

Guide and Toolkit on Organisational Design



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA



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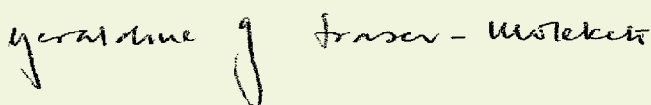
MINISTER'S FOREWORD

The Ministry for Public Service and Administration is at the forefront of government's continuing efforts to improve the capacity and organisation of the state. In October 2004, President Mbeki asked Ministers whether the South African public service was capacitated, organised and resourced to deliver on the government's socio-economic objectives in the context of the developmental state. Following a report by the Forum of South African Directors-General on the capacity of the state, Cabinet directed that the Public Service Regulations be amended to state that Executive Authorities should consult with the Department of Public Service and Administration (dpsa) prior to approving their Departments' organisational structures. This was embodied in a Directive issued in July 2006. Cabinet also mandated the dpsa to design guidelines to assist departments with their organisational structuring. As a consequence, the 'Guide on How to Design, Implement and Maintain Organisational Structures in the Public Sector' was developed.

The purpose of the Guide is to:

- Serve as a practical instrument to support practitioners and managers in designing, implementing and maintaining organisational structures in the public sector.
- Provide a common framework for organisational design in the public sector.
- Serve as a continuous improvement and capacity building instrument by sharing information about good practices.
- Provide decision makers (Executive Authorities and Heads of Department) with information on organisational structuring that can assist them when making decisions about their departmental structures.

The developmental state is heavily reliant on the strength and capability of the system of government to successfully implement the range of programmes designed to respond to the developmental challenges we are facing. I would like to encourage all persons with an interest in public administration and management to use the Guide as an essential tool in ensuring that we create the machinery of state that can respond to the development challenges in South Africa.



Geraldine Fraser-Moleketi

Minister for the Public Service and Administration

GLOSSARY OF TERMS

Terms	Description
Delegation	<ul style="list-style-type: none"> Delegation refers to assigning a job, duty, authority or responsibility to another to complete the job, duty, authority or responsibility.
Division of labour	<ul style="list-style-type: none"> The division and distribution of work among the various positions or persons who are involved in doing a job. Division of labour may be required to get things done quicker; to reduce costs; to prevent fraud; to reduce risk; and to improve morale by enriching jobs.
Empowerment	<ul style="list-style-type: none"> Empowerment means giving people the authority, resources and technical know-how to do the job and holding them accountable for results.
Executive Authority	<ul style="list-style-type: none"> For national departments, the Executive Authority would be the Minister responsible for the relevant department. For provincial departments, the Executive Authority is either the Premier of the province or the Executive Council portfolio, depending on the department.
Formal organisational structure	<ul style="list-style-type: none"> The formal organisational structure refers to the organisational architecture as depicted on an organogram or position chart. It refers to, among other things, the formal lines of authority, decision making, and promotion.
Governance structures	<ul style="list-style-type: none"> The governance structures refer to all the processes, policies, forums, committees and teams (task teams, decision making teams, review teams, advisory teams) which are utilised to ensure the flow of information, quick decision making, effective collaboration and coordination, collective measurement and rewards.
Organisational architecture	<ul style="list-style-type: none"> Organisational architecture refers to the overall structure of the organisation (for example functional, process, service line, and customer type) and the structures lower down in the hierarchy (teams, matrix, projects and networks). It does not include the specific details of each role or position.
Organisational design	<ul style="list-style-type: none"> Organisational design refers to the process of aligning the structure of the organisation with its objectives, with the ultimate aim of improving the efficiency and effectiveness of the organisation. Organisational design work can be triggered by the need to improve service delivery or specific business processes, or as a result of a new mandate. Organisational design work includes more than designing a structure. It involves: <ul style="list-style-type: none"> Understanding the imperative for change and the environment. Understanding the business processes, workflows, roles and responsibilities, volumes of work, activity analysis and resources. Designing and testing new models or structures. Planning and managing the transition from the old structure to the new. Implementing and monitoring the change.
Organisational development	<ul style="list-style-type: none"> Organisational development may be seen as a planned, comprehensive and systematic process aimed at improving the overall effectiveness of the organisation. It involves intervening in the processes, structure and culture of the organisation. There is a strong emphasis on organisational behaviour, human resource development and organisational change. Organisational design can be viewed as an organisational development intervention.

<p>Process</p>	<ul style="list-style-type: none"> • Process refers to an organised group of related activities that together create a service or product of value to citizens. Process is further defined at different levels, from the organisational value chain of major processes to related and organised tasks and activities performed by an individual, group or technology.
<p>Role or job design</p>	<ul style="list-style-type: none"> • Role, or job design, refers to the designing of specific roles or jobs to be performed in the organisation. This will include: <ul style="list-style-type: none"> o All the activities to be performed. o The standards for the outputs to be generated. o The input requirements (safety issues, technology, equipment, manuals). o The incumbent requirements (skills, competencies, knowledge, qualifications, attributes). o The reporting line (up and down). o The authority and decision making powers.
<p>Span of control</p>	<ul style="list-style-type: none"> • Span of control refers to the number of direct reports per manager. The span of control is expressed as a ratio, for example, 7:1 meaning seven direct reports to one manager.
<p>Work design</p>	<ul style="list-style-type: none"> • Work design refers to the designing and grouping of tasks in such a way that it optimises the effort and eliminates obstacles and duplication. This would include consideration of: <ul style="list-style-type: none"> o Required skills and available skills. o Simplicity of work. o Uniformity of work. o Geographical and physical location.

LIST OF ACRONYMS

Acronym	Description
AsgiSA	• Accelerated and Shared Growth Initiative for South Africa
AU	• African Union
CFO	• Chief Financial Officer
COPQ	• Cost of poor quality
CSF	• Critical success factors
dpsa	• Department of Public Service and Administration
EA	• Executive Authority
EXCO	• Executive Committee
FTE	• Full-time equivalent
IBSA	• India, Brazil and South Africa
IDP	• Integrated Development Plan
ICT	• Information and communication technology
KPI	• Key performance indicator
LRA	• Labour Relations Act, 1995
M&E	• Monitoring and evaluation
MPSA	• Minister for Public Service and Administration
MTEF	• Medium-term Expenditure Framework
NEPAD	• New Partnership for Africa's Development
OD	• Organisational design or organisational development (In this Guide OD will refer to organisational design)
PFMA	• Public Finance Management Act, 1999
PGDS	• Provincial Growth and Development Strategy
PSA	• Public Service Act, 1994
PSR	• Public Service Regulations, 2001
RACI	• Responsible, accountable, consulted and informed
SADC	• Southern African Development Community
SCOPA	• Standing Committee on Public Accounts
SIPOC	• Supplier, Input, Process, Output, Customer
UN	• United Nations

