

## The Impact of Bethelsdorp Hand Weavers (Pty) Limited on the Living standards of its Employees in Bethelsdorp, Eastern Cape, South Africa

Wanjugu Wachira\*, Deon Pretorius and Richard Haines

Department of Development Studies, School of Economics, Development and Tourism, Faculty of Business and Economic Sciences, Port Elizabeth, South Africa

Received 10 June 2017, Accepted 02 Sept 2017, Available online 06 Sept 2017, Vol.5 (Sept/Oct 2017 issue)

### Abstract

*This study aimed to investigate the impact of Bethelsdorp Hand Weavers (Pty) Limited on the living standards of its employees. The research adopted descriptive research design. Qualitative and quantitative findings were obtained. A total of 40 respondents were used for this study. Convenience sampling was adopted to select the sample population of the study. Data collected from interviews and open ended questionnaires were converted into meaningful data through adopting the use of qualitative content analysis. In addition, some of the data collected from questionnaires were captured, read and interpreted using a Computer-Aided Qualitative Data Analysis (CAQDA) software program. Findings reveal that indeed Bethelsdorp Hand Weavers (Pty) Limited has had both a positive and negative impact on its employees while still in operation. Some of the benefits obtained by employees working at the weaving factory were; weaving skills, income, enrolling in adult education, training in social work, awareness and training programmes on cancer, tuberculosis (TB) and the Human Immuno-deficiency Virus (HIV). During seminars conducted, willing employees were tested at no cost among others. One key achievement was that The Kraal Gallery (TKG) and Bethelsdorp Hand Weavers (Pty) Limited in 2008 managed to scoop a gold ministerial award in South Africa as a best practices model in skills development among women, youth and people living with disabilities. The greatest challenge the Bethelsdorp Hand Weavers (Pty) Limited employees encountered in its operation was lack of continuous funding. In conclusion, several improvements that can be made to enhance the impact of the Bethelsdorp Hand Weavers (Pty) Limited were; exporting of woven rugs, increase of wages of weavers, improvement of the day care centre close to the weaving factory, and operation of staff cafeteria.*

**Keywords:** Impact, weavers, women

### 1. Introduction

Bethelsdorp is viewed to having a rich history. During the pre-apartheid period, between 1870-1915, cattle raiding were prevalent in the area. The Bethelsdorp community at the time were referred to as the Khoi Khoi. Trading was conducted in accordance with the trading system which was set up by the Dutch [1].

Consequently, due to apartheid the community of Bethelsdorp is still characterised by unemployment and lack of skills. As a result the formation of Bethelsdorp Investment Holdings (BIH) emerged to assist solve part of the problem of unemployment and the lack of skills in the Bethelsdorp community. Bethelsdorp Investment Holdings (which is owned by Bethelsdorp Development Trust (BDT) and The Kraal Gallery (TKG) entered into an agreement in April 2004. The agreement between Bethelsdorp Development Trust (BDT) and The Kraal Gallery (TKG) was aimed at the starting of a commercial

weaving factory. The factory is what is now called Bethelsdorp Hand Weavers (Pty) Limited. In terms of ownership, the BDT owns 70%, while TKG shareholding amounts to 30 %.

The Bethelsdorp Development Trust (BDT) head office is located at Church Street in Bethelsdorp. The Trust, however, is a few kilometres away from Bethelsdorp Hand Weavers (Pty) Limited. The Bethelsdorp Development Trust (BDT) is a Non-Governmental Organisation (NGO), while The Kraal Gallery (TKG) is privately owned. The BDT is financially supported by the Nelson Mandela Municipality. The BDT also works hand in hand with the Leadership for Environment and Development (LEAD) which advises the BDT on how to protect its environment and the social welfare which seeks to help alleviate poverty [2].

The vision of the Bethelsdorp Development Trust (BDT) is: "To create a sustainable, self-reliant and vibrant community". The mission of the Bethelsdorp Development Trust (BDT) is "to create large-scale wealth

\*Corresponding author's ORCID ID: 0000-0003-3180-0126

generating and poverty-eradication projects through the development of local natural and cultural resources combined with entrepreneurial activity” [3]

Unemployment and a lack of skills characterise the majority of the community members of Bethelsdorp. The Bethelsdorp Hand Weavers (Pty) Limited has provided skill development training in the weaving of woollen floor rugs to some of the residents of Bethelsdorp. Bethelsdorp Hand Weavers (Pty) Limited has been in existence since April 2004. Years have elapsed and no evaluation has been conducted in order to determine what the impact of Bethelsdorp Hand Weavers (Pty) Limited has been towards improving the living standards of its employees who are mainly residences of the Bethelsdorp community. Bethelsdorp Hand Weavers (Pty) Limited started off with fifty unemployed women residing at Bethelsdorp. At present, 180 females have been trained at Bethelsdorp Hand Weavers (Pty) Limited [4].

Additional outcomes of the training include the following:

- A basic understanding on the conditions of the Employment Act.
- Maintaining a healthy working environment.
- Analysing, implementing and evaluating design processes and principles within the arts and crafts practices.
- Achieving and maintaining required industry standards.
- Introduction and adherence to professional workplace standards and ethics.
- Exploring own ideas and their implementation.
- Communication skills in the workplace.
- Understanding HIV/AIDS and its implications.
- Understanding and exploring various weaving techniques.
- Understanding the legal obligations as a learner / employee [5].

In the context of this research the impact refers to an evaluation of how Bethelsdorp Hand Weavers (Pty) Limited management’s actions impacts the employees who mainly consist of women of Bethelsdorp community.

The key issue of analysis of this study is: What is the impact of Bethelsdorp Hand Weavers (Pty) Limited on the living standards of its employees?

The concept employees refers to the women trainees who are involved in the actual weaving of floor rugs at Bethelsdorp Hand Weavers (Pty) Limited.

Evaluating the impact of Bethelsdorp Hand Weavers (Pty) Limited is intended to determine more broadly whether the programme has the ‘desired effect’ on individuals, households and institutions. In addition, the evaluation of the impact of Bethelsdorp Hand Weavers (Pty) Limited also explores the underlying consequences, whether positive or negative outcomes result on beneficiaries [6].

Furthermore, the study assesses the extent to which the weaving factory’s benefits reach the poor at

Bethelsdorp in particular and the impact of the benefits, if any, on their welfare.

A study has been conducted on Bethelsdorp Hand weavers (Pty) Limited. The study was basically an overview of the factory. The report was written by Suede Consulting in 2005. The study highlights how Bethelsdorp Hand Weavers (Pty) Limited operates as well as its plans with regard to marketing strategies and the production of woven products. This creates a research gap, as there is no mention of the impact of the factory on its employees. This article was motivated by five factors.

Firstly, it was deemed necessary to establish whether employees at Bethelsdorp Hand Weavers (Pty) Limited benefit from training conducted at the factory.

Secondly, it was essential to investigate the skills development needs of the employees of Bethelsdorp Hand Weavers (Pty) Limited.

Thirdly, it was necessary to examine the achievements that Bethelsdorp Hand Weavers (Pty ) Limited has attained since it was first established.

Fourthly, it was important to identify any problems and failures that exist in the functioning and operation of Bethelsdorp Hand Weavers (Pty) Limited.

Finally, it was deemed necessary to establish future projects that could be incorporated into the Bethelsdorp Hand Weavers (Pty) Limited to increase profits and ensure sustainability of the factory.

This article is divided into five sections. Section one addresses the role of NGOs, section two examines unemployment and poverty in Eastern Cape of South Africa. Section three tackles employment and training in South Africa. Section four addresses research findings and finally section five is the conclusion.

## 2. The Role of NGOs in South Africa

The World Bank has provided extensive criteria for defining NGOs. One definition given by the World Bank is that an NGO ‘is an organization that is flexible and democratic in its organization and attempts to serve the people without profit for itself” [7].

The role of Non-Governmental Organisations in developing countries is to care for large numbers of people affected by HIV/AIDS. In addition, several issues have been established with regard to HIV/AIDS. It has been observed that the incidences of HIV/AIDS in South Africa and other developing countries have taken on pandemic proportions. NGOs in countries with limited resources are confronted with a major challenge on how to re-design the role of the NGOs so as to provide effective assistance for the affected” [8]. Furthermore,

NGOs vary in the role they play. Each NGO selects a particular area to concentrate on. However, some NGOs concentrate on more than one area depending on the funds available. The following are some of the related areas that NGOs specialize in.

- Human rights;

- Housing development, education and
- Training programmers and HIV/AIDS.

One role played by some NGOs in South Africa is on protection of human rights. South African human rights organizations have enormous and perhaps incomparable experience in pursuing issues of social and economic deprivation from a human rights dimension. Consequently, this has emerged due to historical reasons particularly because of apartheid. This was the period in which some South Africans were denied access to social and economic rights. Hence human rights organizations spend time advising on issues such as pensions, labour rights and housing. Even though South Africa has a highly developed legal human rights sector, it still has much to learn in this area. Furthermore, the Constitution also creates new statutory mechanism for human rights protection, notably a human rights commission. Another challenge for the human rights NGOs is working with statutory bodies [9].

HIV/AIDS is another category of specialization in which some South African NGOs engage in. There are two aspects: management and awareness issues related to HIV/AIDS. Southern Africa remains a nation that is worst affected by the HIV/AIDS epidemic. This has resulted due to a number of factors. These factors consist of; poverty and social instability, high levels of sexually transmitted infections, the low status of women, sexual violence, high mobility (particularly migrant labour), and lack of good governance. The UNAIDS 2006 Global Report, estimated that 320 000 people died of AIDS-related deaths in South Africa in 2005. In addition, South Africa is regarded as having the most severe HIV epidemic globally [10].

The above statistics raises concern and the need for NGOs to facilitate in one way or another in the management and creating awareness of HIV/AIDS is of paramount importance.

Another role played by NGOs in South Africa is housing development, education and training. NGOs possess abundant knowledge, expertise and experience about the housing development process. Since most of the NGOs are small and flexible, they tend to be more creative and innovative in their development approaches. NGOs are ideally situated to educate and train communities because of their unique positioning at local level [11].

More often than not, the credibility of NGOs is questioned, as the public at large wonder whether NGOs are working towards attaining their ultimate goals or not. In this study BDT is an NGO, and by conducting this research it has been established what impact the weaving factory has had on its employees. This will ultimately reflect on whether the mission statement of BDT is being followed or not. With regard to other NGOs it is only research that can determine their effectiveness.

### 3. Unemployment and Poverty in South Africa

The roots of poverty in South Africa can be traced back to the time of apartheid, since the arrival of the Dutch sailors in 1652 whose descendants later became involved

in international trade. Subsequent to 1652, the indigenous local inhabitants of South Africa were subjected to exploitation in order to support the interests of economies that were foreign to those of Africa which developed later on [12].

The nature of poverty in South Africa today is more structural than economic or social. This means that poverty is about the way the South African society is structured. However, in order to address or change this situation of poverty in South Africa, the individuals would first and foremost need to focus more attention on education and training [13].

In addition, levels of poverty and unemployment in South Africa as a whole are relatively high, despite the country's status as an upper-middle income nation. In 1995, statistics indicated that in a total population of 46 million citizens in South Africa, 48.5% of citizens were living in poverty, according to the national poverty line of Rands 354 per month per adult. On the other hand, in 2002, 23.8% of people were living on less than two US dollars a day, and 10.5% on less than one US dollar a day [14]. Over the last decade statistics have shown a steady increase in the levels of unemployment in South Africa. These statistics indicate that unemployment rose from 34.3% of the total working-age population in September 2000, to 40.5 % in March 2005. These statistics have prompted concern amongst citizens and the government at large [15].

The vicious cycle of poverty is usually transferred across generations. To break the cycle is a challenge, as a lack of access to assets prevents households from accumulating sufficient surpluses to move out of poverty over time, due to unemployment. A common trait of the vulnerable when faced by crises is to sell off all assets, reduce food consumption and to take their children out of learning institutions [16].

### 4. Poverty in the Eastern Cape of South Arica

During a speech given by the former Minister of Labour at a Labour Gala Dinner at Cicira College Of Education Umtata on 16 August 2003, it was mentioned that: "The Eastern Cape has the highest unemployment rate in all of South Africa's provinces and shares with the Free State the highest headcount poverty index. The Eastern Cape is a rural province with only 36.6% of the total population living in urban centers as compared to the national average of 54%" [17].

This is the context in which the Department of labour has had to operate when it comes to delivering on the African National Congress's (ANC's) priority of a better life for all our people, including those of the Eastern Cape. The 2001 Census of the Eastern Cape Province indicates that the Eastern Cape is home to about 14.4% of South Africa's population. The Eastern Cape, however, when measured in terms of its total current income, it is the fourth richest province in South Africa, after Gauteng [18].

## 5. Employment and Training in South Africa

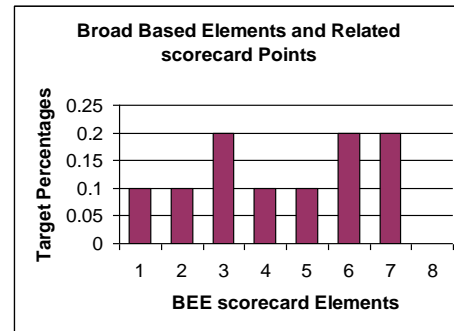
All operations in South Africa have apprenticeship programmes that provide technical and personal training for artisans and technical university students. These courses are generally one to two years in duration, depending on a student's individual project [19],

In a recent survey conducted, it was established that employment has generally been on a slightly upward trend since March 2003. In March 2006, the number of employed people rose from 11 907 000 to 12 451 000. In 2006, the labour force survey reported on employment by industry, and by province, for the period March 2001 to March 2006. The report indicated that the overall level of employment rose by 544 000 from March 2005 to March 2006. In addition, employment gains were noted in agricultural employment (which increased by 147 000), trade (up by 347 000), finance (up by 53 000) and construction (up by 51 000). Over the same period, more than half (61.2 %) of the employment gains were in the trade industry, while 25.6% were noted in the agricultural sector [20]. The above statistics are a clear indication that encouraging results are indeed being delivered to some extent by a number of sectors in South Africa. To maintain the steady growth of employment opportunities it is vital that expansion takes place among industries.

Approximately a quarter of South Africa's population of 41 million depends on social grants. This includes more than half of the income of the poorest 20% of households [21]. What has the Government done with regard to skills development training in South Africa? The implementation of Broad Based Black Economic Empowerment (BBBEE) and the implementation of a National Skills Development Strategy are two ways in which the government of South Africa is engaging in order to uplift the poor. Quite a number of companies and community projects in South Africa embarrass Broad Based Black Economic Empowerment (BBEE) legislation through the implementation of an Employment Equity policy. The policy aims to redress previous disadvantages, disempowerment and employment imbalances through accelerated development, training and education programs [22].

BBBEE is a South African Act that was formulated in 2003. It aims:

"To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith" [23]. BBBEE consists of several elements, as illustrated in the diagram that follows:



Key: Source: [24]

Figure 1:

- 1- Enterprise development
- 2- Residual element
- 3- Equity ownership
- 4- Management and control
- 5- Employment Equity
- 6- Skills development
- 7- Preferential procurement

The diagram above illustrates that skill development is one of the elements of BBBEE and in the BBBEE scorecard it appears sixth, while the target percentage to be attained by organizations is 20%. This indicates that skill development takes a significant position with regard to BBBEE. Skill development in relation to BBBEE emphasizes the need to encourage skill enhancement in organizations to facilitate in efficiency and enhancement of skills among black employees. In addition, the strategy is used to encourage firms to continuously invest in skill enhancement and training. This strategy of skill development only benefits those who are employed; it leaves out the unemployed. This eventually results in better productivity and skill enhancement among employees. Although huge amounts of money are required to ensure that skill development takes place in an organization, it should be noted that not all companies in South Africa have managed to implement BBBEE in their respective establishments in totality [25].

In 2003, the government of South Africa introduced the National Skills Development Strategy. A document was prepared by the government outlining the National Skills Development Strategy through the National Skills Authority (NSA). Furthermore, the NSA has been mandated to liaise with Sector Education Training Authorities (SETAs), established to facilitate actual training through learnership programmes adopted by the various industry sectors in South Africa. Other institutions within the National Skills Development Strategy include labour centres and Skills Development Planning Units. The aim of the National Skills Development Strategy is to improve the skills levels of the South African labour force thereby contributing to higher productivity and enhanced employability [26].

Furthermore, on June 2003, during the Growth and Development Summit, the government of South Africa, businesses, trade unions and community leaders recommitted themselves to creating jobs and boosting training. In addition, employers and unions agreed to strengthen the 25 sector education and training authorities [27].

Due to the demand for existing micro credit incentives in South Africa, on March 20, 1995, the South Africa Parliament published a White Paper on National Strategy for the Development and Promotion of Small Businesses in South Africa. The White Paper describes the economic challenges and new directions for post-apartheid South Africa. The White Paper mainly elaborates on the importance of micro enterprise development to meet the basic needs of poor people. Furthermore, one of the outcomes of the White Paper was the creation in 1996 of Khula Enterprise Finance Limited, an independent, Limited Liability Company. The company has its own board of directors dedicated to improving access to finance for small, medium and micro enterprises [28].

Another initiative is the Faranani Rural Women's Training Initiative. Faranani Rural Women's Training initiative was established on 23<sup>rd</sup> June, 2007. The start of this initiative shows a commitment by both the government of South Africa and the private sector efforts to assisting in the advancement of women empowerment. The main goal of the establishment of this initiative was to provide business and entrepreneurial skills to previously disadvantaged communities in order for them to create employment and generate an income [29].

## 6. Methodology

This study used descriptive research design. The respondents consisted of individuals who could be classified into three main groups. Namely:

- Management personnel of Bethelsdorp Development Trust (BDT), some of whom consisted of volunteers;
- Management Personnel of Bethelsdorp Hand Weavers(Pty) Limited;
- Employees (women hand weavers) who were working and training at Bethelsdorp Hand Weavers (Pty) Limited.

A total of 180 women hand weavers consisted of the target population. During the proposal writing stage of this research, Bethelsdorp Hand Weavers (Pty) Limited was still operating and it was anticipated systematic sampling would be used to select the women hand weavers while convenience sampling will be used to select three management personnel BDT and two management personnel of Bethelsdorp Hand Weavers(Pty) Limited.

However, due the fact that the factory temporarily ceased operating in May 2008, it was not possible to

adopt the systematic sampling method. The researcher had to distribute questionnaires to hand weavers during a monthly meeting which was held on 15<sup>th</sup> October, 2008. It happens to be ever since the factory temporarily closed in May 2008 the management of Bethelsdorp Hand Weavers (Pty) Limited has been holding monthly meeting with the weavers at the factory. Respondents were selected based on the willingness of individual women weavers to participate in answering the questionnaires distributed, as most weavers were preoccupied because they were currently unemployed. It was evident that not all the women who were working at the factory could make it for the October monthly meeting. Thus convenience sampling was used to select a sample population of 35 women weavers. In-depth interviews were conducted with two management personnel of Bethelsdorp Hand Weavers (Pty) Limited and three management personnel of BDT. Convenience sampling was adopted to select management personnel of BDT and Bethelsdorp Hand Weavers (Pty) Limited. A total of 40 respondents thus participated in this study. Convenience sampling involves the selection of participants to be involved in the research [30].

Secondary method of data collection was also adopted when conducting this research study.

Data collected from interviews and open ended questionnaires were converted into meaningful data through adopting the use of qualitative content analysis. Qualitative content analysis involves formulating codes in order to categorise the data. In addition, some of the data collected from questionnaires were captured, read and interpreted using a Computer-Aided Qualitative Data Analysis (CAQDA) software program was used.

## 4. Findings

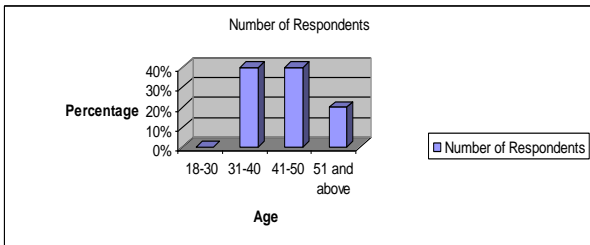
### 4.1 Introduction

Topics that are discussed in this chapter include the following:

- Personal information of respondents
- Benefits of training at Bethelsdorp Hand Weavers (Pty) Limited
- Skills development needs of employees
- Achievements of Bethelsdorp Hand Weavers (Pty) Limited
- Work environment
- Impact of wages on living standards of employees
- Problems and challenges that exist in the functioning and operation of Bethelsdorp Hand Weavers (Pty) Limited
- Improvements that could be adopted in the future
- Benefits to be provided to employees in the future
- Future projects that could be incorporated into Bethelsdorp Hand Weavers (Pty) Limited

4.2 Personal information of Respondents

Personal information that was explored covered the age distribution, marital status and area of residence of the respondents. The graph that follows illustrates the age distribution of sample respondents who participated in filling in questionnaires.

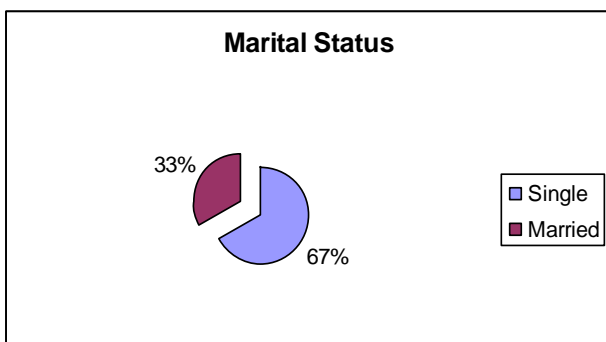


Source: Questionnaires

Figure 2 : Age Distribution

The majority of the respondents were between the ages of 31 – 40 and 41-50 respectively. Both groups represented 40% each of the total respondents; however, 20% of the respondents consisted of weavers who were above 51. From the above graph it is evident that the largest population of respondents fall into the age group of 31- 50. This gives a clear indication that the respondents consisted of mature women. It should be noted, however, through an interview session conducted with one of the management personnel of Bethelsdorp Hand Weavers (Pty) Limited, it was highlighted that the employees who were recruited during the establishment of the factory were women from the age of 18 years upwards This means that some weavers are of the age between 18-30 years.. In addition, it was further mentioned that the factory management also recruited 10 women with physical disability challenges.

It is evident that 33% of the respondents consisted of married women and 67% consisted of single women.



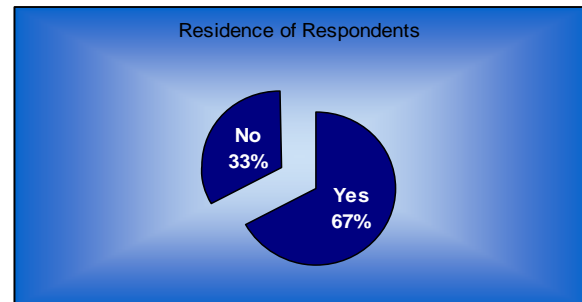
Source: Questionnaires

Figure 3: Marital status of weavers

It was further established that the respondents who participated in this research, both single and married, all have 1-5 persons who depend on them for basic needs. This is an indicator that a large percentage of the

respondents are breadwinners, and hence to a great extent were dependent on the income they were receiving at the Hand Weavers (Pty) Limited.

From the illustration below it is evident that 67% of the respondents reside at Bethelsdorp and 33% reside outside the Bethelsdorp area. This indicates that the selection process of weavers during training was open to all and not just women residing at Bethelsdorp. Acardia was one of the residential areas mentioned where some of the respondents reside which is outside Bethelsdorp.

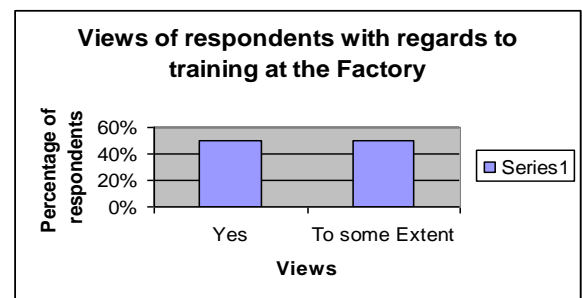


Source: Questionnaires

Figure 4: Residence of respondents

4.3 Benefits of Training at Bethelsdorp Hand Weavers (Pty) Limited

From questionnaires distributed it was established that respondents had two views with regard to whether they have benefited from training and working at Bethelsdorp Hand Weavers (Pty) Limited. Their views are illustrated in the bar graph that follows.



Source: Questionnaires

Figure 5: Views of respondents with regard to training and weaving at the factory

The graph above illustrates that 50% of the respondents were of the opinion that, Yes, indeed working and training at the factory had benefited them. However, another 50% of the respondents were of the opinion that to some extent they had benefited from training and working at Bethelsdorp Hand Weavers (Pty) Limited. Four respondents justified their answers by giving the following comments:

- Firstly, "I have learnt more skills";

- Secondly, “ I was able to provide for my needs while employed at Bethelsdorp Hand Weavers Limited”;
- Thirdly, “ It helped me very much to cope with my stress levels”;
- Fourthly, “I made a lot of friends and it helped me to be more patient”.

Other comments included:

- “I can someday be self-employed”;
- “It helped me to see that I am capable of doing anything I want to”;
- “I love weaving”.

Moreover, the weavers further indicated that they had benefited from training and working at the factory in two key areas. These areas include: the attainment of weaving skills and financially from the wages they had received.

All respondents that consisted of weavers were of the opinion that they were fortunate to have been working and training at Bethelsdorp Hand Weavers (Pty) Limited. Through conducting interviews with the management of Bethelsdorp Hand Weavers (Pty) Limited and BDT, it was established that the employees who were trained and were working at the factory as weavers had benefited to a great extent.

Training was mentioned as one of the benefits obtained by the weavers. Training was conducted in three different areas. Firstly, the women were trained in weaving. This was highlighted during interview sessions conducted with management of both BDT and Bethelsdorp Hand Weavers (Pty) Limited.

Furthermore, the employees who were working and training at the weaving factory also attended adult education classes with the aim of obtaining matric education. In the process of conducting an interview session with one of the management personnel of the Bethelsdorp Hand Weavers (Pty) Limited, it was mentioned that the weavers had already completed their studies in mathematics and had sat for a mathematics exam. Evidently the women all passed their mathematics examination and were waiting to begin their studies in English just before the factory temporarily ceased conducting its operations.

The management personnel further mentioned, “I was so happy they all did well”. It was further disclosed that the adult education classes were open to anyone in the community who was interested. The main aim was to assist in increasing literacy to not only the community in the area, but the public at large.

Moreover, it was further mentioned by one of the management personnel of the Bethelsdorp Hand Weavers (Pty) Limited that two students at Nelson Mandela Metropolitan University studying social work used to visit the factory on a volunteer basis. Their purpose was to train the women on issues pertaining to social work. This was to enable weavers to help others and at the same time to be able to use the knowledge to solve their own social problems.

The social work students visited the weavers once every week. The few weavers who were trained used to help their colleagues in their areas of need. This facilitated in creating a healthy work environment. It was highlighted that, “Women can be difficult to work with, but in the case of the women at the factory we never encountered any serious problems as we encouraged an open door policy”.

The respondent further mentioned that the management tackled problems as soon as possible with the aim of creating a favourable working environment for all. This was mentioned during an interview session with one of the management personnel of Bethelsdorp Hand Weavers (Pty) Limited.

However, in the case of an emergency the management of Bethelsdorp Hand Weavers (Pty) Limited would contact the social workers and they would be paid for their professional services.

Additionally, looking deeper into training, it was stated that financial literacy classes were conducted. This training programme involved three main areas of concentration which consisted of the following:

Firstly, budgeting and how to budget. Considering that the weavers had never received huge amounts of money, it was seen to be necessary to conduct these sessions so that the women would be able to spend the money they received wisely. It was established that many of the weavers depended heavily on social grants and the wages they received at the factory.

Secondly, the weavers were also taught the importance of saving.

Another benefit of working and training at Bethelsdorp Hand Weavers (Pty) Limited mentioned during an interview session with one of the management members of Bethelsdorp Hand Weavers (Pty) Limited was conducting of awareness and training programmes on cancer, Tuberculosis (TB) and the Human Immunodeficiency Virus (HIV). During seminars conducted, willing employees were tested at no cost.

The knowledge attained could have been disseminated among the employees’ family members as well as amongst friends. Hence this to some extent could have contributed to the management of the problem of HIV and TB which is widespread in South Africa and the world at large.

Moreover, another significant benefit gained by the employees working at the factory was the fact that the women were to be shareholders in the future when the factory would be financially stable and be able to generate substantial profits. This was highlighted during an interview session.

One of the management personnel of BDT was of the view that, “yes the factory has helped the employees because before the women were unskilled and unemployed”. It was further mentioned that the women had benefited from training at the factory, “as it has financially uplifted the women”.

In addition arrangements were made by the management of Bethelsdorp Hand Weavers (Pty) Limited for their employees to get free gynecological check-ups on women’s day. All this was done in a nearby clinic called



Chetty clinic opposite Bethelsdorp Hand Weavers (Pty) Limited. The Clinic also provided the factory with first-aid kits and pain killers for headaches.

4.4 Skill Development needs

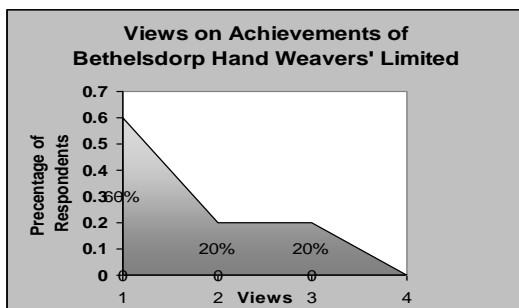
Skills development is essential for every employee, as there is no limit to knowledge. One of the management team members of BDT mentioned that, "Employees need to further their education". Hence they should not be satisfied with what they have been taught at the factory. The weavers should be willing to learn more and acquire more knowledge.

On the other hand, it was mentioned by the management of Bethelsdorp Hand Weavers (Pty) Limited that it is essential for the women to complete the adult education classes and obtain their matric qualification. Moreover, a computer literacy class was one suggestion given by management of BDT with regard to skill development needs that can be incorporated in the future.

It was mentioned that the supervisors of the weavers required human resource skills. Furthermore, it was highlighted by management of Bethelsdorp Hand Weavers (Pty) Limited that the management plans to ensure that the supervisors are provided with the opportunity to attain the required human resource skills in the future.

4.5 Achievements of Bethelsdorp Hand Weavers (Pty) Limited

Respondents who consisted of weavers had three views with regard to achievements of Bethelsdorp Hand Weavers (Pty) Limited. 60% of the respondents were of the opinion that Bethelsdorp Hand Weavers (Pty) Limited has accomplished a lot since it was established. However, 20% of the respondents were of the opinion that the weaving factory to some extent had attained a lot since it was first established in 2006. Another 20% of the respondents were of the view that Bethelsdorp Hand Weavers (Pty) Limited has not attained much since it was first established. This is illustrated in the graph that follows.



Source: Questionnaires

Key: 1 = Yes, 2= To some extent, 3=No

Figure 6: Views on achievements of Bethelsdorp Hand Weavers Limited

One of the respondents was of the view that Bethelsdorp Hand Weavers (Pty) Limited has achieved a lot since it was established, "because there are so many women who can provide for themselves".

From interviews conducted amongst the management of Bethelsdorp Hand Weavers (Pty) Limited and Bethelsdorp Development Trust (BDT), several achievements were highlighted.

First and foremost, it was mentioned by both the management of BDT and Bethelsdorp Hand Weavers (Pty) Limited that The Kraal Gallery (TKG) and Bethelsdorp Hand Weavers Limited obtained a prestigious award in 2008. "Congratulations to The Kraal Gallery and Bethelsdorp Hand Weavers (Pty) Limited for scooping a gold ministerial award in South Africa as a best practices model in skills development among women, youth and people living with disabilities" [31].

Another achievement which was highlighted by the management of Bethelsdorp Hand Weavers (Pty) Limited is that 180 women had been trained in professional weaving and other supporting studies in financial literacy and adult education, as earlier mentioned.

Ms. Soukeyna Ndiaye Ba, President of Women's Development Enterprise in Africa, a Dakar-based Non-Governmental Organization (NGO) said: 'If you want to develop Africa, you must develop the leadership of African women' [32].

The third achievement discussed was setting up and operating of a day care centre. When the factory was operating, women at the factory had the opportunity to take their children to a day care centre located close to the factory. The women used to pay a small fee which would cater for the food that was to be given to the children and to pay the ladies who cared for the children. As a result job opportunities were created. This was elaborated on during interview sessions conducted with personnel of BDT and Bethelsdorp Hand Weavers (Pty) Limited.

Last but not least, a cafeteria was developed and equipped with furniture and is now ready to commence operations. This cafeteria was supposed to be operating just before the factory temporarily ceased to conduct its activities. The main idea was to identify women in the community who would be interested in carrying out catering services, in particular tea and lunche. As a result the women working at the factory could then be able to buy their meals at a very reasonable price. This in turn was to create job opportunities for a few members of the community. This was highlighted on during an interview session with one of the management personnel of Bethelsdorp Hand Weavers (Pty) Limited.

4.6 Work Environment

The graph that follows illustrates the weavers' views on the working environment in which they have been training.



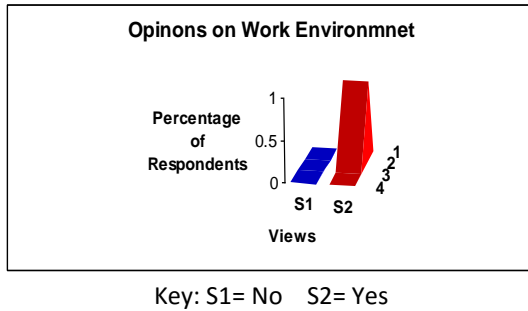


Figure 7: Opinions on work environment

Looking at the environment in which the weavers were working it was established from the questionnaires distributed that all the weavers were happy with the working environment. 100% of the respondents indicated that they acknowledged that the work environment was suitable for them. One of the weavers indicated that the environment was suitable, “because we work together as a family”.

4.7 The Impact of Wages on the Living Standards of Employees

It was mentioned by the management of BDT and Bethelsdorp Hand Weavers (Pty) Limited that the wages that were provided to the weavers did help to improve their living standards. One of the management staff of Bethelsdorp Hand Weavers (Pty) Limited stated that, “Most of them were living on social grants awarded by the government”.

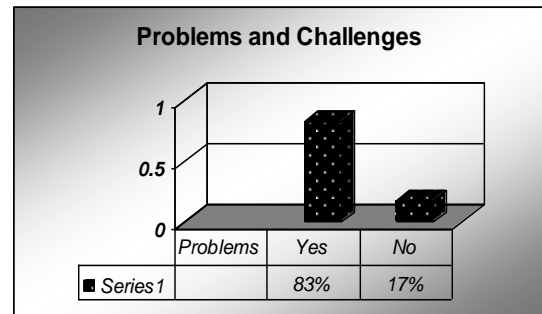
It was also mentioned by a member of BDT management team that wages that were provided to the weavers “helped as the women had nothing to begin with”. The respondent further mentioned that; “Children of the women have become dependent on the wages provided to the weavers”. It was also mentioned by another management personnel of BDT that, “Any form of income is better than nothing. Families have benefited from money earned”.

4.8 Problems and Failures that Exist in the Functioning and Operation of Bethelsdorp Hand Weavers (Pty) Limited

The respondents who consisted of weavers had two views with regard to whether they had experienced problems and challenges while training at Bethelsdorp Hand Weavers (Pty) Limited. The graph that follows illustrates the (weavers) employees’ views with regard to problems and challenges.

The graph below illustrates that 83% of the respondents were of the view that they had encountered challenges and problems while working and training at Bethelsdorp Hand Weavers (Pty) Limited. Some of the comments brought out with regard to problems and challenges experienced included:

- “Pay related issues”;
- “It is financial. Paying late and sometime not paying at all”.



Source: Questionnaires

Figure 8: Problems and Challenges

On the other hand 12% of the respondents indicated that they did not experience any problems or challenges when they were training and working at the weaving factory.

Finance was highlighted as being the greatest problem by the management of the weaving factory. The Department of labour had previously contributed significantly in assisting in the payment of wages of the weavers during training in previous years.

It was however mentioned by one of the management personnel of Bethelsdorp Hand Weavers (Pty) Limited that, “BDT has not kept its promise in providing the required working capital”.

Apparently BDT and Bethelsdorp Hand Weavers (Pty) Limited have an agreement as to what each party should do. The Bethelsdorp Hand Weavers (Pty) Limited management is meant to train employees on weaving skills and eventually develop the factory to a sustainable commercial factory. This has been done and 180 employees have been trained. However, another 70 need still to be trained.

The BDT is meant to fund the Bethelsdorp Hand Weavers (Pty) Limited working capital. This information was provided by management personnel of Bethelsdorp Hand Weavers (Pty) Limited.

It was further mentioned by management personnel of Bethelsdorp Hand Weavers (Pty) Limited that the financial crisis began in the period of December 2007 – January 2008. The director of the factory spoke with the weavers and told them that apparently he would not be able to pay them. As determined and hopeful as they were, they were willing to continue working at no pay for the time but to be paid at a later date. The women enjoy weaving, as said by one weaver in the questionnaire, “I love weaving”. The weavers wanted to continue working as they liked their work.

However in May the director of the factory decided it was time to shut the doors temporary of the factory as the debt of payment of wages had increased.

Social problems that exist amongst the weavers were highlighted as another problem that was experienced by

a number of employees working at the Bethelsdorp Hand Weavers (Pty) Limited. The social problems mostly generated from family matters. It was therefore essential for a social worker to visit once a week in the case of an emergency.

Employees working at the factory did not create any major problems as anyone with issues was free to discuss their problems or issues with management and have their problems resolved immediately. However, for those workers who found it difficult to express their problems openly to management they had an alternative approach they could use.

All women belonged to a group and from each of the six groups formed there was a group representative. The group representatives attended meetings after every two weeks with management. The representatives brought forward any issues that were raised by their group members and hence provided feedback to the group members after solutions had been suggested by management. Effective communication and quick problem-solving prevented any serious issues arising. This was elaborated on during an interview conducted with one management personnel of Bethelsdorp Hand Weavers (Pty) Limited.

#### *4.9 Improvements that could be adopted in the Future*

Respondents that consisted of weavers were all of the opinion that improvements needed to be made by the management of Bethelsdorp Hand Weavers (Pty) Limited. Some of the improvements which the respondents would like to see in the future include:

Firstly, "Better pay and being paid on time";

Secondly, "Time and date of paying and when we start working".

It was mentioned during interview sessions by both the management of the factory as well as BDT that several improvements needed to be made at the weaving factory as soon the factory doors opened or just before the weavers resumed working and training at the factory as there is hope that the financial crisis might be resolved.

Upgrading of the day care centre was highlighted as one of the facilities that required improvement. The day care requires beds, stationery for learning purposes and toys for children to play with. The structure in place is considered sufficient for the children who were left there by their mothers when they went to work at the factory which is approximately four minutes' walk to the factory.

The idea behind improving the day care centre is to enhance the learning environment for the children.

The operation of the staff canteen is yet another area that requires improvement. In particular, cooking equipment should be provided for use. The staff cafeteria is already equipped with the necessary furniture. The cafeteria also has in place adequate sanitation facilities. The staff canteen should commence operation as the facility is already there and it is required for the purpose of providing reasonably priced food for the weavers

working at the factory. Considering the type of work the weavers engage in (manual work) it is essential that they should consume nutritious meals in order to be productive.

Good ventilation systems should also be installed. Apparently, "When the factory was established it was like an oven", says one of the management personnel of Bethelsdorp Development Trust (BDT). "It is now better, but it would be good if a proper ventilation system was to be put in place." Considering also that dust accumulates quickly and the fact that a few workers could be having a medical conditions that is chest related, it is crucial to install a good ventilation system in the future.

It was further mentioned during an interview session with management personnel of BDT that more accessibility should be made available for persons with physical disabilities.

#### *4.10 Benefit to be provided to Employees in the Future*

From interview session conducted with management personnel of Bethelsdorp Hand Weavers (Pty) Limited it was established that the management aims to provide two benefits to their employees in the future. Firstly, the provision of insurance covers specifically a funeral cover. The second benefit to be put in place is a medical aid scheme for all workers at the factory. This was seen as very important, as on several occasions the management of Bethelsdorp Hand Weavers (Pty) Limited had paid doctor's consultation fees for a few women working at the factory who were seriously ill. It should be noted that the clinic opposite the factory (Chetty Clinic) cannot cater for serious health issues and therefore workers who had serious illnesses had to be taken to hospital for treatment.

#### *4.11 Future Projects that could be Incorporated into Bethelsdorp Hand Weavers (Pty) Limited*

Through interviews conducted amongst the management of BDT and Bethelsdorp Hand Weavers (Pty) Limited, several future projects were highlighted.

Exporting woven floor rugs was mentioned as one project that could be implemented. Exporting provides a wider market and hence a larger market can be targeted which could result in increased sales if strategic marketing is properly executed.

Expansion locally into the Transkei area was also suggested. Considering that there are large areas of land in the Transkei area which are not in use, it would be worthwhile to consider expanding in the area and hence set up a branch which would manufacture the same woven products. However, the new branch should first engage in training locals. The concept of establishing the factory should be the same as that of Bethelsdorp Hand Weavers (Pty) Limited. This was suggested by one management individual of BDT during an interview session.

Opening and operating a curio shop for tourists who visit Bethelsdorp Development Trust (BDT) and the Bethelsdorp area in particular would create an opportunity to visit the factory. Hence arrangements should be made for touring the area and eventually a visit to the factory. It was suggested by one of the management personnel of BDT that the factory management should consider setting up a curio shop for the purpose of displaying their finished products.

It was suggested by one member of the management of BDT that an agricultural project could be introduced. The idea that was brought out was that the rearing of sheep could be done in the area for the purpose of having the raw material available nearby. It was also suggested that a vegetable garden could be established for the purpose of having cheap vegetables for preparing staff meals at the factory cafeteria.

## Conclusion

To conclude, it is essential to evaluate the main research question that this study addresses which is:

What is the impact of Bethelsdorp Hand Weavers (Pty) Limited in eradicating poverty and establishing sustainable development?

Based on the findings obtained it would be reasonable to conclude that Bethelsdorp Hand Weavers (Pty) Limited has to a great extent impacted positively in improving the living standards of its employees in the period the factory was fully operational. This can be justified by the fact that 180 weavers have been successfully trained, even though 70 more weavers still need to be trained. In addition the weavers were receiving wages for quite some time before the management of Bethelsdorp Hand Weavers (Pty) Limited was unable to fulfil its obligation in payment of wages. The wages received did have a positive impact towards the living standards of employees as previously indicated in the research findings.

On the other hand, BDT has not adhered to providing required working capital to Bethelsdorp Hand Weavers (Pty) Limited. Consequently, this has resulted in the temporary closing down of the factory. This ultimately means that Bethelsdorp Hand Weavers (Pty) Limited has not been completely successful in eradicating poverty and establishing sustainable development, as the factory temporality closed in May 2008.

This can be reversed if only Bethelsdorp Development Trust (BDT) can deliver by providing the needed and agreed-upon working capital.

Transparency and accountability should be looked into. Based on research findings, Bethelsdorp Development Trust (BDT) signed an agreement to finance Bethelsdorp Hand Weavers (Pty) Limited Bethelsdorp with the required working capital after the factory management had trained its staff. This has been accomplished, as 180 women have been trained to weave professionally.

It would then be the responsibility of the government officials and the consultant to ensure that BDT complies and provides the essential working capital which will facilitate in the reopening and operation of the Bethelsdorp Hand Weavers (Pty) Limited. Consequently if sufficient funds are available, in no time the weaving factory would be self-sustainable.

Another issue that could be looked into is establishing and approaching individual funders and funding organisations. It is crucial for the management of Bethelsdorp Hand weavers (Pty) Limited to establish other sources of funding as it is not known how quickly the management of Bethelsdorp Development Trust (BDT) will honour their promise, if they will ever do so.

Based on data analysed earlier, it was mentioned that computer literacy classes should be provided to the weavers. This could be done by approaching an organisation such as Camara Africa. This is an organisation which deals in second-hand computers that have been discarded by Irish Organisations and individuals. The computers are refurbished and then sent to schools and colleges in Sub-Saharan Africa. Camara Africa then sends out groups of volunteers to train African teachers in basic computer literacy and more specialized technology areas. Camara Africa also produces computer training materials and educational multimedia in areas such as HIV/AIDS and gender equality [33].

With regards to weavers attaining shares of the factory in the future, it is essential to ensure that there is a clear cut structure in place on how that is to happen. This will ensure that no misunderstandings or conflict arise in the future when it is time to split shares. It is also essential that there is a clear guideline as to when this should happen.

Finally, it should be realized that Bethelsdorp Hand Weavers (Pty) Limited is still in its introduction stage as regards its product life cycle. Therefore, it should be noted that the management is not in a position to implement the majority of the improvements and projects suggested in the near future should the top management of Bethelsdorp Hand Weavers (Pty) Limited decide to do so. Hence realistic expectations should be considered.

In conclusion, the most important recommendation to be made is obtaining the required working capital if the management of Bethelsdorp Hand Weavers (Pty) Limited hopes to contribute positively and significantly to the living standards of its employees.

## References

- [1] South African History Org , (2007) South Africa history timelines (1700s). [Online] Available: <http://www.sahistory.org.za/pages/chronology/general/1700.htm> [Accessed 17 March 2008].
- [2] Suede Consulting, (2005) Diligence study for Bethelsdorp Hand Weavers' (pty) Limited.
- [3] Bethelsdorp Development Trust, Social Development, (2006) Population, environment and development news, Launch edition, p. 2).

- [4] Bethelsdorp Development Trust, Social Development, (2006) Population, environment and development news, Launch edition, p. 5.
- [5] The Kraal Gallery, (2004) Skills programme in hand weaving NQF Level 2 including assessment procedures and examples.
- [6] J. L. Baker, (2000) Evaluating the Impact of development projects on poverty. Washington: The International Bank for Reconstruction and Development/the world bank.
- [7] ANC, (2008) Role of Non-Governmental Organizations in Promoting sanctions against South Africa. [Online] Available: <http://www.anc.org.za/un/unint3.html> [Accessed 2 June 2008].
- [8] A. C. Jackson, (2002) Redesigning the role of non-government organisations in developing countries to care for large numbers of people affected by HIV/AIDS. International Conference on AIDS, Cape Town.
- [9] University of Minnesota, (1994) Nongovernmental Organizations in Sub-Saharan Africa. [Online] Available: <http://www1.umn.edu/humanrts/africa/toc.htm> [Accessed 2 June 2008].
- [10] Aids foundation South Africa, (2005. Developing partnerships--Serving communities. (Online) Available: <http://www.aids.org.za/hiv.htm> [Accessed 2 June 2008].
- [11] W. Lombard & R. V. Wyk, (1994) The housing development NGOs offering housing education and training programmes in South Africa.[Online] Available: <http://www.up.ac.za/saafecs/vol29/lombard.pdf> [Accessed 2 June 2008].
- [12] F. I. Naledi, 2006. Poverty and unemployment in South Africa. [online] Available: <http://www.naledi.org.za/docs/Poverty%20and%20unemployment%20in%20South%20Africa%20Feb%202006.pdf> [Accessed 13 May2008].
- [13] C. Mkhize, (2006) Poverty In South Africa and the role of Corporate South Africa :An address to some representatives of South African-Based Mondi and Sappi groups At Mondi, Richards [Online] Available: [http://research.yale.edu/gisf/assets/pdf/tfd/poverty/Mkhize,%20Chris.%20Poverty%20in%20South%20Africa%20and%20the%20Role%20of%20Corporate%20South%20Africa%20\(Mondi%20&%20Sappi\).pdf](http://research.yale.edu/gisf/assets/pdf/tfd/poverty/Mkhize,%20Chris.%20Poverty%20in%20South%20Africa%20and%20the%20Role%20of%20Corporate%20South%20Africa%20(Mondi%20&%20Sappi).pdf) [Accessed 2 June 2008].
- [14] United Nations Development Programme, (2003) South Africa Human Development Repor. The challenge of Sustainable Development: Unlocking people's creativity.
- [15] ] F. I. Naledi, [2006] Poverty and unemployment in South Africa.[Online] Available: <http://www.naledi.org.za/docs/Poverty%20and%20unemployment%20in%20South%20Africa%20Feb%202006.pdf> [Accessed 13 May2008].
- [16] S. Dercon, (2005) Vulnerability: a micro perspective.: Amsterdam Paper presented at the Annual Bank in Conference on Development Economics.
- [17][Eastern Cape Umtata Gala Speech, (2003). [Online] Available:[http://www.labour.gov.za/media/speeches.jsp?speechdisplay\\_id=9797](http://www.labour.gov.za/media/speeches.jsp?speechdisplay_id=9797) [Assessed 2 June 2008].
- [18] Provide Project, (2005) A profile of the Eastern Cape Province: Demographics, poverty, inequality and unemployment. [Online] Available: [http://www.elsenburg.com/economics/provide/documents/BP2005\\_1\\_2%20](http://www.elsenburg.com/economics/provide/documents/BP2005_1_2%20) [Accesses: 2 June 2008].(Provide Project, 2005).
- [19] BHP Billiton, (2007) Employee relations. [Online] Available: <http://www.bhpbilliton.com/bb/aboutUs.js> [Accessed 2 June 2008].
- [20] Government of South Africa, (2006) Statistics South Africa [Online] Available: [http://www.statssa.gov.za/news\\_archive/05October2006\\_1.asp](http://www.statssa.gov.za/news_archive/05October2006_1.asp) [Accessed 2 June 2008].
- [21] Catholic News Service, Church official: Boost in skills training to help poor South Africans. 2006. [Online] Available:<http://www.catholicnews.com/data/stories/cns/0601341.htm> [Accessed 2 June 2008]. [22] BHP Billiton, (2007) Employee relations. [Online] Available: <http://www.bhpbilliton.com/bb/aboutUs.jsp> [Accessed 2 June 2008].
- [23] Government Gazette, (2004) Broad-based black economic empowerment Act, 2003. [Online] Available: <http://www.info.gov.za/gazette/acts/2003/a53-03.pdf> - [Accessed 6 August 6 2007].
- [24] T. Balshaw & J. Golderg, (2005) Cracking broad based black economic empowerment codes and scorecard Unpacked. Cape Town: Human & Rousseau, p.12.
- [25]T. Balshaw & J. Golderg, (2005) Cracking broad based black economic empowerment codes and scorecard Unpacked. Cape Town: Human & Rousseau, p.12.
- [26] African National Congress, (2003) Letter from the President, Volume 3, no p. 21. [Online] Available: <http://www.anc.org.za/ancdocs/anctoday/2003/text/at21.txt> [Accessed 2 June 2008].
- [27] Government of South Africa, (2006) Doing business in South Africa, p.96. [Online] Available: [http://www.gcis.gov.za/docs/publications/pocketguide/2006/010\\_business.pdf](http://www.gcis.gov.za/docs/publications/pocketguide/2006/010_business.pdf)[Accessed 9 June 2008].
- [28] United Nations Capital Development Fund, (2008) UNDP microfinance assessment report. [Online] Available:[http://www.uncdf.org/english/microfinance/docs/country\\_feasibility/southafricadb.php](http://www.uncdf.org/english/microfinance/docs/country_feasibility/southafricadb.php) [Accessed 9 June 2008].
- [29] Gauteng Provincial Government, (2007) Mahlangu: Launch of Faranani Rural Women's Training Initiative. (Online) Available [http://www.polity.org.za/article.php?a\\_id=109847](http://www.polity.org.za/article.php?a_id=109847) [Accessed 9 June 2008].
- [30] E. Henning, W. Rensburg, & B. Smit, (2005) Finding your way in qualitative research. Pretoria: Van Schaik.
- [31] Bethelsdorp Development Trust, Social Development, (2008) Population, environment and development news, Launch edition, p. 1.
- [32] T. Manuh, (1998). *Women in Africa's development. Overcoming obstacles, pushing for progress.* (Online) Available: <http://www.un.org/ecosocdev/geninfo/afrec/bpaper/maineng.htm> [Accesses 12 October 2008].
- [33] Camara Africa, (2008) Technology empowering education. (Online) Available: <http://www.camara.ie/africa/index.php> [Accessed 27 October 2008].