crucke, S. and Decramer, A. 2016. The Development of a Measurement Instrument for the Organizational Performance of Social Enterprises. *Sustainability*, **8**:1-30.

Dassah, M.O., 2018. Theoretical analysis of state capture and its manifestation as a governance problem in South Africa. *The Journal for Transdisciplinary Research in Southern Africa* 14(1)-473.

Eberhard, A., Gratwick, K., Morella, E. and Antmann, P. 2016. Investment in Power Generation in South Africa. Independent Power Projects in Sub-Saharan Africa: Lessons from Five Key Countries.159-192.

Effective Measure. 2018. News in South Africa. Top tagged sites by unique browsers. <http://blog.effectivemeasure.com/top-news-sites-south-africa-jan-2018> (date of access: 13/11/2018).

Elkington, J. 1999. Triple Bottom Line Revolution: Reporting for the Third Millennium, *Australian CPA*, 69:1-75.

ESKOM. 2011. The ESKOM factor. Eskom Holdings Limited, Johannesburg, South Arica.

ESKOM. 2018. Integrated Report 31 March 2018. ESKOM Holding SOC Ltd. Johannesburg, South Africa.

Ezcurra, R. and Rodríguez-Pose, A. 2014. Government quality and spatial inequality a cross-country analysis. *Environment and Planning A*, **46**:1732-1753.

Fauzi, H., Svensson, G. and Rahman, A.A. 2010. Triple Bottom Line as “Sustainable Corporate Performance”: A Proposition for the Future. *Sustainability*, **2**:1345-1360.

Gold, S., Hahn, R. and Seuring, S. 2013. Sustainability Supply Chain Management in “Base of Pyramid” Food Projects – A Path to Triple Bottom Line Approaches for Multinationals?. *International Business Review*, **22**:784-799.

Gupta, R., Inglesi-Lotz, R. and Mwamba, J.W.M. 2017. Electricity demand in South Africa: is it asymmetric? *OPEC Energy Review*, **41**(3):226-238.

ILO (International Labour Organization). 2014. Sustainable enterprises: creating more and better jobs. 4 Route des Morillons CH-1211, Geneva 22, Switzerland (ILO, 2014:1-7).

Institute of Directors (IoD), 1994. The King Report on Corporate Governance, Institute of Directors, Johannesburg, South Africa.

Institute of Directors (IoD), 2002. The King Report on Corporate Governance for South Africa, Institute of Directors, Johannesburg, South Africa.

Institute of Directors (IoD), 2009a. King Code of Governance for South Africa, Institute of Directors, Johannesburg, South Africa.

Institute of Directors (IoD), in South Africa. 2009b. The Business Leaders. Draft Report on Governance for South Africa”, and the “Draft Code of Governance Principles”, Parkland, South Africa.

Irwin, T. and Yamamoto, C. 2004. Some options for improving the governance of state-owned electricity utilities. Energy and mining sector board discussion paper. Paper No. 11. World Bank, Washington, DC.

Jones, M. 2015. The judicial discretion to allow unlawful government procurement awards to stand: Justification and implications for the principle of legality and the rule of law. Masters dissertation, University of Cape Town. Cape Town, South Africa.

Kaufmann, D., Kraay, A. and Mastruzzi, M. 2010. The Worldwide Governance Indicators: Methodology and Analytical Issues. Global Economy and Development at Bookings. WGI website (www.govindicators.org) (Date of access: 31/01/2018).

Kaufmann-Kray, 2018. Measuring Good Governance. The World Bank and Harvard Edu. <https://sites.hks.harvard.edu/fs/pnorris/DPI403%20Fall09/11%20DPI403%20Measuring%20good%20governance%20Kaufmann-Kraay.pdf> (date of access:31/10/2018).

King IVTM. 2016. SOE Sector Supplement, part of the King IVTM Report on Corporate Governance in South Africa.

Klein, M. 2018. Reasons for SA investors to smile: Economy. *Finweek*, 8:35-39.

Klinger, U. and Svensson, J. 2014. The emerge of network media logic in political communication: A theoretical approach. *New Media and Society*: 1-17.

Lekhanya, L.M. and Mason, R.B. 2014. Selected Key External Factors Influencing the Success of Rural Small and Medium Enterprises in South Africa. *Journal of Enterprising Culture*, 22(03):331-348.

Lieberman, E.S., Martin, P. and McMurry, N. 2017. *Politicians' perspectives on voice and accountability: Evidence from a survey of South African local councillors*, Making All Voices Count Research Report, Brighton: IDS.

Livingstone, Sonia, and Wang, Yinhan, A. 2011. *Media Literacy and the Communications Act: What Has Been Achieved and What Should be done?* LSE Media Policy Project Brief 2, <http://www.scribd.com/doc/57742814/Policy-Brief-Progress-in-digital-skills-has-stalled> (data of acces:26/10/2018).

Madonsela, T.N. 2010. Public Protector South Africa. Corruption and Governance Challenges: The South African Experience. Article presented at the National Conference on Corruption and Governance Challenges, Nigeria 21 January 2010.

Matsiliza, N.S. 2017. Corporate governance of the state-owned enterprises in an emerging country: Risk management and related issues. *Risk governance and control: financial markets and institutions*, **7**(3):35-43.

Marklives.Com, 2017. ABC Analysis Q1 2017: The biggest-circulating newspapers in SA. <http://www.marklives.com/2017/05/abc-analysis-q1-2017-the-biggest-circulating-newspapers-in-sa/> (date of access:30/10/2018).

Mbazira, C. 2013. Service delivery protests, struggle for rights and the failure of local democracy in South Africa and Uganda: Parallels and divergences. *SAJHR*, **29**:251-275.

McKellar, R. 2010. A Short Guide to Political Risks. Short Guides to Business Risks

McKenzie, S. 2004. Social Sustainability: Towards Some Definitions. Hawke Research Institute University of South Australia Magill, South Australia.

Media Club South Africa, 2018. The media in South Africa. <http://www.mediaclubsouthafrica.com/culture/36-themedia/mediabg/110-the-media-in-south-africa> (Date of access: 18/01/2019).

Mitchley, A. 2017. City Press-News24. ESKOM Couldn't Accept "Good Governance": Manual Roasts Molefe, Brown. <https://city-press.news24.com/News/eskom-couldnt-accept-good-governance-manuel-roasts-molefe-brown-20170515> (Date of access: 27/04/2018).

Mohr, B. and Wagner, H. 2011. A structural approach to financial stability: On the beneficial role of regulatory governance. Discussion Paper No. 467. Department of Economics, University of Hagen, Germany.

Mokoena, L.D. 2005. The importance of corporate ethics and values building a sustainable strategy model for effective implementation of good corporate governance within a state-owned enterprise in South Africa. <http://uir.unisa.ac.za/bitstream/handle> (Date of access: on 18/01/ 2019).

Mostert, C. 2002. Reflections on South Africa's Restructuring of State Owned Enterprises, Occasional Paper No.5 March 2002, Friedrich Ebert Stiftung, South Africa Office, Johannesburg, South Africa.

Mpehle, Z. 2012. Are service delivery protests justifiable in democratic South Africa? *Journal of Public Administration*, **47**(1.1):213-227.

Mushwana, G. and Bezuidenhout, H. 2014. Social media policy in South Africa. *Southern African Journal of Accountability and Auditing Research*, **16**:63-74.

Nagawat, A.J. and Mathur, N. 2011. A Value Added Approach by Triple Bottom Line for Sustainable Development. *Department of EAFM, UOR, Jaipur*, 146-153.

Naidoo, R. 2016. *Corporate Governance, an Essential Guide for South African Companies*. 3rd Ed. South Africa: LexisNexis.

Neethling, T. 2016. An update on South Africa's political risks profile in 2015/6. *New Contree*, **75**:66-97.

Nevondwe, L., Odeku, K.O. and Raligilia, K. 2014. *Ethics in the State-Owned Companies*. 3rd Ed. South Africa: LexisNexis.

Nicolaidis, G. 2018. EWN (Eyewitness News), Eskom Board Thanks Media For Exposing Corruption. The state-owned entity released its interim financial results on Monday, which shows a dire financial situation. <http://ewn.co.za/2018/01/30/eskom-board-thanks-media-for-exposing-corruption> (date of access: 27/04/2018).

Ntshangase, B. 2017. Identifying delay factors in electrical distribution projects at Eskom Northern Cape Operating Unit.

Olawale, F. and Garwe, D. 2010. Obstacles to the growth of new SMEs in South Africa: A principal component analysis approach. *African Journal of Business Management*, **4**(5):729-738.

Olum, Y. 2014. Public Accountability and Good Governance in Uganda's Public Sector. *Journal of Public Administration*, **49**(2.1):603-621.

Organisation for Economic Co-operation and Development (OECD). 2005. OECD Guidelines on Corporate Governance of State-Owned Enterprises, Organisation for Economic Co-operation and Development, Paris.

Peters, R. and Naicker, V. 2014. Small medium micro enterprise business goals and government support: A South African case study. *South African Journal of Business Management*, 44(4):13-24.

Politicsweb. 2018. SA's media: The old is dying, the new is struggling to be born. 05 September 2013. <http://www.politicsweb.co.za/news-and-analysis/sas-media-the-old-is-dying-the-new-is-struggling-t> (Date of access: 08/08/2018).

Primedia Broadcasting. 2018. Creating Connections. Eye Witness News (EWN). <http://primediabroadcasting.co.za/page/about> (date of access: 22/08/2018).

PWHC (PriceWaterHouseCoopers), 2009. Corporate Governance Executive Guide to King III. King's Counsel. Understanding and Unlocking the Benefits of Sound Corporate Governance, South Africa.

Republic of South Africa, 2002. Telecommunications Act. Independent Communication Authority of South Africa Act, 2000 (Act No. 13 of 2000). South Africa.

Ramatabana, T.M. The application and interpretation of principles of corporate governance in the state owned entities (ESKOM) in South Africa. Masters of Law Dissertation, University of Limpopo, South Africa.

Rossouw, G.J. 2005. Business ethics and corporate governance in Africa. *Business and Society*, **44**(1):95-106.

SABC. 2018. Independent. Impartial. SABC News Channel. <http://www.sabc.co.za/sabc/about-us/> (date of access: 22/08/2018).

Sadiki, M. 2015. Financial assistance to state-owned enterprises by the state in South Africa: A case of ESKOM. Masters Dissertation. University of South Africa (UNISA), Pretoria: South Africa.

Sadiki, M. and Pauw, J.C. 2017. Government subvention to ESKOM: Policy or Discretion. *Journal of Public Administration*, **52**(4):666-681.

Schwella, E. 2013. Bad Public Leadership in South Africa: The Jackie Selebi Case. *Scientia Militaria, South African Journal of Military Studies*, **41**(1) 2013:65-90.

Sebola, M.P. 2012. Objective role of the South African media industry: The Watchdogs for Good Governance and Service Delivery. Department of Public Administration, University of Limpopo, South Africa.

Shangase, G.M. 2007. Examining the effectiveness of BEE implementation: A case of ESKOM restructuring 1995-2005. Masters Dissertation. University of the Witwatersrand, Johannesburg, South Africa.

Stamati, T., Papadopoulos, T. and Anagnostopoulos, D. 2015. Social media for openness and accountability in the public sector: Cases in the Greek context. *Government Information Quarterly*, **32**:12-29.

Tang, C.F. and Abosedra, S. 2014. The impacts of tourism, energy consumption and political instability on economic growth in the MENA countries. *Energy Policy*, <http://dx.doi.org/10.1016/j.enpol.2014.01.004> (date of access:28/10/2018).

Thanh, N. C. and Thanh, T. L. 2015. The Interconnection Between Interpretivist Paradigm and Qualitative Methods in Education. *American Journal of Education Science*, **1**(2):24-27.

The World Bank Website. 2018. The World Bank. Worldwide Governance Indicators. <http://info.worldbank.org/governance/wgi/index.asp> (date of access: 26/10/2018).

Thompson, R. 2016. An exploration of the self-regulation of the media since the start of democracy in South Africa. Master of Philosophy Dissertation, Stellenbosch University, Stellenbosch, South Africa.

Times Live. 2018. Times Live. About Times Live, Times Select and the Sunday Times. <https://www.timeslive.co.za/about-us/> (date of access: 22/08/2018)

Thomas, A. 2012. Governance at South African state-owned enterprises: what do annual reports and the print media tell us? *Social Responsibility Journal*, **8**(4):448 – 470.

Van Der Merwe, M. 2018. Energy transitions: the case of South African electric security. University of Cape Town, South Africa.

Van Niekerk, T. and Olivier, B. 2012. Enhancing anti-corruption strategies in promoting good governance and sound ethics in the South African public sector. Available at: <http://reference.sabinet.co.za/document/EJC130040> (Date of access: 18/01/2019)

Vorster, S. and Marias, C. 2014. Corporate governance, integrated reporting, and stakeholder management: A case study of ESKOM. *African Journal of Business Ethics*, **8**(2):31-57.

Wang, J., Zhao, J., Ning, Y. and Peng, Y. 2009. Transformation of Chinese state-owned enterprises: Challenges and responses. *The Multinational Business Review*, **17**(4):99-121.

Warf, B. 2018. Handbook on the Geographies of Corruption. Edward Elgar Publishing. University of Kansas, Massachusetts, USA.

Water Partnership Programme (WPP). 2010. Water Sector Governance in Africa. Tunis Belvédère, Tunisia.

- Williams, D. 2010. State-owned enterprises: end of the road. *Financial Mail*, **205**(7):34-38.
- Winters, M.S. and Martinez, G. 2015. The Role of Governance in Determining Foreign Aid Flow Composition. *World Development*, **66**:516-531.
- World Bank 2017. 38th Annual Conference of the International Society for Clinical Biostatistics. Vigo, Spain.
- Wouters, J., Ninio, A., Doherty, T. and Cissé, H. 2015. The World Bank Legal Review, Volume 6. Improving Delivery in Development: The Role of Voice, Social Contract, and Accountability. Washington, DC.
- Yerrabati, S. and Hawkes, D. 2015. Economic governance and economic growth in South and East Asia and Pacific region: Evidence from systematic literature reviews and meta-analysis. *Advances in Economics and Business*, **3**(1):1-25.
- Yilmaz, K. 2013. Comparison of Quantitative and Qualitative Research: Epistemological, theoretical, and methodological differences. *European Journal of Education*, **48** (2):311-325.
- Zhou, Y., Li, Y.P. and Huang, G.H. 2014. Integrated modelling approach for sustainable municipal energy system planning and management – A case study of Shenzhen, China. *Journal of Cleaner Production*, **75**:143-156.
- Zwane, K.C., Pretorius, J.H.C. and Wessels, A. 2017. Reliability assessment for medium voltage electrical network: A case study within ESKOM distribution. Eskom Holdings SOC Ltd, Distribution, Braamfontein, South Africa.

APPENDIXES

Appendix Table 1: Case Study: Practical Examples of Implementation of TBL by Danone (Grameen Danone Foods)

Company (Project)	Description	Innovative Aspects and Operations	Sustainability/ Triple Bottom Line Focus	Reference
Danone (Grameen Danone Foods)	<p>A joint social business venture aimed at providing affordable nutritious dairy products to the poor in Bangladesh.</p> <p><u>To achieve this:</u></p> <ol style="list-style-type: none"> 1. Building micro-factories (i.e., comparable small factories in decentralized locations). 2. Project organizers work in collaboration with local farmers as suppliers for raw materials. 3. Employment exclusively local small and micro-entrepreneurs as distributors. 4. Grameen facilitates in local business environment to assist Danone in developing managerial and technological expertise 	<p>All dairy products are produced locally by small and micro-factories</p> <p>Base of Pyramid as</p> <ul style="list-style-type: none"> • Customers • Suppliers and • Producers 	<p><u>Economic:</u> Developing a feasible Business Model.</p> <p><u>Social:</u> Providing healthy and cheap dairy products to communities with low income.</p> <p><u>Environmental:</u> Local production, distribution and supply minimize the impact on the environment.</p>	Gold <i>et al.</i> (2013:788)

Appendix Table 2: Case Study: Practical Examples of Implementation of TBL by BASF (Micronutrition Initiative)

Company (Project)	Description	Innovative Aspects and Operations	Sustainability/ Triple Bottom Line Focus	Reference
BASF (Micronutrition Initiative)	<p>Supplying food producers in developing countries with cost-effective condensed vitamins and minerals to enrich food products.</p> <p>The achieve this:</p> <ol style="list-style-type: none"> 1. BASF promote better health of consumers. 2. The company BASF acts as supplier for food processing industry. 3. Offering its business partners expertise on cost-effective strengthening of food products that are affordable. 	<p>Business to Business (B2B) business model targeting local food producers with products (i.e., vitamins and minerals to strengthen) benefiting the end consumers</p>	<p><u>Economic</u>: The focus is on cheap quality food for strengthening better health effect and avoids risky products.</p> <p><u>Social</u>: Local food that contains ingredients with vitamins to achieve positive health impacts of end consumers</p> <p><u>Environment</u>: Locally produced, procured and distrusted products will reduce the impacts on the environment.</p>	<p>Gold <i>et al.</i> (2013:788)</p>

Appendix Table 3: Case Study: Practical Examples of Implementation of TBL by Nestlé (Milk Districts)

Company (Project)	Description	Innovative Aspects and Operations	Sustainability/ Triple Bottom Line Focus	Reference
Nestlé (Milk Districts)	<p>The aim of this project is to establish local supply of raw materials such as milk for Nestlé production operations in developing countries.</p> <p>Nestlé achieve this by:</p> <ol style="list-style-type: none"> 1. Networks of decentralized collecting points equipped with cooling facilities to avoid insufficient infrastructure and distribution systems. 2. Milk is cooled down for distribution to ensure freshness. 3. Backup cooling station boost supply chain security and administrative offices ensure prompt payment to farmers. 	<p>Improve local supply chains. No infrastructure deficits by innovative handling and processing of raw materials</p>	<p><u>Economic</u>: Sourcing is economically viable. This adds to the company's economic bottom line</p> <p><u>Social</u>: Local procurement of milk adds to generating income at the base of pyramid (BoP)</p> <p><u>Environmental</u>: The focus is not distinct. All procurement operations reduce impacts on the environment (i.e., transport).</p>	<p>Gold <i>et al.</i> (2013:788)</p>

Appendix Table 3: Sunday Times news articles, publishing date and title of article related to ESKOM

WEEK	DATE PUBLISHED	ARTICLE TITLE
Week 1 (31/07/2017-05/08/2017)	2-Aug-17	THESE MUNICIPALITIES OWE ESKOM A FORTUNE FOR ELECTRICITY
Week 2 (06/08/2017-12/08/2017)	12-Aug-17	AHEM: ABOUT THAT MISSING R3BN, ESKOM
Week 3 (13/08/2017-19/08/2017)	16-Aug-17	TENSION BETWEEN HAVES AND HAVE-NOTS OVER ELECTRICITY
Week 4 (20/08/2017-26/08/2017)	24-Aug-17	GUPTAS BAIL OUT OF ANOTHER SA BUSINESS
Week 5 (27/08/2017-02/09/2017)	27-Aug-17	NOW ESKOM WANTS TO GIVE MOLEFE R11-MILLION
Week 6 (03/09/2017-09/09/2017)	3-Sep-17	ESKOM ON STEROIDS WITH RENEWABLES
Week 7 (10/09/2017-16/09/2017)	14-Sep-17	BROWN 'FAILED TO ACT' ON EVIDENCE AGAINST ESKOM BOSSES
Week 8 (17/09/2017-23/09/2017)	22-Sep-17	BROWN ORDERS ESKOM TO TAKE LEGAL STEPS AGAINST COMPANIES IN GUPTA SAGA
Week 9 (24/09/2017-30/09/2017)	29-Sep-17	ESKOM TO MEET WITH BUSINESS LEADERSHIP SA OVER ITS SUSPENSION

Week 10 (01/10/2017-07/10/2017)	5-Oct-17	ESKOM SEEKING TO RECOVER FUNDS UNLAWFULLY PAID TO MCKINSEY, TRILLIAN
Week 11 (08/10/2017-14/10/2017)	8-Oct-17	ESKOM IN NEW R100-MILLION OFFICE CHAIR SCANDAL
Week 12 (15/10/2017-21/10/2017)	19-Oct-17	'BRING ESKOM CROOKS TO BOOK'
Week 13 (22/10/2017-28/10/2017)	24-Oct-17	ESKOM SUSPENDS PLANS TO DISCONNECT MERAFFONG MUNICIPALITY
Week 14 (29/10/2017-04/11/2017)	1-Nov-17	ESKOM ORGANISED PAYMENT TO TEGETA OF AMOUNT NEEDED TO BUY OPTIMUM MINE
Week 15 (05/11/2017-11/11/2017)	9-Nov-17	ESKOM'S BOMBSHELLS IN PARLIAMENT
Week 16 (12/11/2017-18/11/2017)	13-Nov-17	ESKOM ADMITS FINANCIAL POSITION IS NOT STABLE
Week 17 (19/11/2017-25/11/2017)	21-Nov-17	'ESKOM MUST SHOW THERE ARE CONSEQUENCES FOR CORRUPTION'
Week 18 (26/11/2017-02/12/2017)	27-Nov-17	STATE CAPTURE AT ESKOM: THE STORY SO FAR
Week 19 (03/12/2017-09/12/2017)	9-Dec-17	CHANGES TO NEW ESKOM BOARD INSUFFICIENT: OUTA

Week 20 (10/12/2017-16/12/2017)	15-Dec-17	NERSA GRANTS ESKOM A 5.23% ELECTRICITY TARIFF INCREASE
Week 21 (17/12/2017-23/12/2017)	21-Dec-17	ESKOM RESULTS DELAYED TO 2018, NEEDS TIME TO REVIEW SMALLER TARIFF HIKE
Week 22 (24/12/2017-30/12/2017)		THERE WERE NO PUBLISHINGS ON ESKOM DURING THIS WEEK
Week 23 (31/12/2017-06/01/2018)	6-Jan-18	ESKOM AGREES TO LOWER QUALITY COAL FROM GUPTA-OWNED TEGETA
Week 24 (07/01/2018-13/01/2018)	7-Jan-18	ESKOM RELIES ON 'RIDICULOUS' LAWYER'S REPORT TO WIPE SLATE
Week 25 (14/01/2018-20/01/2018)	19-Jan-18	ESKOM BOSS IN SECRET R400M DEAL
Week 26 (21/01/2018-27/01/2018)	27-Jan-18	MOODY'S DOWNGRADES EMBATTLED ESKOM
Week 27 (28/01/2018-03/02/2018)	2-Feb-18	WOMAN POWER! THESE ESKOM LADIES HELPED SAVE SIBANYE MINERS
Week 28 (04/02/2018-10/02/2018)	5-Feb-18	ESKOM GETS R5-BILLION BAILOUT AMID "ENORMOUS LIQUIDITY CONSTRAINTS"
Week 29 (11/02/2018-17/02/2018)	14-Feb-18	LYNNE BROWN 'HELPED' GUPTAS GET COAL DEAL

Week 30 (18/02/2018-24/02/2018)	22-Feb-18	OPTIMUM NOT SUPPLYING ESKOM - WORKERS SHUT DOWN GUPTA MINE
Week 31 (25/02/2018-03/03/2018)	28-Feb-18	ESKOM SECURES R20-BILLION IN BANK LOANS
Week 32 (04/03/2018-10/03/2018)	7-Mar-18	'BIG DISCRIMINATOR' ESKOM MUST SUPPLY POWER FAIRLY, SAYS MODISE
Week 33 (11/03/2018-17/03/2018)	12-Mar-18	POWER DISRUPTIONS TO START AS ESKOM SEEKS TO RECOVER R13BN DEBT
Week 34 (18/03/2018-24/03/2018)	19-Mar-18	ESKOM WANTS PERMISSION TO KEEP ON POLLUTING
Week 35 (25/03/2018-31/03/2018)	26-Mar-18	ESKOM OVERSPENT ON PRIMARY ENERGY COSTS AND SHOULD NOT GET REFUND: OUTA
Week 36 (01/04/2018-07/04/2018)	3-Apr-18	ESKOM SET TO TACKLE BLOATED WORKFORCE
Week 37 (08/04/2018-14/04/2018)	10-Apr-18	SMILE, THIS IS THE RAINBOW NATION, AD WATCHDOG TELLS ANGRY WHITE MAN
Week 38 (15/04/2018-21/04/2018)	19-Apr-18	ESKOM REPORTS LOOK "BEAUTIFUL" BUT POWER UTILITY STILL ON VERGE OF COLLAPSE
Week 39 (22/04/2018-28/04/2018)	26-Apr-18	NO LOADSHEDDING THIS WINTER, ESKOM PROMISES

Week 40 (29/04/2018-05/05/2018)	30-Apr-18	ESKOM SAYS IT WILL NOT PAY MORE FOR COAL FROM OPTIMUM MINE
Week 41 (06/05/2018-12/05/2018)	7-May-18	ESKOM WANTS PAMENSKY TO REPAY ABOUT R310,000 IN LEGAL FEES
Week 42 (13/05/2018-19/05/2018)	16-May-18	THESE 10 MUNICIPALITIES OWE ESKOM A COMBINED R9.8BN
Week 43 (20/05/2018-26/05/2018)	24-May-18	ESKOM'S R595M PAID TO TRILLIAN 'CAN'T BE FOUND'
Week 44 (27/05/2018-02/06/2018)		THERE WERE NO PUBLISHINGS ON ESKOM DURING THIS WEEK
Week 45 (03/06/2018-09/06/2018)	7-Jun-18	UNIONS FUME OVER ESKOM'S 0% WAGE OFFER
Week 46 (10/06/2018-16/06/2018)	16-Jun-18	ELECTRICITY SUPPLY REMAINS CONSTRAINED, ESKOM WARNS
Week 47 (17/06/2018-23/06/2018)	18-Jun-18	MONEY ALONE CAN'T FIX ESKOM SAYS ANALYST
Week 48 (24/06/2018-30/06/2018)	27-Jun-18	ESKOM SCOOPS AWARDS AMID ONGOING WAGE NEGOTIATIONS WITH UNIONS
Week 49 (01/07/2018-07/07/2018)	6-Jul-18	STRUGGLING ESKOM SPLURGES ON 'UNLIMITED FUEL' PERK FOR EXECS

Week 50 (08/07/2018-14/07/2018)	10-Jul-18	ESKOM WELCOMES PAYMENT OF R902M AND APOLOGY FROM MCKINSEY
Week 51 (15/07/2018-21/07/2018)	18-Jul-18	ESKOM STICKS TO ITS GUNS OVER WAGE DEMANDS
Week 52 (22/07/2018-28/07/2018)	23-Jul-18	ESKOM AT 'TIPPING POINT' AFTER POSTING R2,3-BILLION LOSS
Week 53 (29/07/2018-31/07/2018)	31-Jul-18	SA FACES POWER CUTS AS 15 ESKOM UNITS ARE DOWN - INTERNAL REPORT

Appendix Table 4: EWN news articles, publishing date and title of article related to ESKOM

WEEK	DATE PUBLISHED	TITLE
Week 1 (31/07/2017-05/08/2017)	8/2/2017	ZIMBABWE HOLDS DISCUSSIONS WITH ESKOM OVER \$40M DEBT
Week 2 (06/08/2017-12/08/2017)	8/6/2017	TREASURY FORENSIC INVESTIGATION INTO TEGETA TO ANSWER QUESTIONS ON ESKOM DEAL
Week 3 (13/08/2017-19/08/2017)	8/18/2017	ESKOM'S BRICS BANK LOAN CAN STILL BE USED – GIGABA
Week 4 (20/08/2017-26/08/2017)	8/22/2017	ESKOM: R150M WINTER BONUSES NOT PAID TO EMPLOYEES
Week 5 (27/08/2017-02/09/2017)	8/30/2017	ESKOM UNDER PRESSURE TO EXPLAIN TRILLIAN RELATIONSHIP
Week 6 (03/09/2017-09/09/2017)	9/4/2017	ESKOM-TRILLIAN LINKS REPORT: BROWN TO SEEK LEGAL ADVICE
Week 7 (10/09/2017-16/09/2017)	9/12/2017	'FAILURE TO MAINTAIN ELECTRICITY INFRASTRUCTURE COULD HAMPER POWER DISTRIBUTION'
Week 8 (17/09/2017-23/09/2017)	9/20/2017	ESKOM MEETS MINISTER'S DEADLINE TO RESPOND TO TRILLIAN QUESTIONS
Week 9 (24/09/2017-30/09/2017)	9/29/2017	ESKOM IGNORED WARNINGS OVER MCKINSEY, TRILLIAN CONTRACT AT LEAST 4 TIMES

Week 10 (01/10/2017-07/10/2017)	10/2/2017	SIU TAKES FIRST STEP IN ESKOM PROBE
Week 11 (08/10/2017-14/10/2017)	10/14/2017	ESKOM DENIES MISUSING TAXPAYERS' MONEY
Week 12 (15/10/2017-21/10/2017)	10/21/2017	[BREAKING] ESKOM FIRES EVIDENCE LEADER IN KOKO HEARING OVER ALTERCATION
Week 13 (22/10/2017-28/10/2017)	10/25/2017	[BREAKING] GIGABA: THERE ARE TOUGH TIMES AHEAD FOR SA
Week 14 (29/10/2017-04/11/2017)	11/3/2017	TRILLIAN CHARGED ESKOM R30.6M FOR CORPORATE PLAN, MPS TOLD
Week 15 (05/11/2017-11/11/2017)	11/7/2017	ESKOM INQUIRY: ESKOM SIGNED R43M SPONSORSHIP DEAL WITH 'THE NEW AGE'
Week 16 (12/11/2017-18/11/2017)	11/17/2017	CHAMBER OF MINES OPPOSES ESKOM TARIFF HIKE APPLICATION
Week 17 (19/11/2017-25/11/2017)	11/21/2017	ESKOM INQUIRY: 'WE WERE MISLED'
Week 18 (26/11/2017-02/12/2017)	11/28/2017	MPS SUGGEST ESKOM WRITE OFF MUNICIPALITIES' HISTORICAL DEBT
Week 19 (03/12/2017-09/12/2017)	12/6/2017	ANOJ SINGH 'LIED' TO BROWN ABOUT ESKOM'S DEALINGS WITH TRILLIAN

Week 20 (10/12/2017-16/12/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 21 (17/12/2017-23/12/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 22 (24/12/2017-30/12/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 23 (31/12/2017-06/01/2018)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 24 (07/01/2018-13/01/2018)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 25 (14/01/2018-20/01/2018)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 26 (21/01/2018-27/01/2018)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 27 (28/01/2018-03/02/2018)	JANUARY 20 2018	ESKOM PROFITS BY 34% DEBT SITTING AT OVER R300BN
Week 28 (04/02/2018-10/02/2018)	FEBRUARY 06 2018	4 COMPANIES TO BE PROSECUTED FOR PRICE FIXING IN ESKOM TENDER
Week 29 (11/02/2018-17/02/2018)	FEBRUARY 16 2018	ESKOM EXECUTIVE MATSHELA KOKO HANDS IN RESIGNATION
Week 30 (18/02/2018-24/02/2018)	FEBRUARY 22 2018	ESKOM HOPES TO HAVE NEW CEO, CFO IN THE NEXT FEW MONTHS

Week 31 (25/02/2018-03/03/2018)	FEBRUARY 28 2018	ESKOM SIGNS R20BNLOAN FACILITY
Week 32 (04/03/2018-10/03/2018)	MARCH 03 2018	ESKOM TO SIGN 27 RENEWABLE ENERGY PROJECTS WITH PRIVATE PRODUCERS
Week 33 (11/03/2018-17/03/2018)	MARCH 13 2018	NUMSA OBTAINED COURT INTERDICT TO BLOCK ESKOM SIGNING RENEWABLE ENERGY DEALS
Week 34 (18/03/2018-24/03/2018)	MARCH 23 2018	DUDU ,MYENI ,DUDUZANE ZUMA and GUPTAS HOLD UP ESKOM INQUIRY
Week 35 (25/03/2018-31/03/2018)	March 28 2018	ESKOM EXECS TO RECEIVE BONUSES AS LONG AS TARGETS ARE MET, SAYS CEO
Week 36 (01/04/2018-07/04/2018)	APRIL 05 2018	ESKOM TO APPROACH COURT TO RECOVER R1.6BN PAID TO MCKINSEY and TRILLIAN
Week 37 (08/04/2018-14/04/2018)	APRIL 13 2018	ESKOM AWAITS COURT DATE TO RECOVER FUNDS FROM MCKINSEY, TRILLIAN
Week 38 (15/04/2018-21/04/2018)	APRIL 18 2018	ESKOM BOARD ON MISSION TO ROOT OUT CORRUPTION
Week 39 (22/04/2018-28/04/2018)	APRIL 25 2018	ESKOM SAYS COAL STOCKPILE LEVELS AT MOST POWER STATIONS STABLE
Week 40 (29/04/2018-05/05/2018)	APRIL 29 2018	ESKOM DENISE CLAIMS OF WILLING TO PAY DOUBLE FOR COAL TO SAVE GUPTA MINE

Week 41 (06/05/2018-12/05/2018)	MAY 10 2018	ESKOM SUSPEND 3 POWER STATION MANAGERS OVER COAL SUPPLY SHORTAGE
Week 42 (13/05/2018-19/05/2018)	MAY 16 2018	MUNICIPAL DEBT SPIRALLING OUT OF CONTROL
Week 43 (20/05/2018-26/05/2018)	MAY 24 2018	PHAKAMANI HADEBE CONFIRMED AS ESKOM CEO
Week 44 (27/05/2018-02/06/2018)	MAY 01 2018	ESKOM TO SIGN NEW COAL SUPPLY CONTRACTS SOON
Week 45 (03/06/2018-09/06/2018)	JUNE 07 2018	ESKOM PLANS FOREIGN BOND SALE IN TWO MONTHS -CEO
Week 46 (10/06/2018-16/06/2018)	JUNE 14 2018	NERSA GRANTS ESKOM R32.6BN FOR REGULATORY CLEARING ACCOUNT
Week 47 (17/06/2018-23/06/2018)	JUNE 19 2018	ESKOM HOPES TO RESOLVE WAGE DISPUTE BEFORE CCMA HEARING
Week 48 (24/06/2018-30/06/2018)	JUNE 25 2018	ESKOM RECOVERY PLAN COMES TO END , NO LOAD SHEDDING ANTICIPATED
Week 49 (01/07/2018-07/07/2018)	JULY 06 2018	ESKOM UP'S ITS WAGE OFFER TO UNIONS TO 6.7%
Week 50 (08/07/2018-14/07/2018)	JULY 13 2018	WILL ESKOM AFFORD TO PAY OVER 7% SALARY INCREASES FOR 2018?

Week 51 (15/07/2018-21/07/2018)	JULY 20 2018	ESKOM: WE DON'T HAVE A COAL CRISIS
Week 52 (22/07/2018-28/07/2018)	JULY 24 2018	ESKOM SECURES R33.4BN LOAN FROM CHINA'S DEVELOPMENT BANK
Week 53 (29/07/2018-31/07/2018)	JULY 31 2018	ESKOM TO REVISIT ISSUES OF BONUS PAYMENTS WITH UNIONS

Appendix Table 5: SABC news articles, publishing date and title of article related to ESKOM

WEEK	DATE PUBLISHED	TITLE
Week 1 (31/07/2017-05/08/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 2 (06/08/2017-12/08/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 3 (13/08/2017-19/08/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 4 (20/08/2017-26.08/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 5 (27/08/2017-02/09/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 6 (03/09/2017-09/09/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 7 (10/09/2017-16/09/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 8 (17/09/2017-23/09/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 9 (24/09/2017-30/09/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE

Week 10 (01/10/2017-07/10/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 11 (08/10/2017-14/10/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 12 (15/10/2017-21/10/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 13 (22/10/2017-28/10/2017)		ARTICLES NOT ACCESSIBLE/AVAILABLE
Week 14 (29/10/2017-04/11/2017)	2-Nov-17	MPUMALANGA MUNICIPALITIES LAMENT ESKOM POWER CUTS
Week 15 (05/11/2017-11/11/2017)	10-Nov-17	STAKEHOLDERS ASK NERSA TO DISMISS ESKOM'S TARIFF HIKE
Week 16 (12/11/2017-18/11/2017)	12-Nov-17	ANC-RUN GAUTENG MUNICIPALITIES OWE ESKOM HALF A BILLION RAND: DA
Week 17 (19/11/2017-25/11/2017)	20-Nov-17	ESKOM URGED TO PUT KUSILE, MEDUPI PROJECTS ON HOLD
Week 18 (26/11/2017-02/12/2017)	1-Dec-17	ESKOM WARNS TEGETA OF HEFTY FINE FOR BREACH OF CONTRACT
Week 19 (03/12/2017-09/12/2017)	6-Dec-17	DRAMA UNFOLDS AT ESKOM INQUIRY

Week 20 (10/12/2017-16/12/2017)	15-Dec-17	ESKOM GETS THE NOD ON TARIFF HIKE
Week 21 (17/12/2017-23/12/2017)	17-Dec-17	ESKOM REFUTES CLAIMS OF KOKO'S REINSTATEMENT
Week 22 (24/12/2017-30/12/2017)	28-Dec-17	MPUMALANGA COURT ORDERS MABUZA FIND A SOLUTION TO ESKOM DEBT
Week 23 (31/12/2017-06/01/2018)	4-Jan-18	ESKOM ADAMANT DISCIPLINARY PROCESS WAS TRANSPARENT
Week 24 (07/01/2018-13/01/2018)	9-Jan-18	ESKOM'S FINANCES WORSE
Week 25 (14/01/2018-20/01/2018)	19-Jan-18	ESKOM MIRED IN NEW CORRUPTION SCANDAL
Week 26 (21/01/2018-27/01/2018)	27-Jan-18	ESKOM: THE REAL WORK HAS BEGUN
Week 27 (28/01/2018-03/02/2018)	JANUARY 27 2018	ESKOM: THE REAL WORK HAS BEGUN
Week 28 (04/02/2018-10/02/2018)	FEBRUARY 06 2018	ESKOM FRAUD SUSPECTS GET BAIL
Week 29 (11/02/2018-17/02/2018)	FEBRUARY 16 2018	ESKOM'S KOKO RESIGNS

Week 30 (18/02/2018-24/02/2018)	FEBRUARY 23 2018	ESKOM TO RESOLVE MATTERS WITH OPTIMUM COAL MINE
Week 31 (25/02/2018-03/03/2018)	FEBRUARY 28 2018	ESKOM'S CREDIT RATING DOWNGRADED
Week 32 (04/03/2018-10/03/2018)	MARCH 7 2018	ESKOM LAMENTS BAD DEBTS BY MUNICIPALITIES
Week 33 (11/03/2018-17/03/2018)	MARCH 15 2018	ESKOM STATE CAPTURE PROBE A PRIORITY: NPA
Week 34 (18/03/2018-24/03/2018)	MARCH 20 2018	THEMBISILE YENDE'S FAMILY ACCUSE ESKOM OF HIDING CRUCIAL INFORMATION
Week 35 (25/03/2018-31/03/2018)	MARCH 27 2018	NERSA REFUSES TO GRANT ESKOM ELECTRICITY PRICE HIKES
Week 36 (01/04/2018-07/04/2018)	APRIL 7 2018	OUTA WELCOMES INVESTIGATIONS INTO ESKOM COAL CONTRACTS
Week 37 (08/04/2018-14/04/2018)	APRIL 12 2018	ESKOM OPTIMISTIC NERSA WILL APPROVE ADDITIONAL R66 BILLION
Week 38 (15/04/2018-21/04/2018)	APRIL 18 2018	TEGETA IS NO LONGER ABLE TO SUPPLY ESKOM WITH COAL
Week 39 (22/04/2018-28/04/2018)	APRIL 26 2018	LOAD-SHEDDING WON'T BE AN ISSUE THIS WINTER: ESKOM

Week 40 (29/04/2018-05/05/2018)	MAY 3 2018	NO LOAD-SHEDDING THIS YEAR: ESKOM
Week 41 (06/05/2018-12/05/2018)	MAY 10 2018	ESKOM SUSPENDS THREE STATION MANAGERS
Week 42 (13/05/2018-19/05/2018)	MAY 16 2018	MUNICIPALITIES DEBT TO ESKOM INCREASE BY 40%
Week 43 (20/05/2018-26/05/2018)	MAY 24 2018	GORDHAN PRAISES NEW ESKOM CEO
Week 44 (27/05/2018-02/06/2018)	MAY 30 2018	ESKOM FORECASTS MAJOR JOB LOSSES
Week 45 (03/06/2018-09/06/2018)	JUNE 7 2018	ESKOM PLANS FOREIGN BOND SALE
Week 46 (10/06/2018-16/06/2018)	JUNE 12 2018	UNIONS DEMAND TO SEE RAMAPHOSA OVER ESKOM WAGE TALKS
Week 47 (17/06/2018-23/06/2018)	JUNE 21 2018	ESKOM WORKERS DROP WAGE INCREASE DEMAND TO 9%
Week 48 (24/06/2018-30/06/2018)	JUNE 25 2018	EXPERTS WARN AGAINST DEPENDENCE ON ESKOM
Week 49 (01/07/2018-07/07/2018)	JULY 7 2018	ESKOM, MCKINSEY FINALISE R1 BLN SETTLEMENT

Week 50 (08/07/2018-14/07/2018)	JUL Y 14 2018	DEMANDS IN ESKOM TALKS COULD CAUSE FINANCIAL INSTABILITY
Week 51 (15/07/2018-21/07/2018)	JULY 18 2018	ESKOM OFFERS 7% WAGE INCREASE TO NUMSA MEMBERS.
Week 52 (22/07/2018-28/07/2018)	JULY 25 2018	ESKOM SIGNS LOAN WITH CHINA DEVELOPMENT BANK
Week 53 (29/07/2018-31/07/2018)	JULY 29 2018	MEDIA MONITORING AFRICA CONCERNED ABOUT ESKOM AND CHINESE DEAL

Appendix Figure 1: South Africa's governance indicators and riots and protests, 1997-2014 (Figure illustrated and cited by Cilliers and Aucoin, 2016:6)



(Source: World Governance Indicators, World Bank, ACLED data 1997-2015)