

**ENHANCING PAYMENT FOR MUNICIPAL SERVICES THROUGH COMMUNICATION  
DYNAMICS AND EMERGING INNOVATION OPTIONS**

**DR PRINCE CHUKWUNEME ENWEREJI**

**Department of Public Management**

**School of Public Management, Governance & Public Policy**

**University of Johannesburg**

**South Africa**

**+27619703177**

**prince.enwereji@yahoo.com**

**PROF. DOMINIQUE UWIZEYIMANA**

**School of Public Management, Governance & Public Policy**

**College of Business and Economics**

**University of Johannesburg**

**South Africa**

## **ABSTRACT**

This study investigated if the application of communication dynamics and sustainable innovation options could enhance payment for municipal services in the North West province of South Africa. A mixed methods research approach was adopted and data was collected from 384 residents in a quantitative study using self-administered questionnaires and 13 municipal role-players in the qualitative phase using face-to-face interviews. Data was analysed using SPSS (Version 24) in the quantitative phase and Atlas-ti (Version 8.2) in the qualitative phase. Results indicated that municipal role-players have not completely adopted communication options such as mobile phones, social media, YouTube, emails, the Internet and call centers in communicating and sending bills to residents. Furthermore, the promotion to pay for services is not enhanced by introducing sales promotional tools. The study recommends that the municipal role-players should communicate with residents using diverse communication platforms such as mobile phones, social media, YouTube, emails, the Internet, call centers and introduce sales promotional tools.

**Keywords: communication dynamics; emerging sustaining innovation; municipalities; payment for services; residents**

## **1 INTRODUCTION**

Payment for municipal services could be enhanced in the four district municipalities of the North West province if communication dynamics and emerging sustaining innovation were adopted. Valentzas and Broni (2011) and Wells (2011) define communication as the method of disseminating information from one person to the other using diverse media. Leonard (2018) offers another perspective in seeing communication as vital in organisations (municipality in this case) since it enhances understanding and clarifies emotional cues. In the administration of payment for municipal services, there is a history of payment defaults by residents or service delivery protests. Such tensions and inconveniences could be resolved through effective communication. Communication, in this case, could be employed to manage diversity and to raise the morale of the residents as suggested by Jamela (2016).

Atkinson (2013) upholds that sustaining innovation involves the improvement of services to meet the demands of the populace. Organisational managers and municipalities have diverse responsibilities regarding measures required to attain organisational goals, hence strategic managers are expected to enable the future by making counter plans through innovation to achieve competitive advantage (Joyce, 2017). The introduction of sustaining emerging innovation options such as different payment alternatives and sales promotional tools could enhance the payment culture for municipal services. Horth and Bunchner (2014) uphold that the implementation of sustaining innovation in an organisation helps to resolve challenging problems with regard to productivity and increase the opportunity to engage in new partnerships and relationships.

This study investigates the various communication dynamics applied by municipal role-players in the North West province and the emerging sustaining innovation options adopted to enhance payment for municipal services. The study further probes the effectiveness of these measures and recommends appropriate measures to facilitate payment for municipal services in the North West province and other municipalities in developing countries.

## **2. THE MEANING OF COMMUNICATION**

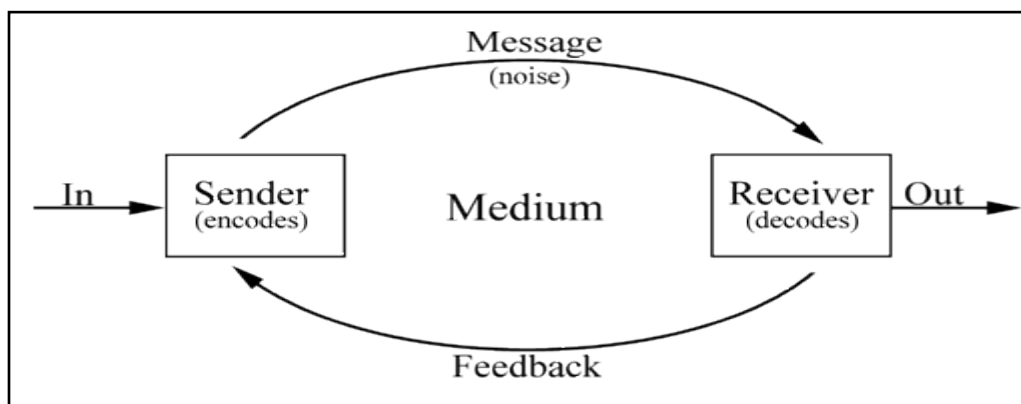
The Miriam Webster dictionary (2017), defines communication as the exchange of information between two or more people through symbols, signs or behaviour. *Communis* (communication)

in Latin refers to the acquisition of understanding between a sender of a message and a receiver (Lunenburg, 2010). Consistent with this assertion, USAID (2005) and Sauer (2014) affirm that communication entails the dissemination of the right information to a target audience using the right channels at the right time. More so, Wallace and Roberson (2009), Valentzas and Broni (2011) and Wells (2011) collectively sustain that communication implies all the procedures involved in disseminating mutually understood information from one person to another using an appropriate medium. This impetus and focus on efficient and timely communication compels municipalities the use of contemporary communication options in order to enhance the payment culture of residents and in the process reduce consumer debts.

## 2.1 Communication model

The conventional model of communication suggests that there are two major actors known as a sender of information and a receiver of information (Lunenburg, 2010). The model in this study presents a visual representation with the intention to offer a broader explanation of the process of communication to municipal role-players and residents (Gavi, 2013). The model is a visual representation of the process of human communication as detailed in Figure 1.

**Figure 1: Communication model**



Source: Adapted from Lunenburg (2010)

This communication model explains how the sender encodes a message to a receiver through a medium. On reception of the message, the receiver sends feedback to the receiver through a chosen medium. Communication is complete when the sender receives the feedback from the receiver. It is important that organisations (municipalities in this case) should adopt appropriate channels for sending messages to their consumers (residents), hence ensuring that feedback will be obtained to

ascertain further action to be considered. In this regard, municipalities should ensure that they send messages to consumers using appropriate channels, at the right time in order to encourage residents to pay for services consumed.

Leonard (2018) avows that communication keeps two or more people together without raising doubts if messages are sent to the target audience and received. Consistent with this, Jamela (2016) reiterates that communication increases understanding and knowledge of a target audience. Effective communication encourages confidence and removes doubt and feelings of resentment. Effective communication consolidates relationships and facilitates in the handling of an aggrieved customer. Organisations or municipalities can build good relationships and trust with their clients/residents by passing due information on to them, as well as responding adequately to their queries. In this regard, diversity could be managed as differences between two parties could be resolved hence encouraging team building and enhancing motivation to pay all dues for services rendered.

Valentzas and Broni (2011) highlight that there are two major methods of communication: electronic and print media. Hutton (2011) contends that “electronic media requires integrated circuit technology to send and receive messages”. Hassan (2012) also observes that electronic media is indeed effective in facilitating the sending and receiving of messages between senders and receivers. The following electronic media could be used to communicate with the residents:

- Television
- Radio
- YouTube
- Social media
- Electronic mail (e-mail)
- Desktops and laptops
- Electronic billboards and manual billboards
- The Internet

Furthermore, print media involves disseminating information using physically printed material such as flyers, pamphlets, magazines, inserts, and also newspapers.

### **3. EMERGING SUSTAINING INNOVATION**

Atkinson (2013), states that innovation refers to a transformational process by which new things such as services or goods are created. Montgomery and Perry (2011), suggest that innovation can either be a breakthrough or a sustaining innovation. Breakthrough innovation refers to the creation of new services and goods; and sustaining innovation involves an upgrade or improvement on goods and services as a replacement or change.

Stowe and Grider (2014) and Horth and Bunchner (2014) affirm that managers are faced with different tasks regarding measures needed to achieve success in the work environment. Strategic managers are expected to foresee the future by making counter plans through the process of innovation to achieve competitive advantage (Joyce, 2017). In this regard, managers are expected to think differently and propose different measures to resolve issues that may pose a threat to success (Horth & Bunchner, 2014).

Public sector innovation is greatly needed, especially at local municipality level. In the view of Birkinshaw *et al.* (2008), innovation has contributed immensely to the perfection of the methodology of work processes, as well as towards the general productivity of organisations (Birkinshaw *et al.*, 2008). Montgomery and Perry (2011), contend that innovation helps in inventing new products, as well as finding new ways to deploy such products. They further affirm that innovation facilitates good leadership and develops new talent in order to meet the demands of the public.

Innovation is a concept with outstanding benefits and enables achieving success in any business. Horth and Bunchner (2014) assert that innovation helps an organisation to resolve challenging problems with regard to productivity, payment options, delivery and human resource issues. It can enhance the generating of profit, increase an organisation's market share, as well as achieving competitive advantage. Other advantages include improving the quality of products, reducing the cost of productivity, improving brand recognition and value, increasing the opportunity to engage in new partnerships and relationships, increasing organisational turnover, improving profitability, improving customer relationships and employee satisfaction.

Furthermore, Horth and Bunchner (2014) confirm that innovation is constantly needed in organisations for getting the best of the public interest. In this regard, municipalities should adopt

the prescripts of innovation in order to advance. Factors of advancement in a municipal context include the methods of communicating with residents and providing various payment options. Municipalities should ensure that the implementation of breakthrough and sustaining innovation with regard to communication and payment options are improved in order to enhance the payment culture of residents. Following are the various types of revenue innovation options needed by municipalities to enhance the payment culture for municipal services.

### **Revenue collection options**

Revenue collection options refer to the means by which municipalities facilitate payment from consumers. Presently, municipalities in the North West province facilitate the payment from consumers through municipal counter payments, post office payments, retail outlet/shop payments, direct bank deposits and also by means of mobile payments. This study suggests that municipalities could enhance the collection of payments for municipal services by adopting the following options:

- Electronic funds transfer (EFT)
- Automated teller machines (ATM)
- Payway machines
- Debit order
- Direct bank deposit/Retail outlets

### **Sales promotional and merchandising tools**

Sales promotion is the adoption of short-term incentives to induce the purchase of a particular product or service. Morrison (2002) states that sales promotional tools are tactics that differ from advertising, personal selling, publicity and public relations and are used to induce customers to make immediate purchases. Weisberg (2015) concurs this view and affirms that sales promotional tools are used to induce immediate purchase from customers rather than building long-term loyalty. While other promotional tools such as advertising and personal selling proffer details to buy a product, sales promotional tools provide reasons for immediate purchase. Sales promotional tools, according to Chase (2018), include the use of pull and push marketing, whereas coupons, premiums, displays, samples, consumer sweepstakes and patronage rewards are used to promote sales in pull marketing, intermediaries are used to take products to consumers in push marketing.

Municipalities could promote municipal payments by adopting the pull marketing concepts in order to induce residents to pay for services consumed to reduce consumer debts over a specific period of time. The advantages of adopting sales promotional tools, according to Morrison (2002) and Chase (2018) include increase in short-term sales, encouraging consumers to buy more and building long-term market share. These promotional tools include:

- Coupons
- Price-offs
- Premiums
- Patronage rewards
- Consumer sweepstakes, contests and games

#### **4. BENCH-MARKING COMMUNICATION AND INNOVATION IN OTHER COUNTRIES**

The application of innovation and communication has yielded excellent results in some countries such as El Salvador, Georgia, Bosnia and Herzegovina and Costa Rica. The advances experienced in these countries includes the method of residents' registration, communication, customer care centres, and payment collections. The results outlined in this section should be considered by local municipalities in order to enhance voluntary compliance and for enhancing a favourable payment culture. The cases presented in this discussion are based on the USAID (2013) study. Even though this study was based on tax payment, it is considered relevant to municipalities as it suggests measures to mobilise payment from residents.

Georgia — Georgia, an eastern European country, experienced non-payment compliance of municipal services and other taxes from 2000 to 2005. Other problems encountered were the old malfunctioning equipment in the payment administration systems such as land phones, as well as the problems of workflow management, insufficient infrastructure and incompetent administrators. Inventions made in information technology enhanced taxpayers' registration and gave rise to 121%. Payment compliance levels increased to 133% collection occurring from 2005-2008. In 2010, taxpayers' payment compliance level rose from 160th position to 64th position in the world. In respect of debt recovery, \$100 million was recovered annually while only \$13 million was spent annually on the project as administration costs.



Costa Rica — Costa Rica, a Central American country, adopted the innovations developed by USAID in 1998 to improve their tax system with regard to technology. In 2006, full IT implementation was embraced to increase tax compliance, to minimise debt accruals in the payment for tax and municipal services, and to reduce the corruption of tax administrators. Within a short period of time, 2006-2010, Costa Rica reduced their tax administration costs and taxpayers' complaints came down due to the effectiveness of communication methods applied, a decline in administration errors was witnessed, and good progress in tax collections were recorded.

Bosnia and Herzegovina — Recurrent reports of poor communication, poor tax facilities, and poor infrastructure in Bosnia and Herzegovina in 2001 prompted the adoption of the USAID tax model. More so, tax archives were poorly maintained, there was evidence of corruption in the tax system, very poor tax collection and also extensive debt accrual. From 2001 to 2004, the tax corporation in Bosnia and Herzegovina achieved 300% growth in tax registration (30 107 in 2001 to 87 766 in 2004). Tax collections rose from 37.9% in 2001 to 47.5% in 2006. More than \$59 million dollars were collected from 2002 to 2004 due to special campaigns and promotions conducted to increase payment compliance. Administrators conducted appropriate electronic audits to track defaulters and these tactics reduced tax evasion and increased collections which ultimately enabled the country to increase their investments to \$12.76 million within the period of five years from revenue accruing from tax collection.

El Salvador — El Salvador was faced with serious challenges and constraints related to taxpayer registration and data processing in the 1990s. In 2004, they improved their taxpayer services, audit processing and taxpayer web-based services. These were reform options needed to improve taxpayer services, increase voluntary compliance and to advance the tax system in El Salvador. After the implementation of the IT tax model in the quest to save the tax system, data management was enhanced and increased to a 50% faster speed rate and the storage capacity was increased from 3GB to 75GB. There was an increase in database maintenance and a 30%-40% increase in savings and database maintenance operations. In 2010, 300 audits were conducted in the first six months and \$100 million were recovered compared to the \$50 million mobilised during debt recovery in the 2009 financial year. In the aspect of customer care, email reminders rose to 2 685 compared to the 917 in 2008. Call centres were effective and saved \$215 000 per month as compared to

expenditures incurred in postal mails. More so, the application of IT models improved revenue and the Gross Domestic Product (GDP) of the country rose from 11.1% in 2001 to 14% in 2011.

## **5. RESEARCH METHODOLOGY**

This study adopts a pragmatist paradigm that advocates the need for independence of the mind, the necessity for multiple methods and different assumptions in the research process (Creswell, 2014). Both quantitative and qualitative studies were applied, also a convergent parallel mixed methods design was utilized in this study. A total of 384 residents were drawn in the quantitative study, and data was collected using self-administered questionnaires. Data was analysed using Statistical Package for Social Sciences (SPSS) Version 24. In the qualitative study, 16 municipal role-players were selected purposively from four district municipalities of the North-West province (4 from each district municipality) for face to face interviews. All in all, 13 role-players were available for interviews thereby making a total of 81% response rate. Atlas-ti (Version 8.2) was used to analyse data collected from the residents. All ethical concepts were observed during the research process.

## **6. PRESENTATION OF RESULTS**

Data are presented according to the themes of the study. With regard to the convergent parallel mixed-methods design, the quantitative study was presented followed by the qualitative study and was triangulated to give a comprehensive view of the study. Also, all the tables and figures presented in this section are the statistical analysis generated from the Statistical Package for Social Sciences (SPSS) from the study.

### **6.1 Presentation of quantitative results**

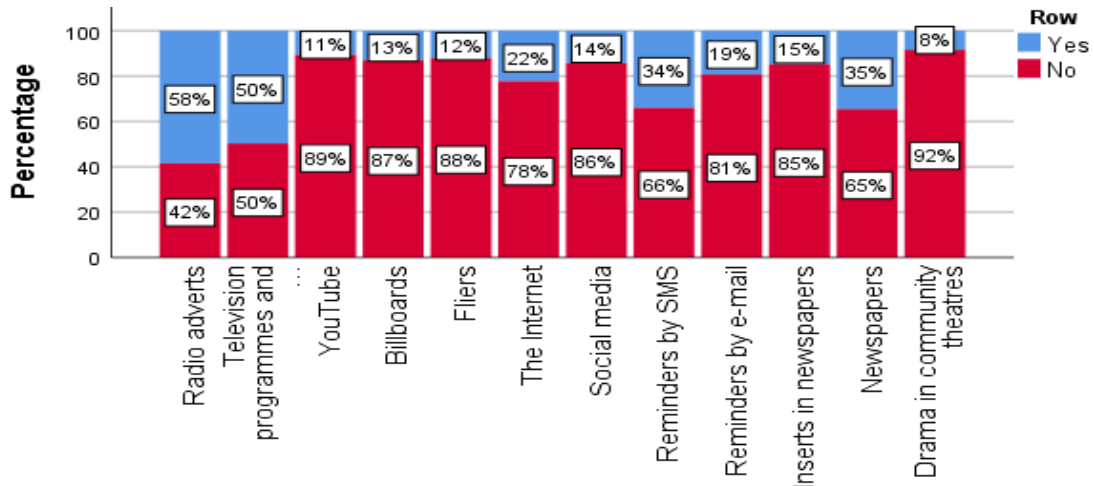
The presentation of quantitative results is designed according to the themes of the study.

#### **6.1.1 Views on communication**

This construct investigated the measures adopted by the municipal role-players to send and receive messages from the residents. Figure 2 presents the respondents' views on communication means for payment awareness.

**Figure 2: Means of payment awareness**



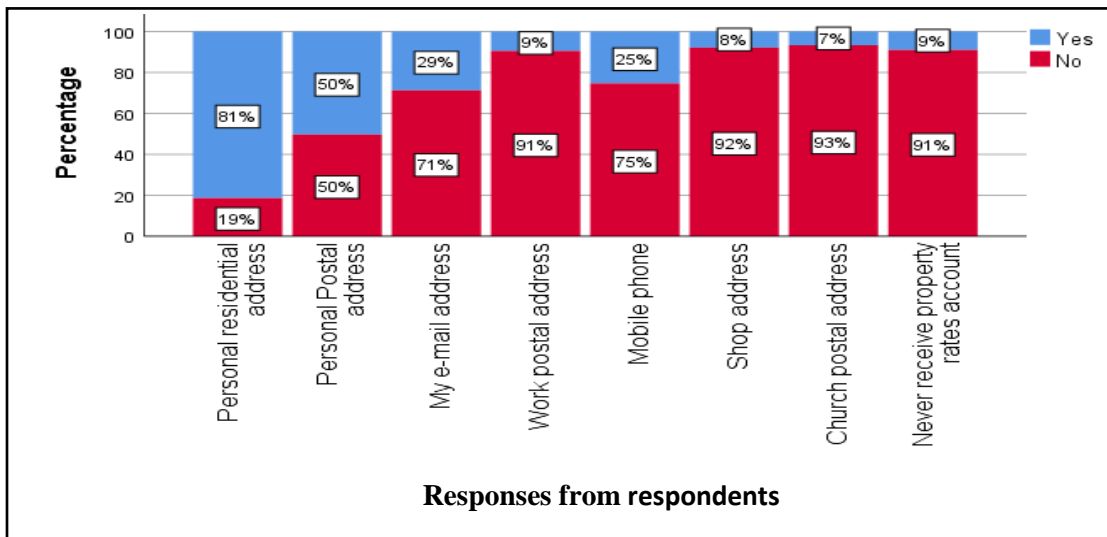


**Responses from respondents**

Figure 2 shows that most respondents disagreed on the items used to measure the effectiveness of municipal communication except radio adverts and television programmes. The responses in Figure 2 portrays that the municipalities do not adequately create awareness on payment information through the emerging communication options; they only depend on radio adverts and television programmes and adverts which do not yield desired results.

The study asked the residents the measures they receive their bills from the municipality and their responses are summarised in Figure 3.

**Figure 3: Respondents' means of receiving bills**



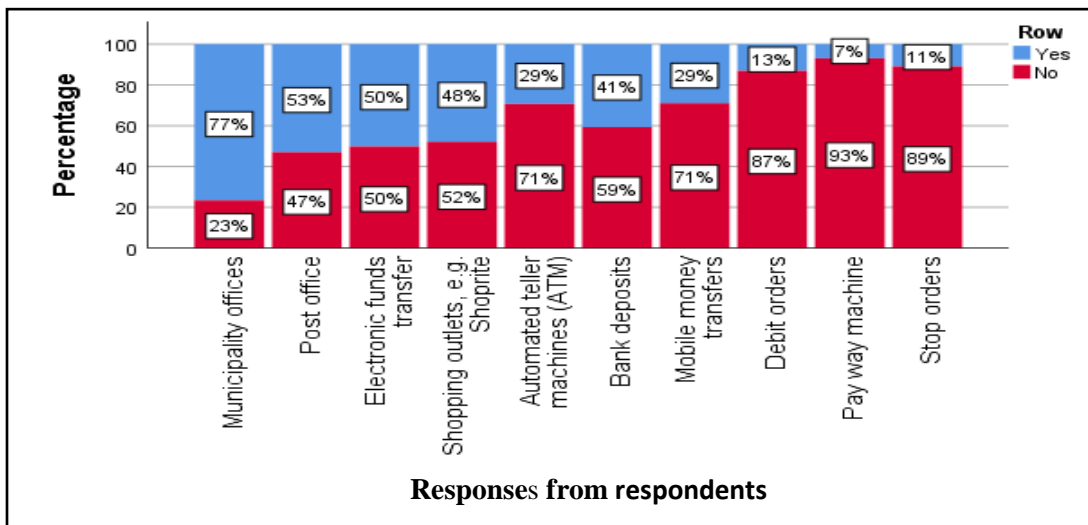
**Responses from respondents**

Figure 3 shows that most of the items used to measure communication with regard to reception of bills are not adequately applied by the municipal role-players. The responses depict that municipalities mostly send bills through the respondents' personal residential address (81%) and personal postal address (59%). The inability to adopt emergent technologies in sending bills to the residents might be one of the causes for payment default for municipal services.

### 6.1.2 Views on innovation

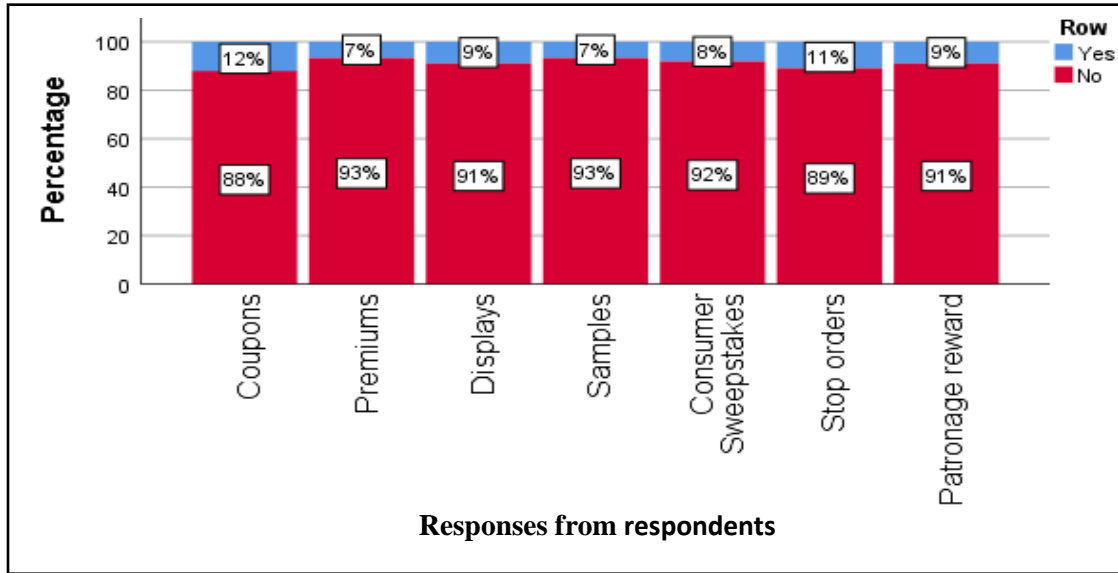
Innovation refers to a process by which new things are created. This construct was included to establish the measures municipal-role players could adopt to collect service payments for municipal services from the residents. Figure 4 presents the respondents' views on innovation.

**Figure 4: Payment options**



The responses obtained in Figure 4 reflect that more respondents agreed that they mostly pay for their municipal services through municipal offices (77%), post offices (53%) and electronic funds transfer (50%). Debit orders, stop orders and payway machines have not been effectively appropriated and deployed as means of collecting revenue. The study further probed the promotional tools used by the municipal role-players in promoting service payment and their responses are captured in Figure 5.

**Figure 5: Promotional tools used to enhance service payment**



According to the responses obtained in Figure 5, municipalities have not adequately considered the application of sales promotional tools to market their services and to increase payment for services.

**Relationship between payment culture and independent variables**

The study probed into the relationship between communication dynamics, emerging sustaining innovation options, sales promotional tools and payment culture.

**Table 1: Relationships between dependent and independent variables**

Association between payment culture and:	Statistics	Value	Df	Asymptotic Significance (2-sided)
Communication dynamics	Pearson Chi-Square	24.055**	9	0.001
Emerging sustaining innovation	Pearson Chi-Square	21.033**	9	0.011
Sales promotional tools	Pearson Chi-Square	23.045**	9	0.002

All p-values obtained from the statistical results in Table 1 are less than the 0.05 level of significance (p-value <0.05) implying that there is a significant relationship between payment

culture and communication dynamics, emerging sustaining innovation options, and sales promotional tools.

### **Relationship between payment behaviour and communication dynamics: Awareness Channels**

An analysis was made to establish the relationship between payment behaviour and communication channels and the results thereof are presented in Table 2.

**Table 2: Payment behaviour and communication dynamics: awareness channels**

<b>Association Between Payment Behaviour and:</b>	<b>Statistic</b>	<b>Value</b>	<b>df</b>	<b>Asymptotic Significance (2-sided)</b>
Radio adverts(Awareness)	Pearson Chi-Square	9.474*	3	0.024
Television programmes and adverts(Awareness)	Pearson Chi-Square	5.93	3	0.115
YouTube(Awareness)	Pearson Chi-Square	19.894**	3	0.000
Billboards(Awareness)	Pearson Chi-Square	17.913**	3	0.000
Fliers(Awareness)	Pearson Chi-Square	18.174**	3	0.000
The Internet(Awareness)	Pearson Chi-Square	9.574*	3	0.023
Social media(Awareness)	Pearson Chi-Square	13.736**	3	0.003
Reminders by SMS(Awareness)	Pearson Chi-Square	0.614	3	0.893
Reminders by e-mail(Awareness)	Pearson Chi-Square	5.281	3	0.152
Inserts in newspapers(Awareness)	Pearson Chi-Square	12.802**	3	0.005
Newspapers(Awareness)	Pearson Chi-Square	4.095	3	0.251
Drama in community theatres(Awareness)	Pearson Chi-Square	18.74**	3	0.000

Table 2 shows that there is a significant association between payment behaviour and most of the communication awareness channels, except television programmes and adverts, reminders by SMS, reminders by e-mail and also newspapers.

### **Relationship between payment behaviour and communication dynamics: receipt of bills**

Further computation was undertaken to test if there is a relationship between payment behaviour and communication dynamics with regards receiving of bills. Table 3 presents the results obtained from the test.

**Table 3: Payment behaviour and communication dynamics: receipt of bills**

<b>Association Between Payment Behaviour and:</b>	<b>Statistic</b>	<b>Value</b>	<b>Df</b>	<b>Asymptotic Significance (2-sided)</b>
Personal residential address-Receipt of Bills	Pearson Chi-Square	13.625**	3	0.003
Personal Postal address-Receipt of Bills	Pearson Chi-Square	5.961	3	0.114
My e-mail address-Receipt of Bills	Pearson Chi-Square	2.702	3	0.440
Work postal address-Receipt of Bills	Pearson Chi-Square	2.335	3	0.506
Mobile phone-Receipt of Bills	Pearson Chi-Square	1.651	3	0.648
Shop address-Receipt of Bills	Pearson Chi-Square	7.823*	3	0.049
Church postal address-Receipt of Bills	Pearson Chi-Square	12.528**	3	0.006
Never receive property rates account-Receipt of Bills	Pearson Chi-Square	6.528	3	0.089

Table 3 shows that payment behaviour is associated with the receipt of bills at a personal residential address, a shop address, and a church postal address because the p-value is less than 0.05 for all of these cases.

### **Relationship between payment behaviour and sustaining innovation: payment channels**

A statistical test was conducted to determine if there is a relationship between payment behaviour and emerging sustaining innovation with regards payment channels and the results obtained are presented in Table 4.

**Table 4: Payment behaviour and sustaining innovation: Payment channels**

<b>Association between payment behaviour and:</b>	<b>Statistic</b>	<b>Value</b>	<b>Df</b>	<b>Asymptotic Significance (2-sided)</b>
Municipality offices-Payment Channels	Pearson Chi-Square	19.981**	3	0.000
Post office-Payment Channels	Pearson Chi-Square	5.387	3	0.146
Electronic funds transfer-Payment Channels	Pearson Chi-Square	1.984	3	0.576
Shopping outlets, e.g. Shoprite-Payment Channels	Pearson Chi-Square	5.203	3	0.158
Automated teller machines (ATM)-Payment Channels	Pearson Chi-Square	1.287	3	0.732
Bank deposits-Payment Channels	Pearson Chi-Square	3.833	3	0.280
Mobile money transfers-Payment Channels	Pearson Chi-Square	10.32*	3	0.016
Debit orders-Payment Channels	Pearson Chi-Square	2.628	3	0.453
Payway machine-Payment Channels	Pearson Chi-Square	47.057**	3	0.000
Stop orders-Payment Channels	Pearson Chi-Square	33.478**	3	0.000

Table 4 shows that there is a significant association between payment behaviour and the use of the following payment channels: municipall offices, mobile money transfers, payway machine, and stop orders because the p-value is less than 0.05 for all of these cases.

### **Relationship between payment behaviour and emerging sustaining innovation: Promotion of municipal services**

The study further examined the relationship between payment behaviour and sustaining innovation with regards the promotion of municipal services and the results obtained are presented in Table 5.



**Table 5: Payment behaviour and sustaining innovation: Promotion of municipal services**

<b>Association Between Payment Behaviour and:</b>	<b>Statistic</b>	<b>Value</b>	<b>Df</b>	<b>Asymptotic Significance (2-sided)</b>
Coupons (Promotion of Municipal services)	Pearson Chi-Square	39.628**	3	0.000
Premiums (Promotion of Municipal services)	Pearson Chi-Square	2.91	3	0.406
Displays (Promotion of Municipal services)	Pearson Chi-Square	23.173**	3	0.000
Samples (Promotion of Municipal services)	Pearson Chi-Square	17.91**	3	0.000
Consumer Sweepstakes (Promotion of Municipal services)	Pearson Chi-Square	16.511**	3	0.001
Stop orders (Promotion of Municipal services)	Pearson Chi-Square	11.181*	3	0.011
Patronage reward (Promotion of Municipal services)	Pearson Chi-Square	12.898**	3	0.005
Road Walks (Promotion of Municipal services)	Pearson Chi-Square	9.715*	3	0.021

Table 5 shows that payment behaviour is associated with all promotion tools except premiums.

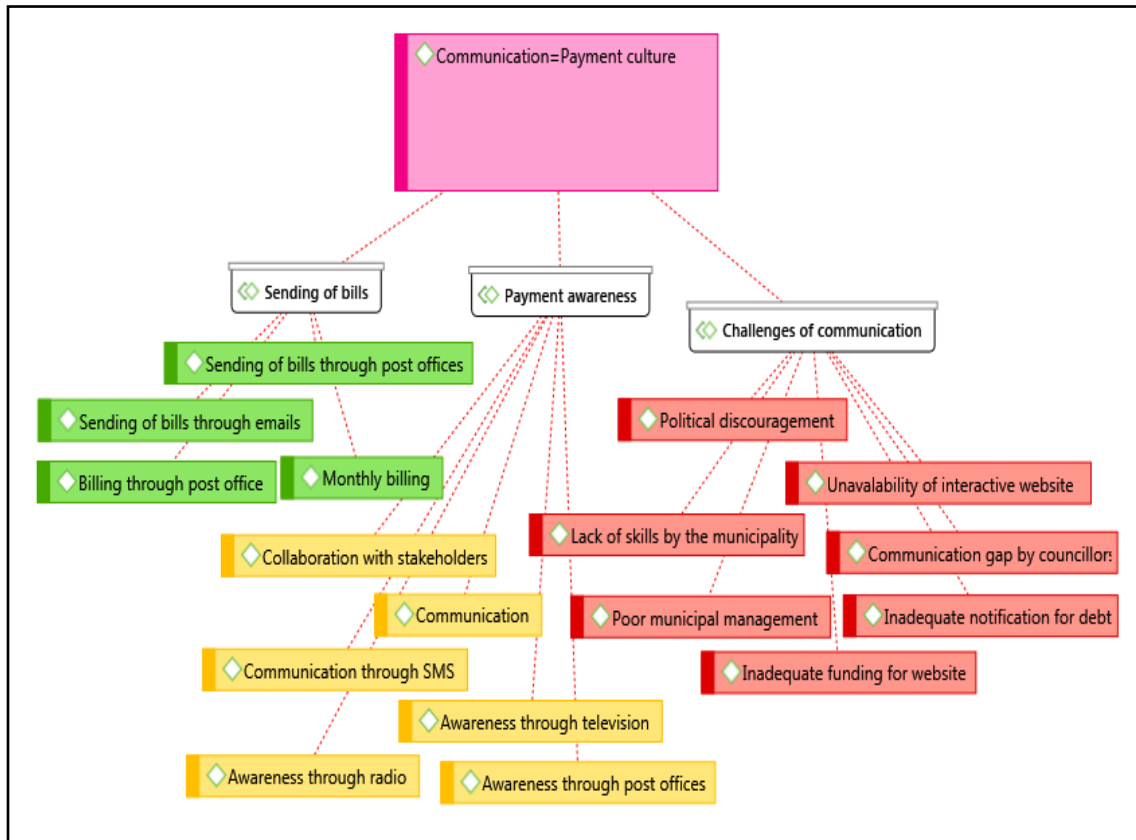
## **6.2 Presentation of qualitative results**

The qualitative results are presented according to the themes of the study.

### **6.2.1 Respondents' views on communication**

Communication in this study specifically focused on the ways in which the municipality disseminates information to consumers of municipal services. This item sought to investigate if the application of effective communication would enhance the payment culture for municipal services. The respondents in this section include all the municipal role-players and their responses are summarised in Figure 6.

**Figure 6 Views on communication**



Three themes emerged as indicated in Figure 6 and all the respondents professed that they mainly send bills to the consumers through post offices, as well as emails. Furthermore, all the respondents indicated that they communicate and consequently create awareness through collaborations with stakeholders such as councillors and traditional leaders. Other means of awareness creation mentioned are SMS, television, post offices and through radio messages.

Probing during the interviews revealed some of the challenges surrounding effective communication with residents and the respondents concurred that there are some communication gaps caused by political interruptions by councillors, inadequate funding for interactive websites, the lack of adequate skills by municipalities, as well as poor municipal management.

### 6.2.2 Respondents' views on innovation

This section sought to understand the emerging innovation options adopted by residents in paying for their municipal services and the promotional tools used by municipalities to raise the rate of payment for accrued debt. The respondents interviewed for this section included the municipal role-players and the ICT specialists. The responses obtained from these respondents are summarised in Figure 7.

**Figure 7: Views on innovation**

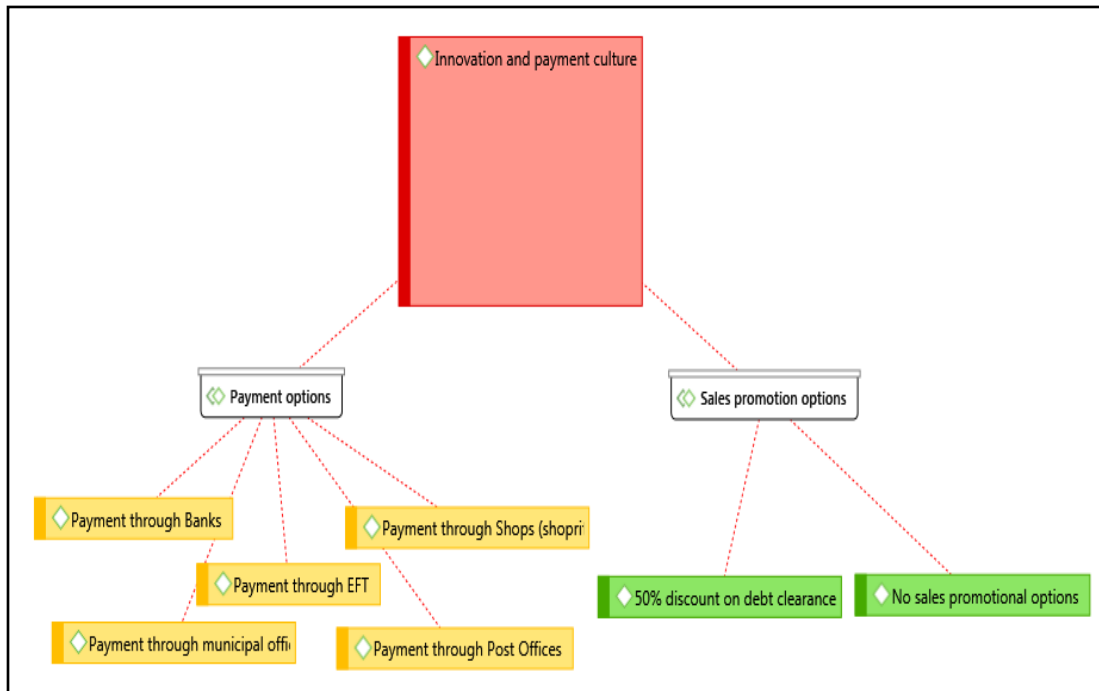


Figure 7 depicts that payment options adopted by municipalities in receiving payment for services include post office payments, stop orders, EFT payments, municipal offices and also bank payments. The segment also strove to establish if promotional tools are utilizable in the promotion of the payment for municipal services. Respondents indicated that they only apply discount on debt clearance. More so, they indicated that promotional tools have not been considered to enhance payment.

### SUMMARY OF DISCUSSION

The discussion of results follows closely the ways in which findings obtained from communication dynamics and emerging sustain innovation options could enhance payment for municipal services.

## **Communication dynamics**

Communication dynamics, according to Valentzas and Broni (2011) and Wells (2011), include all effective measures by which mutually understood information is exchanged between two or more parties. Also, Leonard (2018) affirms that communication enables keeping two or more persons together, removes doubts and increases understanding. Communication dynamics was factored into this study to examine if it is a possible means by which municipalities could exchange information with residents. The results obtained from the quantitative datasets, as presented in Table 1, reveal that there is a significant relationship between payment culture and communication dynamics. Furthermore, almost all the variables included in the quantitative datasets show that payment behaviour is associated with communication dynamics. However, respondents stated that municipalities frequently use radio advertisements and television programs to create awareness on payment information. With regards receiving of bills, respondents in the quantitative study indicated that municipalities send bills mostly to their residential and/or postal addresses. The qualitative results highlighted that the role-players have not considered improving interactive websites; the use of social media to disseminate information, the collaboration with councilors to facilitate payment for services, nor the use of SMSs to send messages and reminders.

The USAID (2005) study affirms that organisations should further consider other communication dynamics such as YouTube, social media, electronic media, electronic billboards and the Internet in order to successfully disseminate information to a target audience. Also, the benchmark on communication dynamics and sustaining innovation depicts that municipalities that adopted full IT options such as upgrading customer care section and call centers, email reminders, and SMS reminders improved their debt collection. Jamela (2016) and Leonard (2018) upholds that the application of communication dynamics could enhance understanding, clarification of emotional signals, building good relationships, managing diversity, building stronger teams and propping up the morale of the stakeholders.

## **Emerging sustaining innovation**

The quantitative dataset related to innovation shows that there is agreement amongst the respondents that the implementation of emerging innovation options would notably enhance the payment culture for municipal services Table 1 shows that there is a significant relationship between payment culture and almost all the variables included to measure this construct. However,

respondents affirmed that there are several options provided by municipalities to pay for municipal services which are effective. It is deduced in another vital finding that municipalities do not utilize sales promotional tools in marketing municipal services. The failure to mobilise adequate payment from residents could be attributed to municipalities not utilizing sales promotion options. The results of qualitative datasets revealed that municipalities facilitate payment through various means and this was evaluated at an acceptable standard. However, municipalities do not implement adequate promotional tools, as indicated in Figure 7, and this concurs with the findings of the quantitative results.

The benchmark for communication dynamics and emerging sustaining innovation provided by USAID (2013) indicated that Bosnia and Herzegovina improved payment compliance through special campaigns and promotions. The study of Horth and Bunchner (2014) pinpoints that organisations should embrace the prescripts of innovation to alleviate challenging issues that could retard productivity. Sustaining innovation enhances the opportunity to engage in new partnerships, increases turnover and customer satisfaction. This weak view on enabling factors, inadequate knowledge, inability to use research results and weakness in leadership were identified by Bason *et al.* (2013) as barriers to innovation. It is critical to address these shortfalls in each of the municipalities to establish a responsible payment culture for municipal services.

## **CONCLUSIONS AND RECOMMENDATIONS**

This paper investigated the effectiveness of communication dynamics and emerging sustaining innovation options in enhancing the payment culture for municipal services. The study was motivated by high debt accruals in the payment for municipal services in the North West province of South Africa. It clarified that the municipal role-players have failed to appropriately adopt communication dynamics and emerging sustaining innovation options to manage payment for services which intensifies consumer debts. Furthermore, the study confirmed that municipalities do not promote the payment for municipal services using sales promotional tools as recommended in the study. Countries such as El Salvador, Georgia, Bosnia and Herzegovina, and Costa Rica have attained their goals in enhancing the payment culture of residents through the adoption of emerging communication and innovation options. South Africa, as a developing country, could equally adopt such options to enhance the payment culture for municipal services. The study

concludes that the intensifying consumer debts obtainable in the North West provincial municipalities could be ascribed to the inability of municipal role-players to adopt ICT and emerging sustainable innovation options. According to the prescripts of this study, the payment for municipal services could be enhanced if the recommendations proposed were appropriately applied by the municipal role-players.

The following recommendations are made to municipal role-players and the residents:

- Municipal role-players should collaborate effectively with residents; Integrated Development Plan (IDP) meetings should be scheduled at regular intervals throughout a year to guide the residents on the strategic plans of the municipality.
- Municipal role-players should collaborate in a mutual manner with councillors to educate and mobilise payments from residents
- Apart from using television and radio advertisements to reach residents, municipal role-players should adapt other measures such as YouTube, billboards, fliers, Internet, social media, reminders by SMS and email, inserts in newspapers, and newspapers to create awareness for the payment of service provision.
- In sending bills, municipal role-players should consider utilising email addresses and mobile phones as almost all residents own such gadgets and facilities.
- Other means of payment, such as EFT, ATM payments, debit and stop orders, should be encouraged to ease queuing stress at municipal offices.
- Municipal role-players should introduce promotional tools such as coupons, premiums, displays, samples, consumer sweepstakes, shop orders and patronage rewards to induce residents to pay for their municipal services.
- There should be efficient customer care service that will be in charge of debt management such as sending reminders on debt owing to the municipality and the due time to pay for municipal services.
- Residents should respond to the appeals from municipalities to pay their accrued debts.
- Residents should report dissatisfaction with service delivery to the municipality rather than withhold payment.
- Residents should collaborate with role-players, councillors, traditional leaders and they should also report concerns that could inhibit the payment for services.

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