

“No Trust in Miracles”

Leading Through a Water Crisis in Cape Town

Educator Guide

KIMBERLYN LEARY, JORRIT DE JONG, AND FERNANDO MONGE

Overview

This Educator Guide is designed to assist instructors in teaching this case to students and practitioners. It is based on [case pedagogy](#), which invites participants to put themselves in the shoes of the protagonist(s) of the case and imagine how they would respond to the circumstances. Participants should read the teaching case in advance and identify key issues as a preliminary step toward meeting the learning objectives. Instructors may then use the time in the classroom to guide participants in exploring the issues and examining the challenges in the case; to introduce key concepts, tools, and frameworks; and to assist participants in applying their learning to their own environments and challenges.

This guide includes learning objectives, a synopsis, key questions, a roadmap for discussion, and appendices with additional pedagogical information and theoretical applications. The roadmap and appendices are offered to initiate meaningful conversation but are by no means the only way to teach the case. Each educator or facilitator should feel free to design their own teaching plans; both the structure and the time allotted for each component are suggestions.

Learning Objectives

The overarching learning objective of this case is to help senior leaders in government to better understand the need for adaptive leadership to dealing with crises and the skills required for this work. In particular, the case focuses on integrating equity considerations and managing teams in difficult times. More specifically, participants will consider:

- The challenges of acting under time pressure and identifying ways to assess where and how to engage depending on the phase of a crisis
- The adaptive leadership skills and work required to respond to a problem that demands a collective effort and a multifaceted approach
- Identifying the equity dimensions and impacts of responding to a crisis
- How to build trust across teams and the consequences of not doing so in crises

Case Synopsis

After several years of scarce rain, Cape Town started to prepare for a potentially unprecedented drought at the beginning of the 2017 rainy season. When the season did not deliver the necessary rains, the extreme drought became a one in 300-year event that the city’s water system was not prepared to handle. The government attempted to address this critical dilemma on two fronts: increasing sources of water and reducing water consumption. When it became clear that the additional water would not arrive in time to avoid shortages, however, Executive Mayor Patricia De Lille had to decide whether or not to take more drastic measures and pressure citizens to further cut their water consumption.

Within City Hall, divergent views on when and how to respond to the emerging crisis became a source of contention and resulted in confusing messages that eroded trust within the community. The water crisis exposed other weaknesses of the water system in Cape Town as well, such as deep inequities in water access and deficient coordination among various government levels with different responsibilities over the water system. De Lille’s political position and leadership style also influenced the unfolding crisis.

The case describes the events that led to one of Cape Town’s gravest crises. It looks at some of the deep-rooted features of the city’s governance, economic, and social patterns that shaped the crisis and the response. It further examines the leadership skills required to respond to a problem that demands a collective effort with great trust at multiple levels. Finally, by looking at De Lille’s decision over whether or not to announce a specific date for Day Zero (when water would run out in the city), the case explores the difficult decisions and trade-offs that leaders must make when facing crises.

Key Questions

1. Why was Cape Town in such a stressful situation? What were the two to three problems that Cape Town, its leadership, and its citizens needed to address?
2. How was the situation shaped by Cape Town’s history and social dynamics?
3. Focusing on Mayor De Lille, what options did she have to deal with these problems differently and earlier? Did any of her actions aggravate the situation?
4. How did she use her human capital and teams effectively, and how might she have used her team better?
5. What were De Lille’s options in the press conference? Why?

Roadmap for Discussion

Introduction (3-10 minutes): Briefly state the goal of the session in reference to the case, cite specific major conflicts facing the protagonist, and foreshadow broader learning objectives.

Exploration (30-45 minutes): Use class discussion, “buzz groups,” and board work to examine the issues and options confronting the protagonist.

Diagnosis (15-45 minutes): Introduce key concepts, frameworks, and tools to help participants pinpoint possible solutions to major conflicts in the case.

Application (15 minutes, optional): Ask participants to relate the concepts and frameworks to their own organizations’ challenges.

Wrap-Up and Takeaways (15 minutes): Review the learning objectives and discuss insights most relevant to the participants’ organizations’ challenges.

Introduction (3-10 minutes)

Frame the primary learning objectives of the session:

- the challenges of acting in time during crises;
- the equity dimensions of crises and their response; and,
- the difficult task of leading a response to problems that require collective efforts, high levels of trust, and the ability to address uncertainty.

Exploration (30-45 minutes)

A quick synopsis of the case (no more than a minute) should set the stage, along with a focus for the discussion to come. Follow with instructor-led board work:

Board 1: The problem

- *Why was Cape Town in such a critical situation?*

Board 2: The context

- *How was the crisis shaped by Cape Town’s political history?*
- *What were the equity dimensions of the water crisis?*
- *Who were the relevant and distinct constituencies involved in the water crisis?*
- *What perspective or point of view did each constituency have about the water crisis?*

Board 3: Leadership and authority

- *Who was Patricia De Lille?*
- *As mayor, what tools and powers could she have brought to bear? What were the constraints that precluded her from doing otherwise?*
- *How did different constituencies respond to her leadership? Who gave her the most and least support and why?*

- *Choose one or two constituencies. What could De Lille have done to improve her credibility with each?*

Transition to diagnosis and the importance of studying leadership in crisis situations:

- Research indicates that the influence of organizational leadership increases in crisis contexts when there is a high degree of uncertainty and change.
- Leading during crises is challenging because crises, by definition, are high impact but low probability events. Leaders in charge of responding to a crisis are unlikely to have faced such a situation before.

Diagnosis (15-45 minutes)

Introduce key concepts, frameworks, and tools to help participants pinpoint possible solutions to major conflicts in the case.

The challenges of acting in time during crises

- *What could Mayor De Lille have done differently to manage this problem better or earlier?*
Amy Edmondson developed a framework on *Strategies for Learning from Failure*,¹ where she lays out a useful taxonomy of failures:
 - Preventable Failure: where we, collectively, know enough to do it right.
 - Unavoidable Failure: where complex factors (internal, external, or both) combine in novel ways to produce failures in reasonably familiar contexts.
 - Intelligent Failure: undesired results of thoughtful forays into novel territory.
- *Was Cape Town’s drought a preventable failure, an unavoidable failure, or an intelligent failure?*
Ronald Heifetz and Marty Linsky use the framework of adaptive leadership to distinguish between technical and adaptive problems: “Technical problems, while often challenging, can be solved applying existing know-how and the organization’s current problem-solving processes. Adaptive problems resist these kinds of solutions because they require individuals throughout the organization to alter their ways; as the people themselves are the problem, the solution lies with them.”ⁱ
- *What part of the problem could have been addressed by experts, and what part of the work could only have been done by the people of Cape Town?*
- *What were the actions that aggravated the situation?*
 - De Lille lost trust with the water department team that was using historic weather data to evaluate the situation. She thought that such data could no longer be used as a basis to make decisions. Her blunt and hard-driving managerial style and the reorganization that she had implemented within City Hall seemed to have alienated people and eroded trust.

ⁱ Ronald Heifetz and Marty Linsky, *A Survival Guide for Leaders*, Harvard Business Review, June 2002. See also Appendix 2 for a table from Heifetz and Linsky’s *Leadership on the Line* (2002) Harvard Business School Press.

- When the crisis peaked, De Lille seemed unable to bring conflicting constituencies around the table and find common ground. This is particularly relevant because it is not possible for one person to manage the myriad issues presented by such a crisis. We need to collaborate and coordinate with people, other organizations, different branches of government, or different governments.

The equity dimension of crises and their response

- *What were the existing equity issues regarding the water in Cape Town?*
 - The inequities in the water system of Cape Town were deeply linked to the history of racial segregation and spatial inequality in the city, making the water crisis a highly sensitive and political issue.
 - Informal settlements had lower consumption rates than middle- and upper-class neighborhoods, yet they were sometimes positioned as causing the water shortages.
- *What were the equity impacts of the water crisis?*
 - There was a disconnect between the campaign launched by City Hall to communicate the severity of the crisis and the realities of many people living in informal settlements, for whom Day Zero was already their daily experience.
 - Certain communities distrusted some of the measures implemented by City Hall such as water restrictions, tariffs, and meters.
 - All this eroded trust within the community and between City Hall and the community.

Seeking collective efforts and building trust to respond to crises

The framework of adaptive leadership also distinguishes between leadership and authority: The exercise of *authority* focuses on providing direction through formal power and resources, while *leadership* requires giving the work back to the people and mobilizing them to make change.

- *In what ways did De Lille practice leadership through mobilizing others? In what ways did she use authority, resources, and power? Was it effective?*
Amy Edmondson introduces the concept of “Psychological Safety,”² which enables experimentation, failure, and learning from failure—to build cohesive and high-performing teams. (See also Appendix 3 for Richard Hackman’s definition of teams.)
 - The work is framed as learning, not just an execution problem.
 - It requires acknowledging limits and personal fallibility.
 - It invites input and authorizes messengers.
 - It encourages listening intently to words and “the song below the words.”
 - Meaningful dissent is encouraged.
- *In what ways did Patricia De Lille create psychological safety? Were there actions she took that reduced psychological safety?*
Some of the reasons behind the break in trust were:
 - The global standing of Patricia De Lille that created animosity within the DA
 - Major debates inside the DA over the city’s transformation and inequality issues
 - De Lille’s personal style and her approach to city management

- Explicit or implicit attitudes related to race and gender within the DA
- Lack of coordination and trust between the different levels of government
- Lack of trust within the community due to the equity dimensions of the crisis

De Lille’s communication strategy, particularly on the Day Zero decision:

- Discuss the goal of the communication strategy with participants.
- As the leader, she needed to renegotiate the social contract to ask the community to bear the costs of the crisis.
 - *How might she have done that? How should she have shaped the content and delivery of the message?*

Ask the class to read the Epilogue and debrief with them.

- *Were the announcement’s message and tone adequate given the situation and De Lille’s goal?*
- *What were the impacts for the city?*
- *What were the consequences of the crisis for De Lille and those around her?*

Application (optional, 15 minutes)

Have students work together in groups or in plenary to apply the concepts and frameworks to their own organization’s challenge.

Wrap Up and Takeaways (15 minutes)

Summarize the process and learning objectives and discuss insights most relevant to participants’ organizations’ challenges.

Suggested Further Reading

Amy C. Edmondson and Jean-Francois Harvey (2017) *Extreme Teaming: Lessons in Complex, Cross-Sector Leadership*, Emerald Publishing Limited.

Amy C. Edmondson, *Strategies for Learning from Failure*, Harvard Business Review, April 2011.

Amy C. Edmondson (1999). “Psychological Safety and Learning Behavior in Work Teams,” *Administrative Science Quarterly*.

Michael Useem, *How to Lead During a Crisis*, MIT Sloan Management Review, 2011.

Richard Hackman (2002) *Leading Teams: Setting the Stage for Great Performances - The Five Keys to Successful Teams* Harvard Business Review Press.

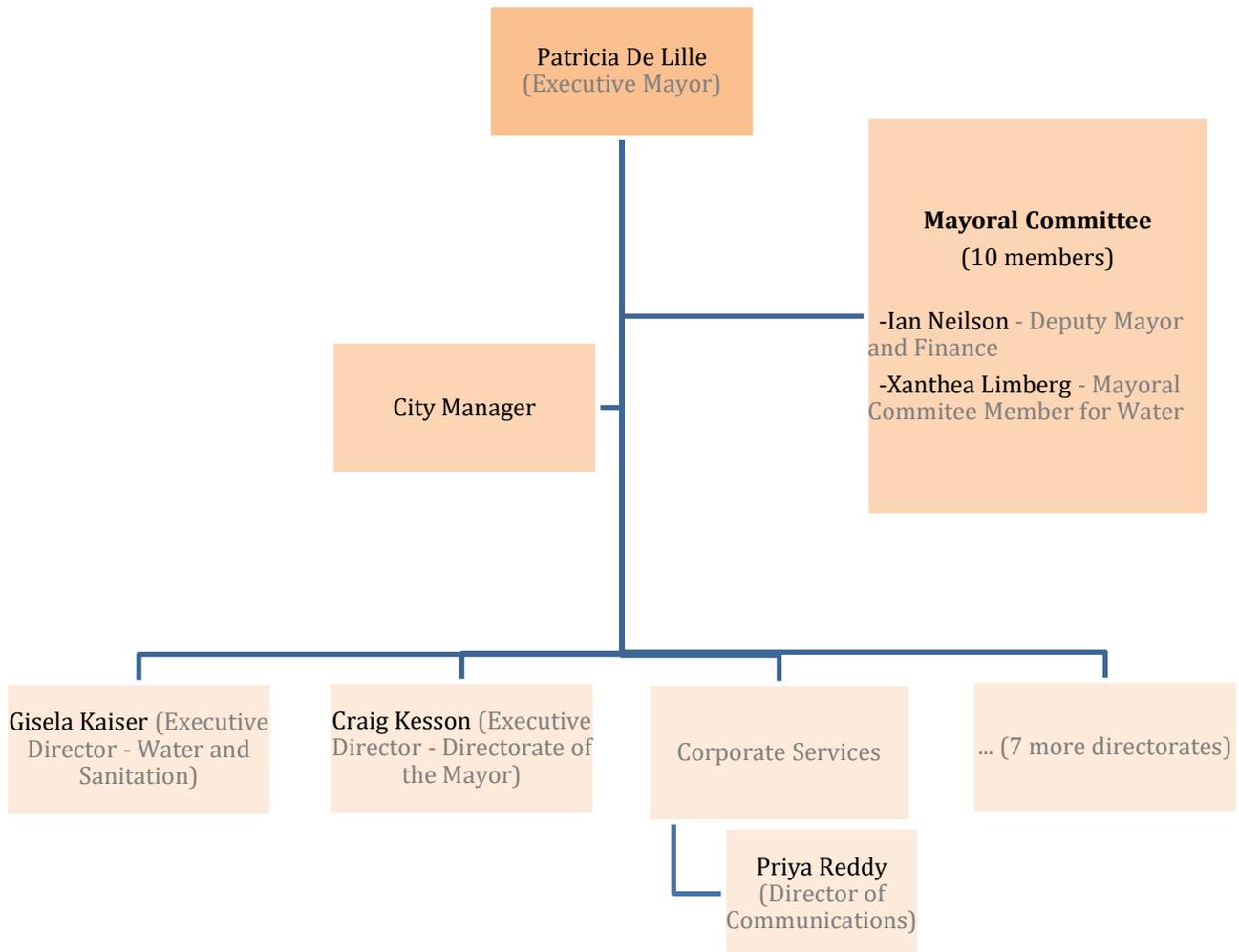
Ronald Heifetz, Alexander Grashow, and Marty Linsky, *Leadership in a Permanent Crisis*, Harvard Business Review, July-August 2019.

Ronald Heifetz and Marty Linsky, *A Survival Guide for Leaders*, Harvard Business Review, June 2002.

Ronald Heifetz and Marty Linsky (2002) *Leadership on the Line*, Harvard Business School Press.

Appendices

Appendix 1 Cape Town City Hall – Organizational Chart and Key Protagonists



Source: Authors based on City of Cape Town: WSDP-IDP Water Sector Input Report FY 2017-18 available at <https://resource.capetown.gov.za/documentcentre/Documents/City%20strategies,%20plans%20and%20frameworks/Water%20Services%20Development%20Plan.pdf>, accessed October 2020.

Appendix 2 Heifetz and Linsky’s Typology of Problems

Kind of Challenge	Problem Definition	Solution	Locus of Work
Technical	Clear	Clear	Authority
Technical & Adaptive	Clear	Requires Learning	Authority and Stakeholders
Adaptive	Requires Learning	Requires Learning	Stakeholders

Source: Ronald Heifetz and Marty Linsky (2002) *Leadership on the Line*, Harvard Business School Press.

Appendix 3 The Five Conditions of Successful Teams by Richard Hackman

Teams must be real	• The task requires differentiated expertise or differentiated perspectives.
Teams need a compelling direction	• Goals are relevant, measurable, and time-bound.
Teams need enabling structures	• Surrounding culture and infrastructure (some of which are outside the team’s control)
Teams need a supportive context	• Rewards accrue to the team. Individuals have the ability to develop and grow skills.
Teams need expert coaching	• Coaching is focused on the factors that motivate and improve the team as a whole and not interpersonal relationships.

Source: Richard Hackman (2002) *Leading Teams: Setting the Stage for Great Performances - The Five Keys to Successful Teams* Harvard Business Review Press.ⁱⁱ

Endnotes

¹ Amy C. Edmondson, *Strategies for Learning from Failure*, Harvard Business Review, April 2011.

² Amy C. Edmondson and Jean-Francois Harvey (2017) *Extreme Teaming: Lessons in Complex, Cross-Sector Leadership*, Emerald Publishing Limited, 2017 and Amy C. Edmondson (1999). “Psychological Safety and Learning Behavior in Work Teams,” *Administrative Science Quarterly*.

ⁱⁱ Interview with the author available at <https://hbswk.hbs.edu/archive/leading-teams-setting-the-stage-for-great-performances-the-five-keys-to-successful-teams>, accessed October 2020.