Prepared by the
Department of Public Service and Administration.
August 2016

ISSN: to be allocated once online

Published by: Department of Public Service and Administration
Address: Batho Pele House, 549 Edmond Street, Pretoria
Website: www.dpsa.gov.za

Editing, design and layout by:
Submerge Publishers cc
www.submergepublishers.co.za
There are four main chapters in this document, each representative of the four identified Operations Management Framework quadrants:

1. Operations strategy
2. Operations design
3. Operations planning and control
4. Operations analysis and improvement

Within these chapters/quadrants we find 13 building blocks. A separate guideline and methodology is presented for each of the building blocks.

In support of each building block, toolkits are included to further enrich the information on how to develop certain building blocks within an institution. 8 toolkits are available for service delivery model, business process management, standard operating procedures, service standards, service delivery charters, operations forecasting, operations planning, and operations control and adjustment.
As mandated by the National Development Programme (NDP) and the Medium-Term Strategic Framework (MTSF), the Department of Public Service and Administration (DPSA) was tasked with identifying and researching solutions to bridge the gap between strategy and delivery of services. The non-existence of operations management principles in governmental institutions was identified as the root cause of the service delivery gap.

The result of this research was the development of the first edition of the Operation Management Framework (OMF) and its supporting toolkits. Through extensive consultations, the initial framework and supporting toolkits evolved into the OMF and supporting toolkits being presented.

The purpose of the OMF is to assist governmental institutions to plan, structure, execute and continuously improve their operations for the effective and efficient delivery of services.

In terms of the Public Service Regulations of 2016, the DPSA now requires governmental institutions to establish an OMF consisting of the following:

- A service delivery model
- Managed and mapped business processes for all services
- Standard operating procedures for all services
- Service standards for all services
- A published service charter

With this OMF, the DPSA envisages to empower and enable governmental institutions to institutionalise operations management.

In addition to the OMF, the DPSA developed the following mechanisms to support implementation of the OMF:

- The OMF web-enabled system
- Video clips on the institutionalisation and development of operations management
- Institutional support and capacity building to priority governmental institutions

Thank you to everyone who contributed to this publication through consultations and any other means.

The OMF team
DEFINITIONS of common terms

**Batho Pele**
*Batho Pele*, a Sesotho word which means “People First”, is an initiative that was launched in 1997 to transform the public service. It is an approach to get public servants committed to serving service beneficiaries and to find ways to improve service delivery.

**Business process management**
Business process management is a disciplined approach to identify, design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with the institution’s strategic goals.

**Business process mapping**
Business process mapping is the initial description of a business process in graphic form.

**Core functions**
An institution’s core function is creating and delivering products and services to service beneficiaries in line with their requests/needs/demands.

**Forecasting**
Forecasting is the initial phase of managing the ongoing activities of the operation.

**Learning and knowledge management**
The purpose of learning and knowledge management (LKM) is to provide conceptual clarity and leadership that allows public service institutions to implement LKM successfully and develop benchmarks.

**Operational planning**
Operational planning is the day-to-day and month-to-month planning for what your institution is doing.

**Operations control**
Operational control regulates the day-to-day output relative to schedules, specifications and costs.

**Operations Management Framework**
The Operations Management Framework (OMF) is a tool created by the Department of Public Service and Administration (DPSA) that provides structure and guidance to all public service managers in executing their operational responsibilities.

**Operations managers**
Operations managers are those responsible for managing the resources which comprise the operations functions.

**Organisational functional assessment**
Organisational Functionality Assessment (OFA) is a process to assess and diagnose, based on evidence, whether all the necessary service delivery enablers are in place to support delivery processes in an optimal and accountable manner.
Productivity
Productivity is traditionally defined as the ratio between output and input.

Service
A service is the action of helping or doing work for someone. It is an action that fulfils a function. In terms of Government, a service fulfils a need of the public by performing specific tasks or work for service beneficiaries (the general public or other governmental institutions).

Service beneficiary and service provider
A service beneficiary is any person, team, institution or company to whom your team provides products, services or information. A service provider is any person, team, institution or company that provides your team with products, services or information. They can be internal or external to the institution.

Service delivery model
A Service Delivery Model (SDM) is a document that describes how an institution will deliver on the services and products that were identified during the strategic planning process.

Service delivery charter
The service delivery charter (Statement of Public Service Commitment) sets out governmental institutions’ commitment to providing services at specified levels in order to affect strategic developmental outcomes within the constraints of available resources.

Service standards
A service standard is a reasonable and measurable expectation from the side of the service beneficiary and an honest commitment by the service provider to meet or exceed that expectation.

SMART standards
The Specific, Measurable, Achievable, Realistic, Time-bound, Empowering and Revisable (SMARTER) goal-setting system is a criteria used to help individuals or institutions set more attainable goals. The mnemonic acronym stands for the following:

Specific
Is the service standard specific? Does it mention what is being measured, for example, does it refer to a specific quantity, quality, timeframe and cost?

Measurable
Is the service standard measurable? If it is vague rather than specific, it will not be measurable, for example, if we simply state that we should be more courteous to our service beneficiaries; we will not be able to measure the level of courtesy. Courtesy will need to be unpacked in terms of response times or reduced complaints in order for it to be measurable.

Achievable
Is the standard achievable with the current resources, or are additional resources available and affordable in order to achieve the standard, for example, if we set a standard of processing social grant applications within two days, it certainly is specific and measurable, but is it achievable with the available human and financial resources?

Realistic
Is the standard realistic in terms of current or past performance? If we look at the previous example of processing social grant applications within two days, we must ask if it is realistic, knowing what procedures and protocols need to be followed.

Time-bound
Does the standard specify a clear timeframe or deadline, such as having to be completed by a specific date, or within a specific period?
Standard operating procedure
A Standard Operating Procedure (SOP) specifies in writing what should be done, when, where, by whom and how.

Strategic planning
Strategic planning determines the entire direction of an institution, including what it is not doing but should be doing.

Service delivery improvement plan
The goal of a Service Delivery Improvement Plan (SDIP) is to provide a mechanism for continuous, incremental improvement in service delivery.

Support functions
The units that are not directly related to the creation of the product or delivery of core services, for example, the finance and accounting, and human resources departments of an institution.

ICONS USED IN THIS DOCUMENT

Quadrant 1
This icon illustrates that a particular body of information belongs to Quadrant 1.

Quadrant 2
This icon illustrates that a particular body of information belongs to Quadrant 2.

Quadrant 3
This icon illustrates that a particular body of information belongs to Quadrant 3.

Quadrant 4
This icon illustrates that a particular body of information belongs to Quadrant 4.

Did you know?
The question mark icon highlights important facts related to the content within the framework.

Information
The information icon highlights important information related to the content in the framework.

Toolkits
The spanner icon is used to indicate a toolkit. The toolkits included in this framework are meant to aid governmental institutions in improving service delivery and focus on implementing the key activities of operations management discussed in the main text of each quadrant.
### ACRONYMS

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<td>Association of Business Process Management International</td>
</tr>
<tr>
<td>AG</td>
<td>Auditor-General</td>
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<td>AOP</td>
<td>Annual Operations Plan</td>
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<td>APP</td>
<td>Annual Performance Plan</td>
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<td>APSD</td>
<td>Africa Public Service Day</td>
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<td>BPA</td>
<td>Business Process Architecture</td>
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<td>BPMN</td>
<td>Business Process Mapping Notation</td>
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<td>BPR</td>
<td>Business Process Reengineering</td>
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<td>BVA</td>
<td>Business Value Adding Activities</td>
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<td>CPSI</td>
<td>Centre for Public Service Innovation</td>
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<td>CSI</td>
<td>Citizen Satisfaction Index</td>
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<td>DDG</td>
<td>Deputy Director-General</td>
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<td>DHE</td>
<td>Department of Higher Education</td>
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<td>DG</td>
<td>Director-General</td>
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<td>DOH</td>
<td>Department of Health</td>
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<td>DPSA</td>
<td>Department of Public Service and Administration</td>
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<td>DST</td>
<td>Department of Science and Technology</td>
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<td>EPA</td>
<td>Environmental Protection Agency</td>
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<td>FET</td>
<td>Further Education and Training</td>
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<tr>
<td>FIFO</td>
<td>First-In-First-Out</td>
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<td>FOSAD</td>
<td>Forum of South African Directors-General</td>
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<td>GIS</td>
<td>Geographic Information System</td>
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<td>GTAC</td>
<td>Government Technical Assistance Committee</td>
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<td>HOD</td>
<td>Head of Department</td>
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<td>ID</td>
<td>Identity Document</td>
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<td>IDP</td>
<td>Integrated Development Plan</td>
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<td>ISO</td>
<td>International Organisation for Standardisation</td>
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<td>KMF</td>
<td>Knowledge Management Framework</td>
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<td>KPI</td>
<td>Key Performance Indicator</td>
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<td>KRA</td>
<td>Key Result Area</td>
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<td>LIFO</td>
<td>Last-In-First-Out</td>
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<td>LKM</td>
<td>Learning and Knowledge Management</td>
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<td>LOT</td>
<td>Longest Operation Time</td>
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<td>MEC</td>
<td>Member of the Executive Council</td>
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<td>MIS</td>
<td>Management Information System</td>
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<td>MPSA</td>
<td>Minister for Public Service and Administration</td>
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<td>MTSF</td>
<td>Medium-Term Strategic Framework</td>
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<td>NPM</td>
<td>New Public Management</td>
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<td>NQF</td>
<td>National Qualifications Authority</td>
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<td>NVA</td>
<td>Non-Value Adding Activities</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>OMF</td>
<td>Operations Management Framework</td>
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<td>OMS</td>
<td>Operations Management System</td>
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<td>PMDS</td>
<td>Performance Management and Development System</td>
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<td>PPP</td>
<td>Public-Private Partnership</td>
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<td>PSC</td>
<td>Public Service Commission</td>
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<td>PSMF</td>
<td>Public Service Management Framework</td>
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<td>Public Service Productivity</td>
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<td>PSW</td>
<td>Public Service Week</td>
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<tr>
<td>QQT</td>
<td>Quality, Quantity, Time</td>
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<tr>
<td>QQTC</td>
<td>Quantity, Quality, Time and Costs</td>
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<td>RVA</td>
<td>Real Value Adding Activities</td>
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<tr>
<td>SABS</td>
<td>South African Bureau of Standards</td>
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<td>SAQA</td>
<td>South African Qualifications Authority</td>
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<td>SDIP</td>
<td>Service Delivery Improvement Plan</td>
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<td>SDM</td>
<td>Service Delivery Model</td>
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<td>SETA</td>
<td>Sector Education and Training Authority</td>
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<td>SII</td>
<td>Service Improvement Initiative</td>
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<td>Service Level Agreement</td>
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<td>SMART</td>
<td>Specific, Measurable, Achievable, Realistic and Time-bound</td>
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<td>SMS</td>
<td>Senior Management Service</td>
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<td>SO</td>
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<td>Standard Operating Procedure</td>
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<td>Shortest Operating Time</td>
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<td>SPC</td>
<td>Statistical Process Control</td>
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<td>SWOT</td>
<td>Strengths Weaknesses Opportunities Threats</td>
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<td>TQM</td>
<td>Total Quality Management</td>
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Operations management refers to the activities, decisions and responsibilities of managing the production and delivery of products and services in line with an institution’s strategic objectives. It comprises four major activities:
1. Developing an operations strategy
2. Designing operations
3. Planning and controlling operations
4. Analysis of operations and improvement thereof

The improvement of operations management is meant to aid Government’s quest to reach the outcomes and goals as set out by the National Development Plan (NDP), Medium-Term Strategic Framework (MTSF) and Annual Operations Plan (AOP).

**OPERATIONS STRATEGY**
Institutions need to develop and implement a Service Delivery Model (SDM) that describes how services will be delivered.

**OPERATIONS DESIGN**
Business process management enables management to align its business processes to its strategic plan and SDM. It includes identifying, classifying, documenting, measuring, analysing, improving, integrating and maintaining processes.

The creation of Standard Operating Procedures (SOPs) for repetitive tasks will ensure that all employees know exactly what is expected of them, thereby improving productivity and time management, reducing operating costs and, in turn, ensuring the effective and efficient delivery of services.

Institutions need to define service standards for all services to provide clarity to service beneficiaries on quantity, quality and time in relation to the services rendered.

Institutions must meet their service standards. To do this, they must determine which processes need to be improved and which strategy would work best to improve these processes. Once this has been achieved, institutions must work to ensure that optimal institutional performance continues to occur in future.

**OPERATIONS PLANNING AND CONTROL**
Operations managers face several challenges in their attempts to manage operations efficiently. They are responsible for the forecasting, planning, controlling and adjusting of operations which ensures that an institution runs smoothly and that all performed activities contribute to the production of goods and services.

**OPERATIONS ANALYSIS AND IMPROVEMENT**
Organisational Functionality Assessment (OFA) is a process used to determine whether all necessary service delivery enablers are available to ensure that service is delivered to beneficiaries in an optimal manner.

Productivity refers to how effectively and efficiently an institution’s inputs are translated into outputs. Achieving a high degree of productivity is an important objective of public service institutions given that they are under increasing economic and political pressure to produce a mandated set of goods and services within the limits of ever-increasing resource constraints.

Service Delivery Improvement Plans (SDIPs) are tools used to ensure the continuous and incremental improvement of service delivery.

Through adopting Learning and Knowledge Management (LKM), Government will reduce the loss on return on investment by reducing the use of consultants.

The Department of Public Service and Administration (DPSA) makes information regarding the Operations Management Framework (OMF) and the steps required to establish effective operating processes available to other institutions through the use of the OMF web-enabled platform. To register for access to this platform refer to the DPSA’s website (www.dpsa.gov.za) and the OMF web-enabled platform.
TOWARDS
BATHO PELE

The purpose of the White Paper on Transforming Public Service (1995) is to provide a policy framework and a practical implementation strategy for the transformation of public service delivery. This White Paper is primarily about how public services are provided, and specifically about improving the efficiency and effectiveness of the way in which services are delivered. It is not about what services are to be provided, but rather about their volume, level and quality, which is a matter for Ministers, Members of the Executive Council, other executing authorities and the duly appointed heads of governmental institutions. However, their decisions about what should be delivered will be improved as a result of the Batho Pele approach, for example, through systematic consultation with users of services and by information about whether standards of service are being met in practise (Department of Public Service and Administration, 1997:3).

Eight principles for transforming public service delivery, namely the Batho Pele principles, have been identified. These are expressed in broad terms in order to enable national and provincial governmental institutions to apply them in accordance with their own needs and circumstances (Department of Public Service and Administration, 1997:3).

These eight principles of Batho Pele have more to do with human values and dignity than operational processes. The Operations Management Framework (OMF) aims at integrating Batho Pele with operations management to develop the necessary structures, systems and processes to enable institutions to meet their strategic objectives, and includes effective service delivery.

The following is an extract from White Paper on Transforming Public Service Delivery (1997), also known as the Batho Pele White Paper (Department of Public Service and Administration, 1997:3):

"The White Paper on the Transformation of the Public Service (WPTPS), published on 24 November 1995, sets out eight transformation priorities, amongst which Transforming Service Delivery is the key. This is because a transformed South African public service will be judged by one criterion above all: its effectiveness in delivering services which meet the basic needs of all South African citizens. Improving service delivery is therefore the ultimate goal of the public service transformation programme."

The White Paper on Transforming Public Service Delivery (Department of Public Service and Administration, 1997), also known as the Batho Pele White Paper, outlines a clearly defined implementation strategy for organisational transformation in line with the Batho Pele principles. It also maps out the processes and mechanisms to be used towards continuous service delivery improvement in the public service. The fundamental ethos of placing people first is not only captured in this White Paper, but has been an integral part of the legislative processes followed by different institutions within the Public Service Sector. The major challenges remain Government’s machinery and mechanisms to deliver quality services to all service beneficiaries in a fast, efficient, simplified and seamless manner. The OMF presents the machinery and mechanisms specifically designed to be utilised for operations management and implementation.
## The Eight Batho Pele Principles

1. **Consultation**  
Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.

2. **Service standards**  
Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.

3. **Access**  
All citizens should have equal access to the services to which they are entitled.

4. **Courtesy**  
Citizens should be treated with courtesy and consideration.

5. **Information**  
Citizens should be given full, accurate information about the public services they are entitled to receive.

6. **Openness and transparency**  
Citizens should be told how national and provincial Government institutions are run, how much they cost and who is in charge.

7. **Redress**  
If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.

8. **Value for money**  
Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

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*(White Paper on Transforming Public Service Delivery, 1997)*

*Figure 1: The eight Batho Pele principles*
THE NEED TO IMPROVE PUBLIC SERVICE DELIVERY

Although access to Government services has improved for many people in South Africa since 1994, reports and studies reveal that Government services are still not equally accessible to all South Africans (especially in rural areas) and delivery is not offered at the desired level. Although visible progress has been made with the transformation process and improved service delivery, this has not always been matched by sufficient capacity to deliver and sustain quality services. This is compounded by the perception and, in some areas, the reality of ineffective and inefficient mechanisms for dealing with incapacity in terms of service delivery.

Despite the creation of an enabling environment through regulatory frameworks and support mechanisms, both internally and externally, institutions still struggle with the continuous improvement and delivery of quality services for all. This could be attributed to:

- Lack of an operational strategy
- Inability, in most cases, to map services provided to ensure effective and efficient delivery
- Non-existence of a Service Delivery Model (SDM) that outlines how an institution should address its mandates
- Lack of institutional Standard Operating Procedures (SOPs)
- Inconsistent and, in some instances, outdated service delivery charters, which are consultative documents that clearly set out the standard of services that service beneficiaries can expect from Government
- Failure to improve quality and service standards despite massive increases in successive budgets. In some areas, service quality and standards have even deteriorated
- Failure to institutionalise Service Delivery Improvement Plans (SDIPs) to ensure sustainable and continuous service delivery improvement
- Limited attention to operations planning and control
- Failure to analyse services rendered
- Lack of focus on continuous service delivery improvement

Improving service delivery is the ultimate goal of the Public Service Transformation Programme.
WHY THE OPERATIONS MANAGEMENT FRAMEWORK?

Managers are responsible for the following:

- Designing and delivering services to service beneficiaries
- Managing operational resources
- Continuing to improve the institution, and ensure its overall success

In light of the above, the OMF provides structure and guidance to all managers in executing their responsibilities. By providing managers with an OMF, it is possible to provide the right services, experiences and outcomes, and subsequently a more satisfied service beneficiary. This, in turn, will result in a better service delivery experience and a better understanding of operational processes for officials. Ultimately, better operational management will lead to improved business processes, which should be more efficient and reduce operational costs.

Operations management is important as it helps to:

- Reduce the costs of products and services
- Provide the basis for future innovation by building capacity of operation skills and knowledge within the Public Service Sector
- Create a more relevant, representative and transparent public service environment that requires new thinking and approaches from operations managers
- Improve operations to improve the overall performance (efficiency and effectiveness) of an institution

Based on this, the OMF is underpinned by the following key principles:

- Promoting the agenda of a developmental state by institutionalising quality service delivery through effective and efficient mechanisms within the public service
- Responding to needs of vulnerable groups and the marginalised through enhanced service beneficiary participation
- Promoting cohesiveness; joined-up interventions through aligned structures, integrated systems and processes
- Flexibility, adaptability, and responding to contextual and sectoral differences
- Institutionalising a culture of performance focus, learning and knowledge management within the public service

DID YOU KNOW?

_Batho Pele_, a Sesotho word which means “People First”, is an initiative that was launched in 1997 to transform public service. It is an approach to get officials committed to serving people and to find ways to improve service delivery.
OUR LEGISLATIVE FRAMEWORK

The regulatory framework is supported by an integrated system of management functions, including strategic, human resources, service delivery improvement, financial planning, and performance and compensation management. This support system is known as the Public Service Management Framework (PSMF).

Constitution

Chapter 10 Section 195(1) of the Constitution outlines that the Public Administration must be governed by the following basic democratic values and principles:

- Promote and maintain a high standard of professional ethics
- Promote the efficient, economic and effective use of resources
- Be development-oriented
- Provide services impartially, fairly, equitably and without bias
- Respond to people’s needs and encourage public participation in policy-making
- Be accountable for actions
- Be transparent by providing the public with timely, accessible and accurate information


The transformed South African public service will be judged on its effectiveness in delivering quality service delivery which meets the basic needs of all. The White Paper on Transforming Public Service (1995) sets out eight transformation priorities and the White Paper on Transforming Public Service Delivery (1997), also known as the Batho Pele White Paper, provides a framework to enable national and provincial institutions to develop and implement service delivery strategies. It signals Government’s strong intention to adopt a service beneficiary-orientated approach to service informed by the eight principles.
Public Service Regulations
Public Service Regulations (2016), Chapter 3, Part 3 (36) states:

“An executive authority shall establish and maintain an operations management framework which shall include:
(a) an approved service delivery model;
(b) a list of all core mandated services provided by the department;
(c) mapped business processes for all services;
(d) standard operating procedures for all services;
(e) service standards for all services;
(f) a service delivery charter referred to in regulation 37; and
(g) a service delivery improvement plan referred to in regulation 38.”

The executive authority is expected to provide quality services with the best value for money, setting of measurable objectives for his/her institution’s set service standards, with optimal usage of Government’s human and other related resources through fair labour practices.

Promotion of Access to Information Act
The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) gives effect to right of access to information held by the Government or a private body required for the exercise or protection of any rights.

Promotion of Administrative Justice Act
The Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), Section 31 of the Bill of Rights guarantees the right to “just administrative action” which includes the right to:
- Fair and reasonable administrative action that is allowed by the law
- Be given reasons for administrative action affecting a person or institution in a negative way

Public Finance Management Act
The Public Finance Management Act 1999, (Act No. 1 of 1999) argues against the development of strategic plans in isolation and that these plans must be integrally linked to a governmental institution’s SDIP.

Promotion of Equality and Prevention of Unfair Discrimination Act
The Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000) seeks to:
- Prohibit unfair discrimination by both the state and private actors
- Provide remedies for the victims of unfair discrimination
- Promote the achievement of substantive equality

Intergovernmental Relations Framework Act
The aim of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005) is to facilitate coordination between national, provincial and local Government in the implementation of policy relating to:
- Coherent Government
- Effective provision of services
- The monitoring of implementation of policy and legislation
- The realisation of Government priorities

Municipal Systems Act
Chapter 4 of the Municipal System Act, 2000 (No. 32 of 2000) stipulates that there must be structures and mechanisms created to encourage a system of participatory governance at every municipality.
Operations management is the activities, decisions and responsibilities involved in managing products and services’ production and delivery. The operations function arranges resources that are devoted to the production and delivery of products and services.

All operations can be modelled as input-transformation-output processes. They all have transforming resources which are usually divided into facilities and officials, and transformed resources, which are some mixtures of material, information and service beneficiaries. Few operations produce only products or only services. Most produce some mixture of tangible goods or products and less tangible services, for example, policy making and setting minimum norms and standards for the entire public service scope.

In any institution, both core functions (creating and delivering products and services to service beneficiaries in line with their requests/needs/demands) and support functions (finance and accounting, and human resources) manage processes. All managers are operations managers and all should strive to provide quality services to their internal and external stakeholders or service beneficiaries in an efficient and effective manner.

(Pycraft, Singh, Phihlela, Slack, Chambers and Johnston, 2010)

Operations management is a core function of any institution. As it is concerned with managing processes, it bears relevance for all managers.
Pycraft et al. (2010:8) states that “all operations produce products and services by changing inputs into outputs”. This transformation model describes operations in terms of input resources, transforming processes and the output of goods and services.
OPERATIONS MANAGEMENT ACTIVITIES

Operations managers need to understand what the institution is trying to achieve. It is imperative to develop a clear vision to help the institution to achieve its long-term goals by translating goals into implications for operations performance objectives, quality, speed, dependability, flexibility and cost. Once operations managers have aligned the institution’s strategic objectives, they will need to undertake these activities:

Figure 4: Operations management activities

These operations management activities are summarised in the following paragraphs and elaborated on in Chapters 1-4.
**Operations strategic objectives**
The institution’s strategic objectives must be aligned to the National Development Plan (NDP) and the Medium-Term Strategic Framework (MTSF).

**National development plan**
The NDP offers a long-term perspective regarding the future of South Africa, defines a desired destination and identifies the roles of various sectors in order to reach that goal (SA News, 2013). As a long-term strategic plan, it serves four broad objectives, namely (SA News, 2013):

1. Providing overarching goals for what we want to achieve by 2030
2. Building consensus on the key obstacles to achieving these goals and what needs to be done to overcome obstacles
3. Providing a shared long-term strategic framework for more detailed planning to take place in order to advance the long-term goals set out in the NDP
4. Creating a basis for making choices about how best to use limited resources

**Medium-term strategic framework**
MTSF is Government’s five-year plan that identifies indicators and targets to be achieved in a five-year period, similar to the existing delivery agreements for the 14 outcomes. The MTSF will contain the following for each of the outcomes:

- Key targets from the NDP and from other plans, such as the New Growth Path, National Infrastructure Plan and Industrial Policy Action Plan
- Current baseline for each target and the MTSF target based on consideration of a trajectory to 2030
- Key outputs and actions to achieve the target and institution/s responsible

(The Presidency, 2014:4-5)

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**Figure 5: Operations strategic objectives**

- **National development plan**
  - Long-term plan
  - Cuts across all sectors
  - Critical steps on the path to 2030

- **Medium-term strategic framework and delivery agreement**
  - Five-year plan
  - Focus on Government
  - Draws together key activities of institution

- **Sectoral and institutional plan**
  - Five-year plan
  - Focus on the institution
  - Includes priorities in the medium-term strategic framework
  - Additional institutional activities

- **Annual performance plan**
  - Action required to meet sectoral and institutional plans
Strategic plan
The strategic plan sets out an institution’s priorities, project plans and policies for a three- or five-year period within the scope of available resources. It was developed to ensure alignment to the MTSF priorities, which are informed by the critical priorities as identified in the NDP. The strategic plan reflects on the specific indicators, targets and actions to be implemented by the institution/s over the relevant financial years. The strategic plan identifies strategically important outcomes-orientated goals and objectives against which public institutions’ medium-term results can be measured and evaluated by Parliament, provincial legislatures and the public.

Annual operations plan
The Annual Operations Plan (AOP) sets out what the institutions intends on doing in the upcoming financial year and during the Medium-Term Expenditure Framework to implement its strategic plan.

Annual performance plans
The Annual Performance Plan (APP) identifies the performance indicators and targets that an institution will seek to achieve in the upcoming budget year. It is important that these performance indicators and targets are aligned across an institution’s annual plans, budgets and annual reports.

In essence, these plans outline Government’s priorities in terms of what needs to be done. The OMF and methodology give rise to how Government’s strategic objectives will be implemented.

Operations strategy
It is vital that operations managers have a set of general principles with regards to how services will be delivered, which can guide decision making towards the institution’s long-term goals. The operations strategy is reflected through, amongst others, the supplier delivery model.

Service delivery model
An SDM details an institution’s mandated services, service beneficiaries, current method of delivery, analysis of current method of delivery and possible improved method of delivery. An SDM should be reviewed annually to assist and support management in determining the most suitable operating model to meet mandated and overall service delivery expectations. Developing, implementing and institutionalising an SDM helps an institution evaluate whether it will be able to deliver on its determined strategy.

Operations design
Design is the activity of designing the form, shape and composition of products, services and processes, and is crucial to the operation’s activities. Typical design tools are mapped and managed business processes, implemented standard operating procedures and developed service standards reflected in a service delivery charter.

Business processes are the heartbeat of any institution as processes assist in performance or productivity improvement.
The greatest advantage of business process management is that it helps managers understand how things are really done in the institution, revealing problems, bottlenecks and inefficiencies that could remain hidden in any typical institution that on face-value may seem functioning normally.

**Business process management**

Business process management can be defined as a “disciplined approach to identify, design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with an organisation’s strategic goals” (Benedict, Bilodeau, Vitkus, Powell, Morris, Scarsig, Lee, Field, Lohr, Saxena, Fuller and Furlan, 2013).

Business process management involves the deliberate, collaborative and increasingly technology-aided definition, improvement, innovation, and management of business processes that enable an institution to meet its business objectives with more agility. It enables an institution to align its business processes to its Strategic Plan and SDM (Benedict et al., 2013).

In the context of the South African Government, business process management can be described as the broad collection of activities within an institution concerned with the identifying, classifying, documenting, measuring, analysing, improving, integrating and maintaining processes with the ultimate goal of serving the service beneficiary better thus, through achieving the institution’s various strategic goals.

Business processes can assist any institution in taking accurate decisions on structure design once processes have been defined and mapped. It ensures standardisation of the delivery of services and products in government institutions leading to better productivity within Government.

Business process management also contributes to a better understanding of the institution’s ultimate goal and output and what role every official plays in achieving these. It highlights the importance of processes and how their outputs serve as the interface between the institution and its service beneficiaries. These processes have tangible results and are not mere individual functions within an institution.

**Standard operating procedures**

SOPs require the specification in writing of “what should be done”, “when”, “where”, by “whom” and “how”. In this regard, SOPs strive to ensure value for money in the working environment especially if investment is made on the time and energy towards its development and implementation. The SOP document details the regularly recurring work processes that are to be conducted or followed within an institution. This includes the manner in which activities should be performed to facilitate consistent conformance to technical and quality requirements and to support high quality work. The benefits include the maintenance of quality control and quality assurance processes while ensuring compliance with governmental regulations (United States Environmental Protection Agency, 2007:1).
Service standards and service delivery charters

Service standards help to measure the extent to which set objectives are met. They should be made accessible to all to allow full transparency and public scrutiny of institutional performance within the Public Service Sector. Establishing service standards is an evolutionary process that goes hand-in-hand with transparency and consultation to make it meaningful (Department of Public Service and Administration, 2007:119). As part of a continuous improvement strategy, service standards should be regularly reviewed and revised as service becomes more efficient (Department of Public Service and Administration, 2007:99). Through these service standards, public officials have both a legal and a moral responsibility to deliver the best possible services to the public, within a realistic and feasible framework as underpinned in the Regulatory Framework and the eight Batho Pele principles (Department of Public Service and Administration, 2007:97).

Within the context of Batho Pele, providing quality services means implementing a service delivery system that meets the needs of the people it serves. At the core of this approach lies the very essence of respecting people’s dignity and acknowledging their rights to those services (Department of Public Service and Administration, 2007:97). The quality of service delivery depends on the extent to which institutions are able to internalise the spirit of Batho Pele. In order to receive the desired quality and quantity of services, service beneficiaries must also be made aware of their responsibilities, for example, communicating information accurately and honestly, and in a courteous and respectful manner.

A service delivery charter is a public document that sets out the standards of service that service beneficiaries can expect from a governmental institution. The service delivery charter will also specify complaints mechanisms as prescribed methods of lodging complaints. Key objectives of developing a service delivery charter are to express a commitment to service delivery in which:

- Published standards of service delivery are maintained
- The treatment of all end-users as service beneficiaries is encouraged
- Service beneficiaries’ rights are protected
- Relationships with service beneficiaries are enhanced
- The transformation of the public service from a rules-bound bureaucracy to a results-driven institution is accelerated

(Department of Public Service and Administration, 2007:96)
Organisational development

Effective organisational structures in the Public Sector are of significance to the nation, Government, Public Sector institutions and officials employed by these institutions (Department of Public Service and Administration, 2008a:17). A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by Government. In practical terms this means that an effective organisational structure:

- Is necessary to implement the Strategic Plan. If the structure is not aligned with the institution’s Strategic Plan, they are not likely to achieve their objectives.
- Is necessary for effective service delivery. Structures are the vehicles through which services are delivered.
- Can assist with efficiency and optimal utilisation of resources. The structure of the institution can influence how the financial and human resources are allocated and used.
- Is necessary for staff morale. The way in which the institution is structured will influence the morale, energy and enthusiasm of the employees.
- Can assist in fostering the appropriate institutional culture for delivering on the institution’s mandate and strategic priorities.

Operations planning and control

Planning and control is the activity of deciding what operations resources should be doing and verifying this by continuous monitoring operations.

Operational forecasting

The main purpose of forecasting is to stay ahead of the lead times and other variables pertaining to service delivery. Forecasting enables operations managers to set a sequence of actions that will deliver outputs timeously – when they are required and at the desired level of quality. Operations managers may forecast on a weekly, monthly or annual basis depending on the kind of variables involved.

According to Pycraft et. al. (2010:327), “the daily and weekly demand patterns of an institution will fluctuate with some degree of predictability. The extent to which an operation will have to cope with short-term demand fluctuations is partly determined by how long its service recipients are prepared to wait for products and services”.

Operational planning

Planning is a management process that is concerned with defining goals for an institution’s future direction and determining the missions and resources needed to achieve those targets. To meet the goals, managers may develop plans such as a production plan, business plan or a marketing plan (Boundless, 2014a).

Planning always has a purpose, for example, achieving certain goals or targets. It increases the efficiency of an institution, reduces the risks involved in modern business activities and facilitates pairing the available time and resources (Wikipedia, 2014b). It is therefore concerned

A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by Government.
with formalising the process of what should happen in the future (Pycraft et. al., 2010:273).

Planning and control involves the reconciliation between what the service beneficiaries require and what the operation’s resources can deliver. Pycraft et. al. (2010:273) state that “planning and control activities provide systems, procedures and decisions which bring together different aspects of supply and demand”.

Planning is used to identify what the institution wants to achieve. For strategic planning, the following four questions can be asked:

1. Where are we today?
2. Where are we going?
3. Where do we want to go?
4. How are we going to get there?
   (Wikipedia, 2014b)

**Operational control and adjustment**

Control involves managerial functions such as planning, organising, staffing and directing. It is an essential function that assists with error assessments and making necessary adjustments by taking the corrective action so that deviation from standards are minimised and institutional goals are achieved (Wikipedia, 2014a).

Edward Francis Leopold Brech (a British management consultant known for his work on the history of management) described control as “checking current performance against pre-determined standards contained in the plans, with a view to ensure adequate progress and satisfactory performance” (Wikipedia, 2014a). Control in operations management means measuring actual performance and making adjustments by taking corrective action.

**Operations analysis and improvement**

It is operations managers’ continuing responsibility to improve the performance of their operations.

**Organisational functionality assessment**

An Organisational Functionality Assessment (OFA) is a process that is used to assess and diagnose, based on evidence, whether all the necessary service delivery enablers are in place to support delivery processes in an optimal and accountable manner. It is the systemic analysis of organisational capacity and functionality measured against:

- Capacity to deliver
- Resource utilisation and deployment
- Institutionalised systems, policies and processes

**Productivity measurement**

Productivity is a key success factor for both the Public- and Private Sector institutions. Traditionally defined as the ratio between output and input, productivity has (in the context of public service) become an important measure of how effectively and efficiently inputs (labour, finances and infrastructure) are being translated into high-quality outputs (goods and services) (Neely, 1998).

Achieving a high degree of productivity is an important objective of public service institutions across the world given that they are under increasing economic and political pressure to produce a selected or mandated set of goods and services within the limits of ever-increasing resource constraints. The South African public service is no exception to this global phenomenon. The development of a productivity measurement guide for the South African Public Service Sector has become increasingly important.
Service delivery improvement plan
The goal of an SDIP is to provide a mechanism for continuous, incremental improvement in service delivery, and as such SDIPs must be credible, effective and realistic (Department of Public Service and Administration, 2013:28). An SDIP seeks to support the achievement of various management objectives:

- Improving communication with employees to encourage focus on continuous, improved service delivery
- Motivating employees to improve performance levels
- Providing information to facilitate monitoring by the various Government institutions involved in transformation
- Providing a basis for publishing a document which sets out the institution’s service standards and a service delivery charter

(Learning and knowledge management
Through adopting learning and knowledge management within SDIPs, the Government will also reduce the loss on return on investment by reducing the use of consultants. The Knowledge Management Framework is meant to help provide institutions with the proper tools to implement knowledge management successfully.

OPERATIONS MANAGEMENT WEB-ENABLED SYSTEMS
In order to ensure the efficient and effective rollout of the OMF, it was decided to develop a web-enabled system. This web-enabled system facilitates every institution’s involvement and will make document sharing easier and much more effective. Currently, documentation on the building blocks is sent manually to the DPSA in hard copy or e-mail format.

The information will be limited to all registered users. Training assistance will be provided by the DPSA.

The web-enabled system has four functionalities, namely providing:

1. An area for easily accessible storage for all the information regarding the OMF, including the building blocks and relevant toolkits (this is an information site open to all registered users)
2. A database for uploading institution-specific information on the building blocks
3. Statistical reports on institution submission rates
4. A forum functionality to promote discussion on various OMF-related topics

The web-enabled system is accessible via the DPSA website: www.dpsa.gov.za
Scroll down to the bottom of the home page, and click on the link provided to enter the system.
The White Paper on Transforming Public Service Delivery (1997) puts emphasis on how the public service should deal with the realities of transforming the delivery of public services. Implementation emphasises the notion that systems, procedures, attitudes and behaviour within the Public Service Sector and reorientates them to deliver quality services to all in the context of Batho Pele. The OMF building blocks should be seen as interdependent and reliant on each other to support and improve service delivery over time. In this framework each of the building blocks will be dealt with separately but the interrelatedness of the blocks should never be overlooked.
CHAPTER
A Service Delivery Model (SDM) describes how an institution will deliver its services. An SDM is valid for five years and must be reviewed annually.

Each SDM has a general set of minimum requirements that it must meet, one of which is that each SDM should state the mandated services provided by the particular institution.

An SDM must be simple and concise so that anyone can understand the nature and scope of the service. Through this action it will also become easier to identify any limitations that may exist in the current model.

Each institution should, as a minimum, follow the four-phase SDM methodology when developing a new or reviewing an existing SDM:

1. **Institutional setup**
   - Prepares the institution for developing an SDM.

2. **Development**
   - The information needed to develop an SDM is gathered. All developments that may have taken place throughout the year in both internal and external environments are taken into consideration, for example changes in legislation. Institutions may also gather information by looking at what other institutions, local and international, do to meet their mandate. A common understanding of these mandates must be ensured and a strategy must be agreed upon.

3. **Implementation**
   - It is imperative to create an enabling environment to allow the SDM to be implemented, empower officials by making it known what is expected from them and then encourage the officials to use the SDM.

4. **Review**
   - The SDM must be reviewed consistently (annually) to ensure that it is still an effective model to use to deliver services.
1.1 SERVICE DELIVERY MODEL

1.1.1 What is a service delivery model?
A Service Delivery Model (SDM) is a document that describes how an institution will deliver on the services and products that were identified during the strategic planning process. An SDM should be prepared annually to assist and support management in determining the most suitable operating model to meet mandated and overall service delivery expectations.

1.1.2 Why develop a service delivery model?
An institution’s strategic plan unpacks and describes what an institution will be embarking upon over a certain period, usually three or five years. Once these activities have been determined, it is time to consider how the services will be rendered. This is where the development of a specific SDM becomes necessary as it will analyse the possible modes of delivery and describe exactly how services will be delivered.

1.1.3 When to develop a service delivery model
An SDM specifies how an institution is going to deliver on the determined strategy. In accordance with the guidelines issued by National Treasury, strategic plans are valid for a five-year period but should be updated and revised every year. To align the processes, it thus makes sense to update the SDM every year during the strategic planning session or directly thereafter.
1.1.4 What is included in a typical service delivery model?

An SDM contains the following information as a minimum:

- **Mandate**: Define and confirm the institution’s mandate
- **Service beneficiaries**: Confirm the service beneficiaries (internally and externally)
- **Services**: Provide a list of services and where they are to be provided
- **Service delivery method**: Describe the current method of service delivery
- **Approach**: List the advantages and disadvantages of current approaches to service delivery
- **Preferred delivery**: Discuss the alternative and preferred service delivery mechanisms for each service

![Figure 7: Contents of a typical service delivery model](image)

1.1.5 International and local leading practices

Research shows that most SDMs are kept simple ensuring that they are accessible to all officials and service beneficiaries across the full spectrum of institutions and society. The beneficiaries of the services and products, through inputs, direct how the service should be rendered and what the standards should be. This, however, is counter-balanced by what an institution can afford and which resources are available to render services. In general, the SDM attempts to force officials to consider existing limitations and risks with regard to the method of delivery of services and to take these into account when designing a more effective and efficient SDM. SDMs also attempt to identify and reduce duplication of services between different government agencies and within an institution. Additionally, they are also used as a tool to identify areas for collaboration between institutions and between spheres of the Government.

In general, leading practices indicate that SDMs either include a performance management system or has a compulsory link to a performance management system. It should be noted that e-Government is not seen as an innovation by itself, but merely one of the essential drivers for innovation and service delivery in the Government.

Most SDMs researched contain elements of total quality management or continuous improvement and as such also contain elements of the business process management methodology developed by the Department of Public Service and Administration (DPSA). It was also noted that SDMs are generally concise, but many of the principles – for example alternative service delivery methods – are described and regulated by pre-existing procedures or models.
1.1.6 Phases of a service delivery model cycle

A methodology for the institutionalisation of an SDM has been developed and consists of four phases.

**Figure 8: Four phases of service delivery model development**

<table>
<thead>
<tr>
<th>PHASE 1</th>
<th>PHASE 2</th>
<th>PHASE 3</th>
<th>PHASE 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutional setup</strong></td>
<td><strong>Development</strong></td>
<td><strong>Implementation</strong></td>
<td><strong>Review</strong></td>
</tr>
<tr>
<td>Develop an institutional service delivery model policy</td>
<td>Prepare information</td>
<td>Enable</td>
<td>Annual basis</td>
</tr>
<tr>
<td>Obtain institutional buy-in</td>
<td>Confirm mandates</td>
<td>Encourage</td>
<td>Is it still effective?</td>
</tr>
<tr>
<td>Appoint a champion to drive the service delivery model development</td>
<td>Define services</td>
<td>Empower</td>
<td>Is it still efficient?</td>
</tr>
<tr>
<td>Determine the method of service delivery</td>
<td>Decide on appropriate service delivery models</td>
<td>Enforce</td>
<td></td>
</tr>
<tr>
<td>Identify risks and assumptions</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**1.1.6.1 Phase 1: Institutional setup**

As the very first phase, it is important to prepare the institution for developing an SDM. The following steps are seen as a bare minimum that need to be completed by institutions.

- Develop an institutional service delivery model policy
- Obtain institutional buy-in
- Appoint a champion to drive the service delivery model development
CHAPTER 1: OPERATIONS STRATEGY

Develop an institutional service delivery model policy
An institution needs to develop a policy document in line with the guideline and methodology issued by the DPSA. The guidance document needs to be specific to an institution.

Obtain institutional buy-in
Senior management and leadership of an institution are obliged to provide inspirational leadership. They must lead and promote the need to have an SDM guideline and methodology in place, and stress the importance and the value of rolling it out to its fullest. It is important to obtain and secure top management buy-in and commitment, as well as from officials who will implement the SDM.

Appoint a champion to drive the service delivery model development
Usually the institution head will drive the SDM and its implementation. Where this is not possible, a dedicated person should be appointed to fulfil this role. A project team will be required to develop the SDM in support of the champion.

1.1.6.2 Phase 2: Development of the service delivery model

What should we be doing?
Our mandate

What are we actually doing?
Service & programmes

How could we perform better?
Analysis of delivery modes

Service delivery model short, medium and long term
Risks & constraints

Figure 9: How the service delivery model works
GENERAL GUIDANCE FOR DEVELOPING A SERVICE DELIVERY MODEL

These guidelines were developed from leading best practices.

- The service beneficiaries determine how the service should be rendered and what the standards should be
- The SDM attempts to force the officials to consider existing limitations and risks
- A SDM attempts to identify and reduce duplication of services by different governmental institutions
- A SDM can be used as a tool to identify possible areas for collaboration between institutions
- E-government is not seen as an innovation by itself, but merely one of the essential drivers for innovation and service delivery in the Government
- Most SDMs contain some element of total quality management/continuous improvement
- Standards set by the Government are used to get minimum standards in place, after the culture of quality service has been settled, the users set standards
- SDMs generally attempt to be concise, but many of the principles/aspects (for example, alternate service delivery methods) are described and regulated by pre-existing procedures/models

Prepare information

- Identification
The purpose is to gather information upfront that is relevant to the SDM development and to gather adequate information and knowledge to guide the whole process of the SDM design and development. Furthermore, the information will also serve to inform those involved of the issues at hand and stimulate thought on the matter.

An institution could feel that the above-mentioned activities are not enough to fully prepare for the development of an SDM. Further activities could then be identified and embarked upon.

- Background information for documentation
Every year, the relevant existing information should be reviewed for updates and changes that took place. Cognisance should also be taken of any new developments that took place regarding the institution’s mandates. The review should result in a fresh understanding of the relevant issues. Critical issues and changes should then be formally documented to form part of the SDM. Examples of typical documents could include (but are not limited to) the following:

- National spatial development framework
- Provincial spatial development framework and/or Integrated Development Plan (IDP)
- Provincial priorities
- National/provincial programme of action
- Outcome approach delivery agreements
- The entity-specific national, provincial and local government guidance SDMs and other information
- Notes on international practices to stimulate thoughts and ideas
- Institution’s organisational structure, human resource plan and budgets

• Record current arrangements
To assist with a structured approach to documenting the SDM, it is necessary to record the current delivery arrangements (models) that are in place. This will then be updated in the final SDM as agreed and necessary arrangements will be formulated. When the SDM is reviewed, this should then be readily available as a starting point. Examples of current arrangements could include the following:

- Intergovernmental arrangements in terms of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)
- Intergovernmental arrangements not in terms of the Intergovernmental Relations Framework Act, 2005
- Public entities attached to the entity
- Significant joint programmes or projects with other governmental entities
- Public-Private Partnerships (PPPs) in existence
- Outsourced, co-sourced functions
- Ownership of transversal systems or services and service level agreements attached thereto
- Utilisation of transversal systems and service level agreements attached thereto

• Internal assessment
A key finding from the international best trends on developing SDMs was that innovation and solution answers often lie with middle management and functionaries at lower levels. An internal assessment of how the SDM should be formulated may give all officials an opportunity to provide input towards refining the SDM.

The internal assessment should aim to identify the “symptoms” of poor service delivery, non-servicing of mandates and/or duplication of efforts, etc. The aim should be to record these symptoms at the start of the process and then, as the SDM development progresses, to assess whether the root causes are being addressed. The symptoms relate closely to the risk and assumptions and should be recorded in the risk matrix. The internal assessment can take the following format:

- Workshops with officials and management
- Inputs from internal and external audit
- Inputs from the results of the performance management system
- Own internal identification of symptoms
- The strategic plan

• External assessment
A key finding from the international best trends on developing SDMs was that service beneficiaries decided on what services they want from the Government. This should, however, also be informed by what the Government is able to deliver, taking into consideration its resources and capabilities. This relates to the principles of Batho Pele, as it is necessary to establish a service beneficiary’s expectations and to communicate the standard of delivery and determine how they will be able to access the service provided.
Once this has been established, the institution can then plan, execute and report according to this expectation.

_Batho Pele_ further requires that the institution should provide explanations on matters that could not meet the service beneficiaries’ expectations. The external assessment refers to the process of establishing what the service beneficiary expectations were and how these were met. It should be noted that core service institutions form the external service beneficiaries of the service institutions (such as finance and human resources). The external assessment’s format depends on the institution’s particular circumstances, but can include the following:

- Surveys and interviews
- Workshops aimed at formulating Service Level Agreements (SLAs)
- Existing knowledge of the needs of service beneficiaries and core institutions

**Summary**

Findings, evaluations, and ideas are recorded. This could generate a significant amount of information and care should be taken not to lose focus. To ensure that the process stays focused, it is recommended that all the information generated be reviewed and that the critical issues that need to be taken forward are documented. It is important that all the issues for tracking are rooted to the risk and assumption matrix that will inform the SDM development.

**Confirm mandates**

- **Purpose and outputs**
  
  The purpose of confirming mandates is to ensure a comprehensive understanding of the political and legislative objectives and mandates to include in the final SDM.

**The outputs are as follows:**

- List of mandated services, both legislative and political
- Note any possible alterations or inclusions to the current mandate
- Highlight potential future service requirements or issues
- List service delivery expectations or requirements stemming from strategic objectives, whether institutional or intergovernmental
- List risks associated with the mandates
- List possible opportunities for intergovernmental cooperation

**Determine similar types of services provided**

Begin by researching what types of services are typically being provided by similar institutions internationally and locally. This will enable the institution to compare their own service offering in Phase 3: Implementation with that of others. Typical input documents that will help determine similar services by other institutions, may include:

- Legislation, such as the Constitution, Municipal Systems Act, 2000 (Act No. 32 of 2000) and the Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Public Service Regulations, 2016
- Outcome approach delivery agreements
- Institutional and provincial strategic planning documents
- Institutional operational planning documentation
- Institutional budgets
- Institutional performance management system and documentation
- Annual reports
- Auditor-General (AG) reports
CHAPTER 1: OPERATIONS STRATEGY

• **Generic steps for determining mandates**
  There is a perception that governmental institutions are aware of their mandates and that these are well-known and well-covered, however some institutions still fail to address some of the mandates pertaining to their services. Mandates are also open to interpretation by the officials within institutions and thus a comprehensive study and analyses is required to determine which of those truly applies to an institution before commencing with SDM development.

  In addition, a governmental institution may be of the opinion that they do address mandates pertaining to them, while the service beneficiaries and/or other entities may not agree. For this reason, the following basic steps are recommended to confirm the mandates:
  - Record mandates from their sources
  - Document high-level services that would give effect to the mandates
  - Document service beneficiary expectation of high-level services
  - Evaluate existing mandates against the results of previous steps

  The above process will ensure a common understanding regarding the mandates, which is of critical importance when developing an SDM. To further understand and confirm the mandates, it is recommended to formulate any risks and assumptions associated with the mandates.

• **Confirm legislative mandates**
  Mandates that have been allocated to the institution through legislation should be recorded, documented and confirmed. The institution should record what they actually need to do (high-level services) and not just a list of Acts that pertain to these mandates. In other words, the mandate should be described in a narrative format in order to clarify what the mandate expects from the institution.

• **Confirm political mandates**
  Political mandates and priorities refer to the mandates formulated through political processes. These mandates support and prioritise the legislative mandates and can be communicated through speeches or actionable programmes. It is necessary to have a good understanding of guiding and strategic documents before confirming political mandates. Such documents include the following:
  - National programmes of action
  - National spatial development framework
  - Provincial spatial frameworks and growth and development strategies
  - Outcome approach deliverables

  The confirmed political mandates need to be incorporated into the legislative mandates’ narrative description to ensure that the list of high-level services is complete.
• **Confirm institutional strategy**
   It is important to confirm and understand the strategic plan when documenting the SDM. This provides direction to SDM development. It is important to ensure that the strategic objective targets and measures are aligned with the political and legislative mandates as non-alignment could lead to the inclusion of other, irrelevant work that influences the development of an efficient and effective SDM.

It is important to understand, focus on and document an institution’s priorities when developing an SDM. This will ensure that the correct emphasis is placed on the particular SDM. The strategic plan will review how the institution currently views the mandates. Take note that the institution must link each service or function identified above, including relevant legislative and political mandates to its institutional strategy.

• **Summary**
   The documented summary should contain the confirmed mandates, the high level service descriptions, risks and assumptions. This summary feeds into the next process.

**Define services**

• **Purpose**
   The purpose of defining services is to evaluate the current services that are offered against the high-level services formulated in the “confirm mandate” section. The aim is to refine the service offerings to the extent that it is aligned to the mandates and that it is possible to progress towards the next step where the methods of service delivery will be evaluated. It may be difficult to decide to what level of detail the services should be described. This decision rests with the user, but the following guidance is provided:

   - The identification of the service beneficiary may indicate the required level of the description
   - It should be possible to consider the methods of delivery in a meaningful manner
   - It should not result in a long list of services that essentially serve the same service beneficiary and where the methods of delivery would be similar (in this case the description should move one level higher)

• **Define existing services**
   It is essential that the description of the services provided is defined as accurately as possible and in a manner that facilitates the development of an SDM. The following key features have been identified as guidance for the service description:

   - It should describe what service will be delivered and what the service beneficiary receives
   - It should be possible to link the service to a mandate
   - It should be possible to consider different methods of service delivery
   - It should be possible to identify the primary service beneficiary
   - It should be possible to measure the services delivered

Accommodating the above service delivery factors would render it adequate for inclusion in the SDM. Process maps of the identified services could assist with this activity.

---

"It is important to confirm and understand the strategic plan when documenting the SDM."
• **Evaluate existing services against services derived from mandates**
  During the confirmation of the mandates, high-level service descriptions and service beneficiary expectations were formulated. The formulation had the purpose of ensuring that the mandates are understood by all and that an expectation could be developed of what the institution must deliver.

  The current services that have been documented can be compared to the high-level service expectations that were formulated in the previous section to ensure that every mandate is covered adequately. The current services should then be aligned with the high-level service expectations.

• **Identify the service beneficiary and service measurability**
  For each service it is necessary to document who the beneficiaries are and how the service can be measured. This forms the basis of formulating the appropriate methods of delivery.

• **Summary**
  The summary should contain the refined services, the proposed service beneficiaries and how the services can be measured. New or updated risks and assumptions should be recorded and routed to the risk matrix.

### Determine the method of service delivery

• **Purpose**
  The purpose of determining the delivery method is to understand how to better deliver internal and external services from a short-, medium- and long-term perspective. This should include an examination of the aspects of human resources, business processes, and systems and technology.

  The current situation should be analysed to determine whether or not it is effective, efficient and delivering on its promises to the beneficiary. If not, institutions should consider changing it. In this phase, having an open mind is very important in order to be able to get the best results.

  For this purpose, officials should always try to remain abreast of current trends and more effective and efficient ways of operating. It is also helpful to benchmark the institution against other institutions and methods of delivering services in order to obtain new and fresh ideas for an SDM.

• **Document the current method of service delivery**
  Take care to ensure that each step is precise and specific when documenting the current method of service delivery. Make sure all methods are covered in order to obtain a comprehensive SDM at the end of the exercise.

• **Evaluate the current method of service delivery against assumptions, risks and constraints**
  Throughout the development of the SDM, it is important to identify and formulate risks, assumptions, constraints and symptoms pertaining to service delivery. All these factors influence the ability of the entity to deliver services in some way or another. During this step all these factors should be brought into account and the current method of service delivery should be critically examined against these factors. For example, if the current method of service delivery requires a complement of 100 skilled workers in a specific region, but only 10 skilled workers are available due to a skill shortage, then the method of service delivery needs adaptation. If the constraint regarding the shortage of skilled workers is ignored, then the institution will surely be set up to fail.
Human resources, business processes, and systems and technology should not be evaluated separately as they cannot occur in sequence, but rather in parallel. The selected mode of delivery will impact on the technology solution, which will impact on the human resource requirements and vice versa.

- **Evaluate human resources, business processes and systems**
  This relates closely to “Evaluate the current method of service delivery against assumptions, risks and constraints”. Detailed guidance on how this will affect the method of service delivery is difficult to establish as every situation is different. Taking this into consideration, the following service delivery factors can be considered when evaluating resource:

  - Should services be outsourced, co-sourced or delivered in-house?
  - Should the services be delivered transversally across Government (either by this institution, on behalf of other institutions or by other institutions where this institution is a service beneficiary)?
  - Which phased approach would be needed for the implementation of technology resources?

- **Formulate refined methods of service delivery**
  The refined method of service delivery is documented, taking into consideration all the matters raised and documented in the above phases/steps. This is crucial in SDM formulation and enough time should be allocated to really think through and debate the refined methods of service delivery. Various options can be generated and argued to facilitate this process. It may be necessary to consider arrangements such as SLAs and the intergovernmental arrangements of PPP agreements.

- **Identify issues for the next level of governance**
  If any aspect has been identified that could best be serviced by other entities or alternatively, if the institution feels that it is best placed to provide the service on behalf of other institutions, it should be raised and documented as such. This information should then be considered by the next level of governance to facilitate proper coordination and integration.

  In a situation where all the governmental institutions follow a process to develop the SDM and all institutions consider and route these issues to the next level, theoretically duplication of services should largely be eliminated. It would also be possible for institutions to deliver specialised and high-quality services if it is tasked to service several other entities. An example could be that the DPSA provides the Geographic Information System (GIS) services for all other institutions, local authorities and even the Private Sector. It can then afford to establish a highly effective and competitive service in this regard.

- **Summary**
  The summary should contain the following:

  - The agreed methods of service delivery
  - Key assumptions used in agreeing on the methods of service delivery
  - Notes on critical decisions that were made
Decide on appropriate service delivery models

This requires listing the various possible SDMs and detailing each SDM’s advantages and disadvantages before evaluating which SDM is most effective and efficient for use by a particular institution. After analysing each SDM, an institution should decide which model suits their needs best, taking into consideration that the final model can be constructed from a combination of parts from other models.

Identify risks and assumptions

The purpose of identifying risks and assumptions is to take an objective view of the chosen SDM option and understand what could possibly stand in the way of its implementation. All risks and constraints should be identified so that plans can be made to mitigate them.

1.1.6.3 Phase 3: Implementation

Once the SDM is signed and approved by both the executing authority and the Head of Department (HoD), an implementation plan must be developed that reflects each step, task and responsibility pertaining to and assigned to each individual who forms part of the service delivery process. After these have been documented, the institution and its officials must carefully execute the plan by meticulously following each step in the plan.

1.1.6.4 Phase 4: Review

Once the SDM has been developed and implemented, review it on an annual basis to ensure that it is still relevant and remains the most effective and efficient way of delivering services. Reviewing the SDM during the same period that the strategic plan is being developed is recommended as many of the issues addressed in the SDM will overlap with issues in the strategic planning process.
Ensure service delivery model implementation by creating an enabling environment for institutional officials that empowers them and encourages participation.

**SERVICE DELIVERY MODEL TOOLKIT**

A toolkit has been developed to assist with the completion of *Phase 2: Development of the SDM*. There are two parts to this toolkit:

- **Comprehensive service delivery model toolkit**
  The comprehensive SDM tool is utilised in the explanation of Phase 2.

- **Abbreviated service delivery model toolkit**
  The abbreviated SDM tool utilises the same principles as the comprehensive SDM tool, but is less time consuming. It is recommended that institutions make use of the full toolkit where time allows as it deals with a detailed analysis of the institutional SDM.
WHY USE THIS COMPREHENSIVE SERVICE DELIVERY MODEL TOOLKIT?

The comprehensive SDM toolkit is a concise aid to annually assist and support management in determining the most suitable operating model to meet mandated and overall service delivery expectations. It enhances existing management processes, while not adding to workload.

ADDITIONAL STEPS

An institution could feel that the “Prepare Information” activities are not enough to fully prepare for the development of an SDM. Further activities could then be identified and embarked upon. As mentioned, this toolkit is a generic toolkit. A particular institution may have additional activities which may be useful to include in the background assessment. A primary aim of documenting the SDM is also to stimulate innovation. Activities that could enhance innovation are also encouraged.

HOW TO USE THE COMPREHENSIVE SERVICE DELIVERY MODEL TOOLKIT

- The toolkit is developed to be used by an informed user.
- The toolkit guides the user through the process and generates the documented SDM.
- This is a generic toolkit aimed at facilitating the development of a SDM. It does not provide specific answers to an entity and the users are required to formulate their own model based on their knowledge and experience.
- Not all the activities may be relevant to all institutions. The user must decide which steps are appropriate for the entity. It is recommended that the user record the reasons why a specific activity is not relevant for the entity. This will give perspective to the documented SDM.
# COMPREHENSIVE SERVICE DELIVERY MODEL TOOLKIT

## PREPARE INFORMATION

### Table 1: Prepare information

<table>
<thead>
<tr>
<th>Identification</th>
<th>Background information for documentation</th>
<th>Record current arrangements (models)</th>
<th>Internal assessment</th>
<th>External assessment</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service delivery model date compiled</td>
<td>Review information in the general guidance for updates. - Do you have a fresh understanding of the relevant issues? - Are critical issues or changes documented?</td>
<td>Record the current delivery models that are in place. When the service delivery model is reviewed, this should then be readily available as a starting point.</td>
<td>Identify “symptoms” of poor service delivery, non-servicing of mandates and/or duplication of efforts, etc.</td>
<td>Establish a service beneficiary’s expectations, communicate the standard of delivery and determine how service beneficiaries will be able to access the service provided.</td>
<td>Document findings, evaluations and ideas.</td>
</tr>
<tr>
<td>Service delivery model institution</td>
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<tr>
<td>Service delivery model version</td>
<td></td>
<td></td>
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</tbody>
</table>

**Other identifying factors**

- If the service delivery model has been documented before, then this process should be recorded as an update of the previous service delivery model.

- As the Service delivery model development progresses, assess whether the root causes of these “symptoms” are being addressed.

- This could generate a significant amount of information and care should be taken not to lose focus.

- Provide explanations on matters that could or could not meet the service beneficiaries’ expectations.
<table>
<thead>
<tr>
<th>Identification</th>
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<th>Record current arrangements (models)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Examples of typical documents consulted could include:</td>
<td></td>
<td>Examples of current models could include:</td>
<td>Possible actions for the internal assessment:</td>
<td>Possible actions for the external assessment:</td>
<td>All the information generated is to be reviewed and the critical issues are to be taken forward and documented.</td>
</tr>
<tr>
<td>- The national development plan</td>
<td>- Intergovernmental arrangements in terms of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)</td>
<td>- Workshops with the officials and management</td>
<td>- Surveys and interviews</td>
<td>It is important that all the issues for tracking are rooted to the risk and assumption matrix that will inform the service delivery model development.</td>
<td></td>
</tr>
<tr>
<td>- The strategic plan</td>
<td>- Intergovernmental arrangements not in terms of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)</td>
<td>- Inputs from internal and external audits</td>
<td>- Workshops aimed at formulating service level agreements</td>
<td>- Inputs from the results of the performance management system</td>
<td></td>
</tr>
<tr>
<td>- The National Spatial Development Perspective</td>
<td>- Public entities attached to the entity</td>
<td>- Own internal identification of symptoms</td>
<td>- Existing knowledge of the needs of service beneficiaries and core institutions</td>
<td>- Consult the strategic plan</td>
<td></td>
</tr>
<tr>
<td>- The Provincial Spatial Development Framework and/or IDP</td>
<td>- Significant joint programmes or projects with other governmental entities</td>
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</tbody>
</table>
## CONFIRM MANDATES

**Table 2: Confirm mandates**

<table>
<thead>
<tr>
<th>Determine similar types of services provided</th>
<th>Generic steps for determining mandates</th>
<th>CORE TASKS TO CONFIRM MANDATE</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research what types of services are typically being provided by similar institutions internationally and locally.</td>
<td>A governmental institution may be of the opinion that they address mandates pertaining to them, while the service beneficiaries and/or other entities may not agree. For this reason, confirm the mandates:</td>
<td><strong>Confirm legislative mandates</strong>&lt;br&gt;- Record mandates from their sources&lt;br&gt;- Document high-level services that would give effect to the mandates&lt;br&gt;- Document service beneficiary expectation of high-level services&lt;br&gt;- Evaluate existing mandates against the results of previous steps</td>
<td>Document a summary that contains the confirmed mandates, the high level service descriptions, risks and assumptions.</td>
</tr>
<tr>
<td>Record, document and confirm mandates that have been allocated to the institution through legislation. <strong>Output:</strong> List and description of legislative mandates</td>
<td>Refer to guiding and strategic documents including:&lt;br&gt;- National programmes of action&lt;br&gt;- National spatial development framework&lt;br&gt;- Provincial spatial frameworks and growth and development strategies&lt;br&gt;- Outcome approach deliverables</td>
<td><strong>Confirm political mandates</strong>&lt;br&gt;- Confirm/document (and understand) the strategic plan.&lt;br&gt;- Ensure that the strategic objective targets and measures are aligned with the political and legislative mandates.&lt;br&gt;Note: Non-alignment could lead to the inclusion of other, irrelevant work. <strong>Output:</strong> List and description of political mandates</td>
<td></td>
</tr>
<tr>
<td><strong>Note:</strong> Record what is actually required to be done (narrative description) and not merely a list of Acts that contain these mandates.</td>
<td><strong>Confirm institutional strategy</strong>&lt;br&gt;- Focus on and document the institution’s priorities.</td>
<td><strong>Summary</strong>&lt;br&gt;- List risks associated with the mandates&lt;br&gt;- List possible opportunities for intergovernmental cooperation</td>
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<tr>
<td>Document a summary that feeds into the next process.</td>
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</table>

Make sure there is a good understanding of guiding and strategic documents before confirming political mandates.
### CORE TASKS TO CONFIRM MANDATE

<table>
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<th>CORE TASKS TO CONFIRM MANDATE</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Examples of typical documents consulted could include (but are not limited to):</td>
<td>Perform the following activities to further confirm the mandates:</td>
<td>- Incorporate the confirmed political mandates into the legislative mandates’ narrative description to ensure that the list of high-level services is complete.</td>
<td>All the information generated is to be reviewed and the critical issues are to be taken forward and documented.</td>
</tr>
<tr>
<td>- Legislation, such as the Constitution, Municipal Systems Act, 2000 (Act No. 32 of 2000) and the Municipal Structures Act, 1998 (Act No. 117 of 1998)</td>
<td>- Formulate the risks associated with the mandates (if any)</td>
<td>- Link each service or function identified in this “Confirm mandate” section, including relevant legislative and political mandates, to the institution’s institutional strategy.</td>
<td></td>
</tr>
<tr>
<td>- Regulations</td>
<td>- Formulate assumptions associated with the mandates</td>
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<td>- Outcome approach delivery agreements</td>
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<tr>
<td>- Institutional performance management system and documentation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Annual reports</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- AG reports</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Output:**

- Note any possible alterations or inclusions to the current mandate
- Highlight potential future service requirements or issues
- List service delivery expectations or requirements stemming from strategic objectives, whether institutional or intergovernmental

It is important that all the issues for tracking are rooted to the risk and assumption matrix that will inform the service delivery model development.
### DEFINE SERVICES

**Table 3: Define services**

<table>
<thead>
<tr>
<th>Define existing services</th>
<th>Evaluate existing services against services derived from mandates</th>
<th>Identify the service beneficiary and service measurability</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe what service will be delivered and what the beneficiary receives</td>
<td>Compare the existing services to the high-level service expectations formulated in the “confirm mandate”.</td>
<td>Document who the service beneficiaries are.</td>
<td>Finalise the refined services, the proposed service beneficiaries and how the services can be measured.</td>
</tr>
</tbody>
</table>

**Table notes:**

- Describe the services provided as accurately as possible.
- Refine the service offerings to the extent that it is aligned to the mandates and that it is possible to progress towards the next step where the methods of service delivery will be evaluated.
- Consider different methods of delivery for the services.
- Identify the primary service beneficiary.
- Measure the service: determine quantity, quality and timeframes.

*Make use of a business process map of the identified services if need be.*
### DETERMINE THE METHOD OF SERVICE DELIVERY

**Table 4: Determine the method of service delivery**

<table>
<thead>
<tr>
<th>Document the current method of service delivery</th>
<th>Evaluate the current method of service delivery against assumptions, risks and constraints</th>
<th>Evaluate human resources, business processes and systems</th>
<th>Formulate refined methods of service delivery</th>
<th>Identify issues for the next level of governance</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start by describing, at a high level, how the services are rendered, for instance through a centralised approach.</td>
<td>Examine the current methods of service delivery taking into consideration risks, assumptions, constraints and symptoms.</td>
<td>Determine if services be outsourced, co-sourced or delivered in-house.</td>
<td>Document the refined method of service delivery: take into consideration all the matters raised and documented in this toolkit.</td>
<td>Determine whether any aspect has been identified that could best be serviced by other institutions.</td>
<td>Document the agreed methods of service delivery</td>
</tr>
</tbody>
</table>

*Keep abreast of current trends and more effective and efficient ways of operating.*

*Enough time should be allocated to really think through and debate the refined methods of service delivery. Various options can be generated and argued to facilitate this process. It may be necessary to consider arrangements such as SLAs and the intergovernmental arrangements of PPP agreements.*

*This information should then be considered by the next level of governance to facilitate proper coordination and integration.*
<table>
<thead>
<tr>
<th>Document the current method of service delivery</th>
<th>Evaluate the current method of service delivery against assumptions, risks and constraints</th>
<th>Evaluate human resources, business processes and systems</th>
<th>Formulate refined methods of service delivery</th>
<th>Identify issues for the next level of governance</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drill down deeper by explaining in more detail by whom and how. For example, through a web-enabled system.</td>
<td>Example: If the current method of service delivery requires a complement of 100 skilled workers in a specific region, but only 10 skilled workers are available due to a skill shortage, then the method of service delivery needs adaptation. If the constraint regarding the shortage of skilled workers is ignored, then the institution will surely be set up to fail.</td>
<td>Determine if services should be delivered transversally across Government (either by this institution, on behalf of other institutions or by other institutions where this institution is a service beneficiary).</td>
<td></td>
<td></td>
<td>Record the key assumptions used in agreeing on the methods of service delivery</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Determine which phased approach would be needed for the implementation of technology resources.</td>
<td></td>
<td>Include any notes on critical decisions that were made.</td>
</tr>
</tbody>
</table>
If you cannot define a model that suits your needs, construct the SDM from a combination of parts from other models.

**DECIDE ON APPROPRIATE SERVICE DELIVERY MODELS**

List the various possible SDMs and detailing each SDM’s advantages and disadvantages before evaluating which SDM is most effective and efficient for use by a particular institution.

After analysing each SDM, decide which model suits their needs best, taking into consideration that the final model can be constructed from a combination of parts from other models.

**IDENTIFY RISKS AND ASSUMPTIONS**

Take an objective view of the proposed SDM option and understand what could possibly stand in the way of implementation.

Identify all risks and constraints so that plans can be made to mitigate them.

---

The development of a credible SDM is crucial as it confirms the institution’s mandates, aligns the institution’s services with its mandates and provides an opportunity to analyse the current method of delivery in a focused manner. The list of services as determined from the SDM development process also forms the golden thread to the further implementation of the OMF building blocks.

For example, each service must be mapped and managed, each service must have a standard operating procedure developed, each service must have a service standard set, each service must be reflected in the service delivery charter of an institution, and the institution’s organisation structure must cater for the delivery of each one of the services.
### Abbreviated Service Delivery Model Toolkit

**Table 5: Abbreviated service delivery model template**

<table>
<thead>
<tr>
<th>General mandate</th>
<th>Specific mandate</th>
<th>Strategic objective</th>
<th>Services</th>
<th>Service beneficiaries</th>
<th>Current method of service delivery</th>
<th>Analysis</th>
<th>Agreed method of service delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe the document-capturing mandate.</td>
<td>Describe the relevant section-and sub-sections-capturing mandates.</td>
<td>List the strategic objectives emanating from the strategic plan, aligned to the specific mandate listed in the previous column.</td>
<td>List the services you provide, emanating from the strategic objectives listed in the previous column.</td>
<td>List the beneficiaries of your services – are they internal or external?</td>
<td>Specify how the service is currently rendered, for example, centralised through Head Office, decentralised through regional offices, outsourced, etc.</td>
<td>List the advantages/disadvantages and risks/assumptions of the current methods of service delivery, and specify the degree to which ICT is currently used and how it can be improved.</td>
<td>Describe the agreed-upon service delivery method after consultation with internal and external stakeholders.</td>
</tr>
</tbody>
</table>
CONCLUDING REMARKS

For institutions to ensure that service delivery is both effective and efficient, they must implement and continually review SDMs.

It is imperative that an institution follow an SDM methodology when crafting or updating an SDM as it permits them to collect all of the relevant information required to create an effective SDM. It also allows them to analyse their current methods of service delivery with an intention to improve service delivery by adopting alternative methods of service delivery.

Through the use of an SDM methodology, the nature and scope of a service becomes clear to both the institution and its service beneficiaries.

Ultimately, the implementation of a good SDM empowers both the institution and service beneficiaries and will result in efficient and effective service delivery.
The purpose of the Operations Management Framework (OMF) is to assist governmental institutions in managing business processes, Standard Operating Procedures (SOPs), service standards, service delivery charters and organisational development.

**BUSINESS PROCESS MANAGEMENT**
Following a business process management methodology ensures that appropriate and efficient application and implementation of business processes is followed. Business process management allows Government to align operational processes to their strategy, which then allows for more effective performance. A general business process management methodology has been crafted for governmental institutions to adequately manage all business processes.

**STANDARD OPERATING PROCEDURES**
SOPs specify what should be done, when, where, by whom and how. SOPs help improve productivity as a workforce demonstrates greater motivation when everyone understands the goal that is being worked towards. Both officials and service beneficiaries benefit from a consistent workforce. It is recommended that provincial and national institutions write SOPs for repetitive tasks. SOPs must be easily understandable, updated frequently and must have the correct format.

**SERVICE STANDARDS**
Institutions must publish the standard of services that can be expected from them. Service standards are the rules of engagement for providing services to service beneficiaries. The main objective of service standards is to improve service delivery by promoting high quality cost efficient public services.

**SERVICE DELIVERY CHARTER**
A service delivery charter states the Government’s commitment to providing services and specific levels. An institution’s service delivery charter has to meet particular legislative requirements, for example, the Constitution’s Public Service Regulations, 2016 and Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), amongst other legal documents.

**ORGANISATIONAL DEVELOPMENT**
A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by the Government. In practical terms this means that an effective organisational structure is necessary. Refer to the Organisation Design Toolkit which is available on the DPSA website: www.dpsa.gov.za
2.1 BUSINESS PROCESS MANAGEMENT

2.1.1 What is business process management?

The demand for increased, effective and efficient service delivery requires continuous attention from the Government. The Public Service Act, 1994 (Act No. 103 of 1994) as amended, states that the executive authority is responsible for the effective and efficient functioning of their institution. Therefore, it is not surprising that many institutions find themselves in the midst of change interventions which range from incremental continuous process improvement to full-scale change programmes. The golden thread running through all these interventions is the quest for improved process performance and, in turn, improved service delivery (Western Cape Government, 2012:4).

Many institutions try to achieve this through restructuring or by optimising, reinventing or reengineering business processes. Processes are designed to deliver outputs (products and services) that are of value to service beneficiaries. Service beneficiaries are no longer satisfied with the provision of poor service that emanates from poor process performance. Processes act as the lever by which institutions can change the quality, quantity, timeliness and cost of their outputs. The overall performance of a process is dependent on each individual activity. If the performance of any one of these activities falls short, the performance of the entire process is degraded.

Undocumented processes results in compromised service delivery. As a result, consistent quality standards are difficult to maintain. As an example, when an official – who does not follow a formally-mapped and documented process – leaves the institution for other employment, the new official who will fill the position will have to figure out how to perform the work and as a result, service delivery suffers.

A further complicating factor is that business process management neither takes place within a nationally-set norm and standard nor does it take place outside of any set framework regarding the value chain dealing with service delivery quality and continuous improvement. This vacuum has the consequence of business processes not being shared and compared between institutions and spheres to optimise service delivery.

"Undocumented processes results in compromised service delivery. As a result, consistent quality standards are difficult to maintain."
2.1.2 Contextualising business process management

It is important to note the significance of the Government strategic objectives and agreements such as the National Development Plan (NDP) and Medium-Term Strategic Framework (MTSF). These documents are the key in the delivery and implementation of Government priorities. Furthermore, the documents encourage the identification of indicators that will be used in measuring the efficiency and effectiveness of business processes in various institutions.

It is necessary to measure these indicators as they assist institutions in evaluating the effectiveness and efficiency of services delivered to the public, and consequently enable institutions to develop business processes improvement plans that will aid and improve service delivery.

Through the studies and research undertaken in various governmental institutions, it was found that institutions do not understand the value chain regarding the setting and improvement of service standards. Institutions embark on service delivery improvement initiatives without the knowledge of the business processes that informs the delivery of services. It was also found that there are no Standard Operating Procedures (SOP) in place informing the delivery of services. The development of a guideline and methodology stipulating the minimum requirements for business process mapping, review and management as well as the rest of the value chain made up of SOP, setting service standards and the development of Service Delivery Improvement Plans (SDIPs) was thus found to be of importance.

To succeed in business process management, an institution needs a roadmap to guide it through the right steps in the right order. Business process management needs clear definitions of what is to be done, how, when, why, where and by whom. This clear definition starts with recognising the need for change and setting realistic goals. Once this has been done, a plan supported by adequate resources and schedules can be developed. A realistic and practical business process management methodology is based on a framework that does not only take into account all stakeholders’ requirements, but also the following elements:

- Organisation strategy
- Business processes
- Resources
- Systems and technology
- Service beneficiary needs

The business process owners should follow a systematic methodology to achieve breakthrough operational goals. The appropriate resources, both financial and human, must be committed to the effort and there must be an aggressive timetable; a schedule that will bring about change quickly.

A formal business process management guideline and methodology serves as a roadmap to guide the business process management projects to ensure that all bases are covered in the process. To ensure success, it is vitally important that the Government develops a structured and repeatable business process management guideline and methodology that, if followed, will dramatically improve the chances of a successful outcome. An iterative approach is the key to long-term success – start small, think big, iterate.
2.1.3 Why business process management?
The purpose of business process management is to assist governmental institutions in identifying, mapping, designing, reviewing, redesigning and managing business processes.

This framework was informed by various challenges that were identified through various analysis and studies done in various governmental institutions on the effectiveness of business processes. The development of this guideline and methodology will ensure that the process of improving service delivery takes place in a regulated environment; consequently identify indicators for efficient and effective business processes at all frontline service levels.

“This business process management guideline will ensure that the process of improving service delivery takes place.”

2.1.4 Business process management defined
According to Benedict et. al. (2013), “business process management is a disciplined approach to identify, design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with the institution’s strategic goals”. A business process map is a set of linked, repetitive business activities that together, and only together, transform inputs into outputs that are of value to a service beneficiary (Myers, 2014:1).

Business process management involves the deliberate, collaborative and increasingly technology-aided definition, improvement, innovation, and management of beginning-to-end business processes that drive business results, create value, and enable an institution to meet its business objectives with more agility. Business process management enables an institution to align its business processes to its business strategy, leading to effective overall institution performance through improvements of specific work activities either within a specific
CHAPTER 2: OPERATIONS DESIGN

CHAPTER 2: OPERATIONS DESIGN

institution, across the enterprise, or between institutions (Benedict et. al., 2013).

Various viewpoints also exist regarding business process management. Firstly, business process management is seen as a holistic management approach encompassing a set of business practices and management disciplines that ensure that business processes are constantly monitored and changed over time to ensure that they are both optimal and aligned with the strategy (Tissiman, n.d.:1).

Secondly, business process management has also been adopted by the workflow community to describe the next generation of their software. With this they promote a strategy where institutions implement business process management systems together with Services-Oriented Architecture (SOA) to build flexible automated processes, and then via integrated reporting and simulation tools, monitor and adjust these processes in real time to ensure that they are both optimal and aligned with the strategy (Tissiman, n.d.:2).

Thirdly, process mapping and documentation tools are also referred to as business process mapping tools or systems at times. This is based on the approach that in order to manage an institution’s processes over time they first need to be accurately documented in their current form. With this as a starting point, processes can then be properly analysed and improved over time. Process information is always current and visible, therefore ongoing analysis and improvement is easy to sustain (Tissiman, n.d.:2).

In broad terms, business process management is thus a management philosophy for creating agile institutions capable of transforming their business processes in pursuit of extraordinary results. It embeds business process thinking in institutions such that they can continually change and adapt, efficiently and effectively, to suit ever-evolving services, economic, political and social conditions. In the context of the South African Government, business process management can be described as the broad collection of activities within an institution concerned with the identifying, classifying, documenting, measuring, analysing, improving, integrating and maintaining processes with the ultimate goal of serving the service beneficiary better, through achieving the various institutional strategic goals (Western Cape Government, 2012:6).

OBJECTIVES OF BUSINESS PROCESS MANAGEMENT

- Appropriate and efficient application and implementation of business processes at all governmental institutions with a specific focus on frontline services
- Promotion of better service delivery
- Shared business processes
- Understanding of skills and competencies related to business process development, mapping and management
Managing processes is harder than it may seem at first - mostly because processes are not clearly visible and do not stand alone (they are interdependent). Effective business processes are critical in maximising the added value provided to service beneficiaries. Managing the key processes efficiently is critical to the success of the institution (Western Cape Government, 2012:6).

Business processes are classified into three types:

- **Core processes**: End-to-end cross functional processes that directly deliver value to the service beneficiary. Often referred to as “primary” processes, they present the essential activities that the institution performs to achieve its goals and objectives. These processes make up what is called the value chain, which is the set of high-level, interconnected core processes, each of which adds value to the product or service. Core processes are essential operational processes that produce or provide work that delivers directly to an institution’s outputs and are unique to that institution. These can come in the form of products, services, support or information.

- **Support processes**: The processes that support the core processes by providing the resources and infrastructure required by the “primary” processes. These processes add value to the institution’s internal service beneficiaries. These processes are also known as the “enabling” processes.

- **Management processes**: Used to plan, measure, monitor, and control business activities. Management processes do not directly add value to the service beneficiaries, but are necessary to ensure the institution operates effectively.

**Table 6: Types of business processes**

<table>
<thead>
<tr>
<th>Core processes</th>
<th>Support processes</th>
<th>Management processes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>End-to-end cross functional processes that directly deliver value to the service beneficiary.</strong> Often referred to as “primary” processes, they present the essential activities that the institution performs to achieve its goals and objectives. These processes make up what is called the value chain, which is the set of high-level, interconnected core processes, each of which adds value to the product or service. Core processes are essential operational processes that produce or provide work that delivers directly to an institution’s outputs and are unique to that institution. These can come in the form of products, services, support or information.</td>
<td><strong>The processes that support the core processes by providing the resources and infrastructure required by the “primary” processes.</strong> These processes add value to the institution’s internal service beneficiaries. These processes are also known as the “enabling” processes.</td>
<td><strong>Used to plan, measure, monitor, and control business activities.</strong> Management processes do not directly add value to the service beneficiaries, but are necessary to ensure the institution operates effectively.</td>
</tr>
</tbody>
</table>

(Myers, 2014:5-6)
2.1.5 Business process management maturity levels
The receptiveness to the idea of a business process management methodology varies due to many factors. One of the main issues of resistance (and the impact on roll-out) has to do with the maturity level and understanding of business process management. Figure 11 indicates the five levels of business process management maturity.

Figure 11: The five levels of business process management

1. No organised processes
Institutions do not have their processes defined. Work in such institutions is accomplished by individuals who get things done by means of outstanding efforts. As there are no specific objectives, this is referred to as “fire-fighting management” method. Success in these institutions depends on the competence of the people in the institution and not on the use of proven processes.

2. Some processes are organised
Institutions have begun to define some formal processes. Usually this effort begins at the work group and focuses on defining processes that are especially important to the group. The initial effort focuses on creating a documented process that can consistently generate results within a predictable timeframe. The objective of “work unit management” is to create a management foundation within each work unit or project.

3. Most processes are organised
Institutions expand their formalisation efforts and begin to organise individual processes into a larger system of processes. These institutions have redesigned their major processes, defined their value chains and are focused on eliminating disconnects among the major processes that make up their value chains. The objective of “process management” is to establish and use a common institutional process infrastructure and associated process assets to achieve consistency in how work is performed to provide the institution’s products and services.

4. Processes are managed
Institutions continuously improve their processes. The objective of “process management” is to establish and use a common institutional process infrastructure and associated process assets to achieve consistency in how work is performed to provide the institution’s products and services.

5. Processes are continuously improved
The maturity level refers to the levels at which processes are managed within an institution. These levels are scaled from 1 - 5.
4. Processes are managed
Institutions have their core processes defined and aligned. They are focused on managing their processes on a day-to-day basis. To do this, they establish systematic process measures and use the data to make management decisions. The objective of “capability management” is to manage and exploit the capability of the institutional process infrastructure and associated process assets to achieve predictable results with controlled variation.

5. Processes are continuously improved
Institutions maintain their already excellent processes and have teams that focus on continuous process improvement, using data derived from the processes and from service beneficiary to assure that their processes remain as efficient and effective as possible. The objective of “change management” is to continuously improve the institution’s processes and the resulting products and services through defect and problem prevention, continuous capability, and planned innovative improvement.

(Western Cape Government, 2012:7-8)

2.1.6 Why is business process management important?
In short, business processes are the heartbeat of any institution as processes assist institutions in performance or productivity improvement. Business processes can assist any institution in making accurate decisions on structure design once every process has been defined and mapped. Furthermore, they ensure standardisation of the delivery of services and products in governmental institutions leading to better productivity within Government. The greatest advantage of business process management is that it helps an institution understand how things are really done in the institution, revealing problems, bottlenecks and inefficiencies that could remain hidden in any typical institution that on the face of it may seem to be functioning normally. Business process management also helps institutions to:

- **Increase service beneficiary and staff satisfaction** The structured way of delivering services will provide a better product to the service beneficiaries and as such also contribute to staff satisfaction.

- **Reduce lead times** Processes will be optimised through the ongoing management time and will lead to shortened delivery times.

- **Decrease costs** Through standardised processes, cost savings are made in the long term.

- **Improve internal effectiveness and quality** By continuously improving business processes, the effectiveness of the delivery of the product or service is improved over time.

- **Revenue generation and cost avoidance** Having an optimal process designed will lead to better revenue collection.

“Business processes are the heartbeat of any institution as processes assist institutions in performance or productivity improvement.”
Business process management contributes to a better understanding of the ultimate goal and output of the institution and the individual’s role in it. Most importantly, it is the notion that processes and their output form the real service beneficiary interface as these processes are not mere individual functions of an institution. Modelling and analysing business processes enables institutions to develop the institution and improve its effectiveness and quality of work.

"The greatest advantage of business process management is that it helps an institution understand how things are really done in the institution.

Further benefits of business process management include:

- Anticipates the need for efficient and effective business change and allows change to be implemented
- Responds quickly to changing trends and external pressures
- Satisfies the needs of service beneficiaries
- Achieves breakthroughs in performance
- Models processes to clarify process intent
- Aligns process intent with strategic direction of the institution
- Uses advanced methods for process management to achieve optimal results in service delivery
- Leverages technology and other enablers to improve workflow
2.1.7 Phases of business process management

Due to the above-mentioned issues, a standard methodology has been designed for governmental institutions. This methodology is a foundation in ensuring that business process management takes place in Government as well as to ensure that capacity to undertake the work in institutions is developed. The methodology consists of six phases: firstly, it prepares the institutions to embark on business process management. Secondly, it takes stock of what is currently in place, then business processes are mapped, improved upon, implemented, and as a last phase, the business processes are monitored and maintained. The methodology is presented as a minimum requirement and institutions can evolve the methodology further. Schematically it looks as follows:

(Received Cape Government, 2012:6-7)

**Figure 12: The public service business process quality management**

(Department of Public Service and Administration, 2011a)
2.1.7.1 Phase 1: Preparation and activation

During the preparation and activation phase of the business process management methodology, care must be taken to ensure that all the preparatory activities are undertaken and completed to oversee the roll-out of the business process management methodology within institutions. The various activities that must be undertaken as a minimum are listed in this section.

**Obtain and secure buy-in**

An institution’s senior management and leadership is obliged to provide inspirational leadership. They must lead and promote the need to have a business process management guideline and methodology in place and hammer on the importance and the value of rolling it out to its fullest.

The first activity is to obtain and secure top management buy-in and commitment. This commitment should be illustrated by management through them leading from the front and acting as change agents; “walk-the-talk”. Communication should come directly from them and they must be instrumental in removing possible stumbling blocks. Through the commitment of resources (human, financial and otherwise), it must be clear that there is full support for the business process management initiatives and that it receives priority. Leadership must then also provide the mandate for implementation of the business process management methodology in the institution. The leadership commitment is of critical importance and it is necessary to appoint a champion in top management to be accountable for implementing business process management in the institution.

**Develop a change management plan**

A comprehensive change management plan must be developed to ensure the complete roll-out of the business process management methodology in the institution. To this extent, it must be ensured that all the stakeholders’ vision is vested in the changes that are being proposed. Care should be taken to involve stakeholders in the process on an ongoing basis. Awareness of the potential benefits of implementing the business process management methodology should be raised and entrenched with all stakeholders and resistance should be countered with the positive benefits of the implementation of the business process management methodology. Through the change management process, commitment to the reality of the roll-out of the business process management methodology must be achieved. The whole change management process must be firmly owned by the individuals themselves – especially implementation and maintenance. Change management in terms of people, systems and processes should be considered.
Lay the business process management foundation

During this sub-phase, the institution must decide upon and put in place the foundation upon which they will conduct their business process management projects and engagements. Five aspects need to be addressed in this sub-phase, as discussed below.

• **Policy**
  Develop a formal institutional policy on business process management through a consultative process. This policy must provide direction and boundaries to any future business process management engagement.

• **Governance structures**
  Set in place a formal governance structure to oversee all business process management engagements and communicate it to all internal and external stakeholders. Assign clear roles and responsibilities to all officials in the structure. As many processes are replicated within the various sectors, it is advisable to create a mechanism within sectors to ensure the alignment of efforts within the sector, for example, a forum where all health institutions can communicate on business process management and agree on an implementation plan.

• **Tools and techniques**
  The institution should decide on which tools and techniques are suitable for the work that the institution is performing and then identify the appropriate tools and techniques as a common set that the institution will utilise. Most institutions decide on one or two approaches to use, such as the Six Sigma or Lean methodology, because applying many methodologies requires investing in learning, which requires effort and finances. As there would be many advantages (financial, sharing of information and training opportunities) for the Government as a whole to have a common set of tools, it is proposed that a small task team be formed to investigate this possibility and to make the necessary recommendations.

• **Setting standards**
  Minimum standards for an institution’s business processes need to be set.

• **Identify a data repository**
  An institution needs to decide on a common repository for the information that will be captured during the business process management process. The institution must also develop a procedure and practise how to capture and maintain the processes on the repository.

**Conduct a stakeholder analysis and categorisation**

Stakeholders have different interests in the business process management methodology, define business process management performance success differently and benefit from business process management performance in different ways. It is critical to perform a comprehensive stakeholder analysis for all the stakeholders that will be affected by the implementation of the business process management methodology. The requirements of all the stakeholders need to be registered and addressed. Stakeholder characteristics vary substantially and for the success of the business process management methodology these characteristics must be identified, known and looked at.

"It is critical to perform a comprehensive stakeholder analysis"
• **Understanding the stakeholder requirements**

Understanding the voice of the process owner is paramount to the development of quality processes. To succeed in the improvement of quality services the effective capturing of genuine and major service beneficiary requirements, analysis and transformation of processes is important. The following are key questions that need to be asked:

- What are the service beneficiaries’ real needs now and in the future?
  - Identify the process service beneficiary
  - Build awareness of service beneficiary needs
  - Transform process to satisfy service beneficiary needs
  - Identify process activities critical to service beneficiaries
- What are the service beneficiaries’ wants versus needs, and do these differ?
- What problems do service beneficiaries experience?
- What do service beneficiaries do with the process outputs?

**Undertake project management**

Project management is a crosscutting activity. First, the roll-out of the business process management methodology should be undertaken on a project management basis and second, all the physical process design and improvement initiatives that take place within the business process management methodology should be rolled out on a project basis. Business process owners must work within a clearly defined project-based approach, as follows:

- Timescale requirements
- Effective use of resources
- Meeting specified objectives
- Stakeholder profile
- Constraints and limitations
- Available skillsets

For this purpose, the project methodology developed by the Technical Assistance Unit at the National Treasury could be utilised.

**PHASE 2**

"As-is"

```
Analyse business strategy
Define business process architecture
Identify and appoint process owners
Document/map the process
Establish process performance measures
Measure process performance
Analyse process performance
Determine process vision
```

2.1.7.2 **Phase 2: “As-is”**

During this phase various issues need to be addressed to determine the “as-is” situation regarding business process mapping. Once this phase has been completed it will not have to be done again as the “to-be” situation becomes the “as-is” in future business process management initiatives.
Analyse business strategy

Good business strategy is the result of careful, intelligent analysis and this is achieved by conducting a strategic assessment. Business strategy sets the goals and guides the institution to achieve these goals and improve performance excellence. Through business strategy analysis, institutions are able to uncover the elements of strategy that have a direct impact on the business processes and ensure that processes are aligned to its business strategy. The business strategy analysis ensures that the business improvement initiatives provide support at institutional level. The business strategy identifies the service beneficiary, mandates and services, amongst other factors.

Define business process architecture

This step starts by identifying and generating a list of all the processes used in an executing component. It consists of the development of a component’s process inventory list, also known as Business Process Architecture (BPA). This is a document that, amongst other things:

- Defines the scope of the institution
- Identifies the major processes
- Defines the major process boundaries
- Classifies the major processes into core, management and support

Key strategic questions to answer for analysing the current business strategy are:

- Who are the service beneficiaries?
- What services or products are being offered?
- Who are our partners to deliver on our mandate?
- What is the relevant legislation, policies, documents, manuals, handbook and systems?
- Why should service beneficiaries make use of our services?
- Where should the component place emphasis (strategic options)?
- How are we going to bring about the; who, what, why, and where?

Process owners will be held accountable for effective functioning of mapped processes and overall improvement of processes.
Identify and appoint process owners

The appointment of process owners is one of the key success factors in overseeing successful business process management as they provide high-level overviews of business processes within the institution. They should be held accountable for the effective functioning of their mapped processes and for the overall improvement of processes. The appointments should be done formally in writing and should be bound to specific time periods. The appointed process owners should be given the authority, responsibility and resources to deliver; make a public commitment to the process for which they are accountable; and be prepared to back process change with all the power, influence and authority at their command. In practice, the following issues should be resolved if and when they surface:

- Process owners are required for effective management of process-based institutions, but in most cases deficiencies impair their effectiveness
- Roles and responsibilities are often not defined clearly
- It is uncommon for process owners to be effectively role-trained
- Officials who are properly skilled in the methods of process management should provide support

Document and map processes

For an institution to achieve its strategic objectives or imperatives there is a need for every process to be mapped and documented. This ensures synergy of processes and eliminates duplication, overlapping and delays that hinder productivity.

During the activation phase, tools and structures were determined for business process mapping. These should now be used to document and map all the identified processes. This process is very time consuming and resource intensive. Proper allocation of time should be ensured. It is also of vital importance that a common set of tools are used and that the repository of all the documented processes is kept and maintained at a central space.

Establish process performance measures

In order to establish whether processes are performing optimally, a performance measure to measure the processes must be developed and documented. The performance measures must have the following qualities:

- Relate to the process goal (mission)
- Only a few should be selected
- Be comprehensive and accurate
- Readily available and easy to measure
- Set at the appropriate functional level
- Set demanding but achievable targets

It is also important to acknowledge that the set performance targets will affect behaviour. This aspect should thus then be kept in mind when setting performance measures. Two main groupings of performance measures can be set, namely effectiveness measures and efficiency measures. Examples of categories of effectiveness measures include conformance to standards and fitness for purpose or meeting service beneficiaries’ requirements. Examples of efficiency measures include process time and costs and can be conformance to standards or benchmarks (benchmark throughput level or target).
Measure process performance

Once the performance measures for the various processes have been set, they must be measured. The findings and results of the performance measurements must then be formally approved and documented. This information can be used later on to serve as baseline information.

It would be of no use if optimal processes are designed but not executed properly or consistently by officials. The proper and consistent execution of business processes in conformance with the intended design contributes to the optimisation of service delivery and continuous improvement. For this purpose, institutions need to ensure compliance with the process design and work instructions, and interventions on how process performance is measured and reviewed to achieve enhance quality service delivery.

Process performance measurement has a variety of uses which includes, amongst other things, the following:

- To monitor and control
- To drive improvement
- To maximise the effectiveness of the improvement effort
- To achieve alignment with institutional goals and objectives
- To reward and to discipline

A measurement plan needs to be in place to address the following:

- What is to be measured?
- How and when are measurements to be made?
- Performance levels or standards to ensure that the results of measurements provide information to guide, monitor, control or improve the process.

The measurement plan should include decisions about what key information must be collected from service beneficiaries and/or officials from service encounters, transactions, etc.

Table 7: The process management measurement elements

<table>
<thead>
<tr>
<th>Element</th>
<th>Element Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Throughput</td>
<td>Volume of work handled by process</td>
</tr>
<tr>
<td>Time</td>
<td>How long it takes to do work</td>
</tr>
<tr>
<td>Quality</td>
<td>How well the work is done</td>
</tr>
<tr>
<td>Costs</td>
<td>Total cost of producing work</td>
</tr>
<tr>
<td>Service beneficiary satisfaction</td>
<td>How well the process serves the process service recipient</td>
</tr>
<tr>
<td>Process performer morale</td>
<td>How satisfied the process performers are with the process</td>
</tr>
</tbody>
</table>
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BUSINESS PROCESS MANAGEMENT

Take cognisance of who wants what and what measure is applied for whom. It is also important to decide on what the priorities are and where possible conflict may arise with all the various sets of requirements, which takes this aspect back to the initial preparation phase.

**Analyse process performance**
The findings and results of the performance measurement now need to be analysed to establish if the processes are performing optimally and achieving the envisaged results. Analysis can be done through conducting benchmarking with comparative processes to establish the level of performance of the specific process. The performance should also be compared to the stakeholder requirements that were determined in the activation phase to establish if the process is responding to the various requirements. During the analysis of the process, performance gaps should be identified and noted for future attention and improvement.

**Determine process vision**
During this step, a high-level process vision and/or design principles need to be determined based on the results of the analysis of the process performance that was done. Typically, this vision would include aspects such as the time span, improvements required for the process (for example, an identification document that needs to be issued in two weeks), whether the process improvement will be done through internal or external capacity and the cost of the result of the process (for example, an identification document should not cost more than R160). These steps define the high-level renewal goals that have been identified in the process performance analysis.

Creating a shared vision process is a long range plan of how to eliminate the gaps/short comings and identified negatives and positives between the desired state and the definition of the current state. A process vision can be created by using the following key factors:

- **A description of the ideal future that must:**
  - Emphasise breakthrough results
  - Create a sense of energy and commitment
  - Be realistic and achievable
  - Provide a link between strategic vision and the Business Process Change Intervention

- **Elements of a process vision:**
  - Purpose
    - Scope
    - Service beneficiaries
    - Quantitative process objectives
    - Qualitative process attributes

Identify gaps and note them for future attention and improvement.
2.1.7.3 Phase 3: Determine the improvement approach

Depending on the nature of the shortfall and gaps identified, and the vision and design principles, a specific approach needs to be selected to address the real issues.

Business process improvement involves changing a business process to make it more effective, efficient or adaptable (Myers, 2014:18). Continuous process improvement is done on an incremental or iterative basis. This is sometimes called the change-driven approach (Myers, 2014:18), for example, if the process as a whole needs to be altered, and a totally new direction needs to be taken, a radical approach will be needed, whereas if the process only requires small improvements, changes can be made on an incremental basis. The following are types of approaches that could be considered in the improvement approach phase.
Radical improvement

- **Business process redesign**
  Business process redesign is the innovative redesign of key business processes to achieve breakthrough improvements in business performance (Myers, 2014:19).

- **Business process reengineering**
  Business process reengineering is the fundamental rethinking and radical redesign of major business processes. These are sometimes called plan-driven approaches (Hammer and Champy, 1993:32).

- **Business process innovation**
  Innovation takes place when an existing practice is reviewed and replaced by something better.

Incremental improvement

- **Total Quality Management**
  Total Quality Management (TQM) is a comprehensive and structured approach to institutional management that seeks to improve the quality of products and services through ongoing refinements in response to continuous feedback (Mills, Bratton and Forshaw, 2006:581).

- **Kaizen**
  Kaizen refers to activities that continually improve all functions and involves all officials from the highest to the lowest levels in the institution. It also applies to processes, such as purchasing and logistics that cross institutional boundaries into the supply chain. By improving standardised activities and processes, Kaizen aims to eliminate waste.

- **Six Sigma**
  Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimising variability in business processes. It uses a set of quality management methods, including statistical methods, and creates a special infrastructure of people within the institution (such as green belts and black belts in martial arts) who are experts in these methods (Shaked, 2014).

- **Lean**
  Lean is a production practice that considers the expenditure of resources for any goal other than the creation of value for the end service beneficiary to be wasteful, and is a target for elimination. Basically, Lean is centred on preserving value with less work (Encona, 2011).

- **Suggestion systems**
  Suggestion systems are a method by which the ideas and suggestions of the officials are communicated upward through the management hierarchy (BusinessDictionary.com, n.d.a).

- **Work measurement and productivity**
  Work measurement and productivity refers to the application of time and motion study and activity sampling techniques to determine the time for a qualified official to complete a specific job at a defined level of performance. Work measurement is used in budgeting, manpower planning, scheduling, standard costing, and in designing staff incentive schemes (BusinessDictionary.com, n.d.b).
2.1.7.4 Phase 4: “To-be”

To use the wheel, start at the top with “reduce bureaucracy” and work clockwise around the wheel ending with “Automate the activity”. The reason why automation is placed last is to focus on automating an efficient process rather than an inefficient one. Applying the other five techniques first ensures that the inefficiencies are removed before automating the process (Myers, 2014:13).

Process redesign

While redesigning the process, it is critical to identify the purpose and the key factors for determining the success of the redesigned process. Part of redesigning the process is to know specifically what is to be accomplished through the redesign and how to achieve this.

Once the existing process has been analysed, the process service beneficiaries' requirements are understood and the process vision has been created, it is time to apply the process improvement techniques (Myers, 2014:13), which are illustrated by means of the business process improvement wheel (refer to Figure 15). The process improvement wheel has six techniques to improve the selected process rapidly. The business process is in the centre of the wheel, the six techniques used to improve the process are wrapped around the process (Myers 2014:13).

The steps required in an operation redesign are:

- Improve activities (improve it)
- Configure process flows (streamline it)
- Design information flows around the process (informate it)
- Grow knowledge around the process (mind it)
- Structure roles around the process (resource it)

Figure 14: Steps for operation redesign
• **Improve activities (improve it)**
  
  Every activity in the process should be:
  
  - Valuable – add value to the service beneficiary/business
  - Capable – sufficient resources and design
  - Available – uptime
  - Adequate – capability
  
  (Myers, 2014:61)

**Reduce bureaucracy**

In business processes, bureaucracy represents a complex, convoluted series of activities that hinder an effective and efficient process. When processes are bogged down for no apparent reason, by inflexible, obstructive official routine, the process does not perform well and results in dissatisfied process service beneficiaries (Myers, 2014:14).

Some of the causes of bureaucracy include the need for excess control, the fear of making mistakes, or the desire to cover everyone’s backs when something goes wrong (Myers, 2014:14). It is usually the result of excess application of policy, procedures and rules. In order to reduce or eliminate bureaucracy, it is important to identify and clarify the business rules relating to each activity and question whether the activity applies the business rules in the most efficient way. Look at the best way to satisfy the valid business rules and eliminate activities that apply redundant rules (Myers, 2014:14).

To uncover specific elements of bureaucracy, ask the following questions:

- How many approvals do we have in place?
- Why do we need them?
- Can we reduce the number required?
- Do we make decisions at the right place?
- Do we generate unnecessary paperwork?
- How many copies of each document do we make?
- Why do we keep hard copies?
- Do people receive information that they do not need?
- Do we understand what people do with information or reports that are sent to them?
- How do we use the information requested on a form in making decisions?
- Can we eliminate any forms? Do we absolutely need them?
- Does one person check the work of another?
- Why is this done?
- What will happen if an official makes a mistake? Does the added scrutiny seem worth the expense?

**Add value**

The primary goal of a business process is to add value to the process service beneficiaries. By understanding the process service beneficiaries’ requirements, the team will be able to focus on the process outputs, the manner in which they are delivered and on the service beneficiaries’ needs (Myers, 2014:14-15).
Each activity in the process should carry out value-adding work, which can be classified into three types:

- **Real Value Adding (RVA) activities** that add value to the service beneficiaries of the process
- **Business Value Adding (BVA) activities** that add value to the business but not the service beneficiaries
- **Non-Value Adding (NVA) activities** that do not add value to the service beneficiaries or to the business

(Myers, 2014:14-15)

The process work should flow seamlessly through a liked set of value-adding activities in the shortest period possible (Myers, 2014:15). In order to maximise the value added by the process, go through the “as-is” model and classify each activity according to whether it is a RVA, BVA or NVA activity and take the following action:

1. Eliminate NVA activities
2. Link RVA activities into a value stream, which is a seamless flow of value-adding work not interrupted by BVA activities
3. Challenge, modify or eliminate BVA activities, if necessary

(Myers, 2014:15)

**Eliminate duplications**

Duplication occurs when multiple functional units are involved in a business process and there is no integration between the units (Myers, 2014:15). Often, each functional unit does the work the way they want it to be done regardless of how the work is done by other functional units. This might be due to one unit not understanding what the other one does, or believing that the other unit is capable of doing the work correctly, or even worse, the units are competing with one another.

Each time work moves forward from one functional unit to another, a handoff occurs. These handoffs easily lead to duplication of effort and information redundancy. Go through the “as-is” model and identify duplicated activities. Then ensure the work is done once in the process (Myers, 2014:15).

Go through each activity in the model and ask the following questions:

- Can we streamline the activities?
- Can we streamline or simplify any of the forms?
- Where do process performers go to obtain information to complete any activity in the process? Can we simplify this?
- Can we standardise the activity to make it easier to perform?
- Can we reduce the number of errors made by the activity?
- Can we combine any activities in the process?
- Must process workers depend on other people to complete any activity in the process?
- Can we add an upfront activity to simplify the downstream flow?

(Myers, 2014:15-16)
CHAPTER 2: OPERATIONS DESIGN

Simplify the activities
By carrying out the first three steps in the process improvement wheel, the process should be simpler than it was before. However, further simplification of activities and links between activities should be sought (Myers, 2014:15).

Reduce the cycle time
By the time this step is reached in the process improvement wheel, you should have reduced the process cycle time but further action can still be taken (Myers, 2014:16). The two main causes of high cycle time include:

1. Process fragmentation: Does the work stop flowing at many points during the execution of the process? Some queuing of work is inevitable in a process but if queuing is frequent and persistent, it is a symptom of a broken process. This is called process fragmentation.

2. Bottleneck: Where are there bottlenecks in the process and what is causing these bottlenecks? A bottleneck is a process constraint that creates a backlog of work to be done and increases the cycle time of the process.

Go through the “as-is” model and identify points of fragmentation and bottlenecks.

Automate the activity
Now that the efficiency and effectiveness of the process have been increased by applying the steps in the process improvement wheel, it is time to harness technology to further improve the process. Information technology can play an important role in process improvement. It is essentially a process enabler but can also be a constraint if not applied correctly (Myers, 2014:17).

Table 8: The ways in which information technology can impact on an innovative process design

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automational</td>
<td>The elimination of human labour from a process and the building of a more structured and reliable process</td>
</tr>
<tr>
<td>Informational</td>
<td>Providing information to enable people to expand their understanding of their work and be free to use that knowledge for decision-making</td>
</tr>
<tr>
<td>Sequential</td>
<td>Enabling changes in the sequence of the process or changing the process sequence from sequential to parallel or reducing cycle time</td>
</tr>
<tr>
<td>Tracking</td>
<td>Using IT to monitor the status of processes closely</td>
</tr>
<tr>
<td>Analytical</td>
<td>Improving analytical resources to permit more data to be incorporated in and analysed during the decision-making process</td>
</tr>
<tr>
<td>Geographical</td>
<td>Coordinating activities seamlessly and consistently across distances</td>
</tr>
<tr>
<td>Integrative</td>
<td>Integrating decoupled and disjointed activities and processes</td>
</tr>
<tr>
<td>Intellectual</td>
<td>Capturing and distributing information and knowledge broadly and consistently</td>
</tr>
<tr>
<td>Disintermediating</td>
<td>Eliminating intermediaries that do not add value to the product or service generated by the process</td>
</tr>
</tbody>
</table>

(Myers, 2014:17)
• **Configure process flows**
  *(streamline it)*
  Streamline the process by making sure to:
  - Look at the whole process from the outside in
  - Eliminate waste – NVA activities
  - Design the normal flow first – RVA activities
  - Do not allow management activities or BVA activities to limit RVA activities
  - Consolidate duplicated and similar activities
  - Minimise handoffs
  - Pull work through the process one item at a time rather than batching and queuing
  - Balance work to the bottleneck
  - Substitute parallel for sequential flows
  - Modify upstream activities to relieve downstream bottlenecks
  - Push customisation to occur closest to the service beneficiary
  - Minimise multiple paths due to specialised activities for exception handling
  - Only design exception flows once the main flow has been designed

  *(Myers, 2014: 66)*

• **Design information flows around the process** *(informate it)*
  Design information flows around the process by making sure to:
  - Capture information once at source
  - Make the process as paperless as possible as early as you can – digitise
  - Make information easily accessible upstream and downstream for those that need it
  - Shrink the distance between the information and the decision
  - Build in feedback loops to detect process performance and dysfunction
  - Provide a direct, single point of contact for process service beneficiaries and service providers

  *(Myers, 2014:67)*

• **Grow knowledge around the process** *(mind it)*
  - Build knowledge repositories so that process knowledge can be reused
  - Develop quick access to knowledge for performers and service beneficiaries of the process
  - Enable process performers to easily contributes and share knowledge about the process
  - Learn about the preferences of service beneficiaries of the process through profiling

• **Structure roles around the process** *(resource it)*
  - Appoint empowered process owners to be responsible for processes
  - Build empowered, multi-skilled teams to execute process flows
  - Outsource support activities to other enterprises
  - Let those who use the process output perform the process

  *(Myers, 2014:72)*

“To-be” processes might have an impact on other processes.
**Build the “to-be” process**

During this process, the results from the analysis are used to address the problems that were identified during the process analysis. The new processes are developed to meet the performance gaps through a process of creativity and innovation. The process improvement phase is used to design alternative prototype processes which can then be tested to see whether and how they improve the original processes. This is an iterative phase. Appropriate Business Process Mapping Notation (BPMN) design techniques to develop “to-be” processes must be considered, as well as how activities might be consolidated, streamlined and automated in order to improve the current processes.

“To-be” processes might have an impact on other processes such as structure and job evaluation, which will then require realignment to improved processes. The following steps need to be applied when developing “to be” processes:

- Develop high-level process alternatives
- Conduct detailed process design:
  - Determine if legislative or policy changes and alteration of delegations are needed to enable the roll-out of newly designed processes
  - It should be established if any new technology will be needed and how the “To-be” process will impact on the current technology

Develop new “to-be” process measures and ensure that those measures are effective and accepted by management. Develop as many ideas as possible for the improvement of business processes. Furthermore, the following ideas are considered as improvement interventions:

- Quick wins that require little or no organisational or technical changes
- Improvements that require organisational change but have little or no impact on existing information system/s
- Improvements that require technical improvements, but have little or no impact on existing organisational structures
- Improvements that require significant organisational and technical enablers and have major impact on the existing information and technical infrastructure
- Improvements that require not only fundamental changes in the organisational and technical enablers, but also in the control governing the processes

Once the “to-be” processes have been developed, the institution needs to have a well-documented business architecture in place which includes the situations, structures and “to-be” processes. It will enable and assist in the identification of new areas for improvement and baseline of the information system(s) that support the business.
2.1.7.5 Phase 5: Implementation

**Transform the process**
The newly designed process will be implemented and the following factors are relevant to achieve the successful implementation:

- **Obtain implementation mandate:** Before any implementation commences, first obtain approval from the institution’s relevant decision-making authority.

- **Develop implementation plan:** This is a high-level implementation plan which indicates who needs to do what, by when, to install the newly designed business process with approximate milestones, which will need to be developed and approved.

- **Implement quick wins:** Process implementation is the responsibility of the various business process and sub-process owners. The following aspects are considered by process and sub-process owners as well as the process cooperatives during the implementation of approved processes:
  - Improved processes to be compatible with existing or new systems
  - Whether it is complimentary to, and not in contradiction of, a strategic process review approach
  - The time to implement should be relatively short (60-120 days)
  - Costs of implementation often relatively inexpensive
  - Helps “make the culture change”

- **Update repository:** The process design and improvement team to ensure that all information is up-to-date.

- **Celebrate success:** This step is often neglected by governmental institutions, but should actually receive widespread and high-level attention as it builds and improves staff morale.

- **Train officials:** Officials must be trained and ensure a productive work environment, in order to provide better services to beneficiaries by meeting and exceeding their expectations.

**Manage the process**
It is the responsibility of process and sub-process owners, including the process operatives, to manage, monitor, evaluate and supervise the impact of newly implemented processes. The metrics for monitoring and evaluation is typically defined during the process improvement phase.

Once the newly defined processes have been implemented, these processes will then be tested to ensure the continuous improvement thereof. It is important to monitor the process performance of the newly designed processes, as well as all existing processes that were implemented at the previous phase. There should be a constant observation of where processes can be improved even further. Here lies the opportunity to also identify and prioritise processes that could be technologically enabled to be performed and monitored.
electronically. The implementation of the processes offers the institution an opportunity to update the institutional business architecture. This phase can also be regarded as the first phase in the quest for improvement. In this phase, the institution compares to what extent the implementation process and support structures perform in relation to the targets established and should also need to take into consideration the following:

- **Measure process performance:** Identify whether there was a significant deviation in performance standard and put corrective measures to address that deviation.
- **Obtain feedback from process stakeholders:** Processes have to be assessed with respect to how it is serving current stakeholders requirements because if the stakeholders have changed, it may be necessary to make adjustments in the way the process works.
- **Monitor process performance:** Keep processes from deteriorating or degrading by finding the root cause of exceptional conditions so that the problem can be rectified at the first source.

### 2.1.7.6 Phase 6: Maintenance

In this phase, it is important to monitor the process performance of the newly designed processes as well as all existing processes. There should be a constant lookout of where processes can be improved further and on a continuous basis. Here lies the opportunity to also identify and prioritise processes that could be technologically enabled to be performed and monitored electronically. The implementation of the processes offers the institution an opportunity to update the institutional business architecture.

**Monitor process performance**
The monitoring of process performance is of vital importance to ensure optimal process performance. Non-performing processes should be identified, redesigned and improved. Typical indications of process underperformance could include the following:

- Staff cost increases
- Increases in error rates
- Increases in service beneficiary complaints
- Upsurge of complaints in traditional problem areas
- Sudden appearance of complaints in areas of activity that had previously been error-free
- Staff complaints
- Increase in throughput time
- Increase in overtime levels
- Increasing staff relations problems, staff absenteeism and turnover
These indications need to be linked back to the activities of “measure process performance” and “analyse process performance” so as to ensure consistency and to retain the usefulness and reuse of the baselines of measures used in earlier phases. This is thus also indicative of the importance in determining the correct measures from day one.

**Identifying improvement opportunities**

It is essential to focus on constantly identifying improvement opportunities. This will ensure continuous service delivery improvement. This could be done by holding a close tab on international trends and benchmarking on institutions that conduct more or less same processes as the institution. A constant eye should also be kept on technology and innovation institutions such as the Centre for Public Service Innovation (CPSI). Lean (reduction of waste) methodology is one of the examples of building up efficiency.

**Maintain business architecture**

Business architecture is loosely defined as a set of elements and their relationships that form a whole and that is defined by its functionality. Well-documented business architecture includes the situations, structures and behaviour represented and represents a valuable business strategic asset (Noran, 2000:5). It will enable and assist in the identification of new business opportunities/areas of improvement and baseline of the information systems that support the business. A good architecture must therefore represent the business as accurately as possible, hence the requirement for continuously updating the architecture when processes have been amended (Noran, 2000:5).

The separation between process and business architecture should be resolved in the tool selection phase by obtaining a tool that is not only meant for modelling, but provides a manageable business architecture repository. If not, entropy will creep in and reduce benefit from previous work.

### 2.1.8 Possible challenges during roll-out

The introduction of a formalised, common business process management methodology into institutions is no mean feat. Resistance is envisaged due to the fear of change and the unknown in addition to a range of other factors. The main obstacles seem to include the following:

- Introducing a comprehensive business process performance assessment matched against best-in-class practices might cause fear in the process owners
- Introducing a common policy, strategy, approach and standard on process management, and sustaining the implementation thereof, might be seen as extra work
- Minimising *ad-hoc* initiatives might impact the officials hiding behind non-scheduled work
- Introducing and establishing clearly defined business process ownership might be seen as having to take on extra accountability for failures
- One of the challenges in governmental institutions is rigidity (perceived or real) in their structures. Normally, processes (end-to-end) traverse units/divisions/sections and it is sometimes difficult to drive a redesign process improvement project across these units. A culture of adaptability, flexibility and work teams is needed
- Historically, most institutions have focused on input/process indicators (leading indicators) and less on output/outcome (lagging indicators), but the new Government outcome-based approach will encourage institutions to review their business models.

If an institution does not address these challenges, it may result in the following:

- Fragmented results obtained from processes
- Unresolved problems
- Waste of resources
- Low productivity
- Staff dissatisfaction
- Service beneficiary dissatisfaction

2.1.9 Critical success factors
Throughout the methodology, many important steps are mentioned and are crucial in the implementation and success of the business process management methodology. In order to ensure that the business process management methodology is receiving its due attention in institutions and is implemented to its fullest extent, it is important that certain basic criteria are in place.

2.1.9.1 Leadership commitment
Leadership commitment and buy-in are of the utmost importance and are shown through the following factors that are set in place:

- An approved business process management policy
- An existing business process management system, including an organisational structure responsible for the development, deployment and maintenance of the system
- An existing business process management training plan

2.1.9.2 Process ownership
Healthy process ownership is an indication of how the ownership of core, support and sub-processes is managed in the institution. The following should be in place as a minimum:

- For each core and support process, “end-to-end” process ownership must be established and declared
- For each sub-process, ownership must established, where necessary, by the relevant process owner
- Standardised documentation regarding roles and responsibilities of process owners must be available
- Process owner roles and responsibilities are adhered to by the process owners in the institution

In order to ensure that the business process management methodology is implemented to its full extent, it is important that basic criteria are in place.
2.1.9.3 Design and mapping processes

The question could be asked, how does the institution design and map its business processes? A minimum response should include the following:

- Core business and support processes are identified, designed and mapped utilising a standard methodology and mapping techniques to ensure alignment and integration
- Well-established process mapping standards and tools are effectively deployed within the institution
- A standard process for business process design, documentation and authorisation exists in the institution (from concept to complete design)
- Various quality control points are well defined throughout the process
- Defined criteria requirements for acceptance at each quality control point are available. Examples of quality control points are quality gates, operational check lists and error detection
- The quality of design caters for the capacity and capability of the process to deliver the required quality outputs

2.1.9.4 Documentation of work instructions

The necessary documentation and rules of engagement in the performance of processes should be clear. In order to achieve this, the following must be put in place:

- Work instructions and business rules are documented for all core business processes and support processes as well as sub-processes
- Work instructions and business rules are well defined, current and available at the point of application
- Work instructions also take the following into consideration: health, safety, long-term performance, environmental impact, measurement capability and maintainability
- A process is in place to keep work instructions and business rules in step with process design and product documentation changes
- Work instructions, throughout the process, are aligned, end-to-end, to ensure that duplication of work, redundant work and contradiction of methods are minimised

“SUBJECT” OWNERSHIP

It is advised to identify and allocate subject owners to ensure the ongoing maintenance and optimisation of the various element types or libraries used in the compilation of the business architecture. This will help to reduce duplication and aid integration while adding an important dimension to the endeavour.
Process documentation is an important part of business process management. Documenting all the processes in the institution improves communication throughout the institution. One of the greatest challenges in the institution is to standardise the way in which processes are documented and to keep the documentation up-to-date and accessible to those involved.

"The necessary documentation and rules of engagement in the performance of processes should be clear."

- Business rules, throughout the process, are aligned, end-to-end, to ensure that contradictory rules which impact negatively on the performance of the process are eliminated
- Assigned responsibility and procedures exist for maintaining the revision control of all processes and support documents
- The institution has access to a master document management system for the effective management of documents
- There is an internal audit program (quality control) to verify conformance to the institution’s documentation standards

2.1.9.5 Training on designed processes
Once the designed processes are in place, sufficient capacity building should take place in order so that the officials involved in the execution of the process are able to execute it effectively and efficiently. The following should therefore be in place:

- Training materials, SOPs and programmes available for officials
- Officials are properly trained in operational procedures and quality acceptance criteria
- At appropriate intervals, the performance of officials is assessed and refresher courses are provided when necessary

2.1.9.6 Monitoring of compliance
The institution must ensure conformance to the designed processes and work instructions as these will be of no use if they are not executed properly or consistently. Monitoring the compliance of the designed processes by:

- Making process maps available and displaying them at operational sites
- Making all relevant documents (work instructions, business rules) accessible from operational sites
- Monitoring process conformance and work instructions at operational sites on a continuous basis
- Ensuring that final acceptance procedures are documented, controlled and followed, and that regular audits are conducted to ensure conformance to these procedures
- Documenting and tracking of report results when they are issued to the correct official within the institution
- Ensuring the continuity at handovers between different business and operational units, which are monitored and reported on
- Monitoring and managing the impact of non-conformance to the designed processes
- Developing and implementing action plans to address areas of non-conformance
- Ensuring that procedures are in place for managing non-standard outputs
- Ensuring that process integrity is maintained and that the products and services meet operational and service beneficiaries’ requirements

2.1.9.7 Measuring process performance
As described in the methodology, measures must be put in place on evaluating processes to enable continuous improvement for better quality service delivery, of which the minimum include:

- A measurement plan that may include decisions about what key information to collect from service beneficiaries and/or officials from service encounters transactions and more. To put the plan in place, first address the following questions:
  • What must be measured?
  • How and when must the measurements be made?
  • What are the performance levels or standards to ensure that the results of the measurements provide information to guide, monitor, control or improve the process?
- Measures and/or observations that are used to maintain process performance
- Performance reviews of critical process metrics, for example, service quality, cycle time and on-time delivery
- Well-established process performance management tools that are effectively deployed, for example, benchmarking tools and performance metrics
- Statistical tools that are used for each process to provide the most appropriate method for giving timely and accurate feedback of performance against the process parameters
- Statistical studies that are used to monitor the performance against critical process parameters
- Internal auditing to assure consistent use and proper interpretation of statistical tools with published results
- Control charts that are frequently monitored, are readily accessible to operators, and are regularly updated with the proper sample size, frequency and control limits
- Documented and tracked report results that are issued to the correct officials within the institution

Measures must be put in place on evaluating processes to enable continuous improvement for better quality service delivery.
2.1.9.8 Continuous process improvement

Continuous process improvement ensures better service performance and quality. Review and evaluate a process by considering the following:

- Are process performance improvements planned and implemented effectively?
- Are process assessments for improvement purposes carried out periodically?
- Are process goals set to ensure continuous improvement?
- Are process quality improvements included in the process improvement plan?
- Is information from officials, service beneficiaries, service providers and other stakeholders, and data from benchmarking used in setting standards of operation, priorities and targets for improvement?
- Is there a method for process change and implementation to ensure that the desired results are achieved?
- Are process improvement results in line with corporate improvement goals and service beneficiary requirements?
- Are there procedures to efficiently and accurately update service beneficiaries’ requirements that are used for process improvement?
- Are performance and quality metrics, and management review records maintained?
- Are well-established process improvement tools, such as problem-solving and root cause analysis, effectively deployed in the institution?

2.1.9.9 Process review when needed

The institution needs to ensure that business process reviews are done effectively and efficiently. For this purpose, the following should be in place:

- An organisational structure responsible for the promotion, integration and coordination of Business Process Reengineering (BPR) activities within the institution
- A process detailing the criteria and procedures for BPR
- Common tools and techniques, such as BPR guidelines, project management, problem solving, benchmarking, benefit tracking and statistical tools (fully documented and communicated to all officials concerned)
- A comprehensive training programme on BPR, which provides officials with relevant knowledge and skills to perform BPR effectively
- Process management and documentation management systems that ensure effective control of process data and information and documentation

Continuous process improvement ensures better service performance and quality.
2.1.10 Process levelling standards

Each area of Government needs to have a basic understanding of the process hierarchy. During the activation phase, each institution will determine their own process levelling standards, yet there should also be a common standard that is followed throughout Government. For this purpose, the following levels of standard are proposed:

- **Level 1**: The institutional value chain
- **Level 2**: High-level processes, which are processes within the value chain, for example, human resources, finances and project management
- **Level 3**: Sub-processes within the processes
- **Level 4**: Process steps, which are activities within the sub-processes
- **Level 5**: Creating a function allocation diagram according to BPMN standards

(Department of Public Service and Administration, 2011a:32)

2.1.11 Impact of non-standardised processes

The importance of standardised processes can be emphasised by looking at the impact that non-standardised processes have on the institution, as it:

- Promotes the silo work mentality, which gives a negative operational view of the institution
- Duplicates functional applications, system development and maintenance, process modelling and data, which, together with non-standard processes, have a negative effect on management reporting and business reporting
- Implements very complex training procedures and environment-specific processes, further isolating an institution
- Incurs higher costs due to more systems, duplication and maintenance

(Department of Public Service and Administration, 2011a:32)

**Silo mentality** refers to a mindset that occurs in the institution, which is inward looking and resists sharing information and resources with others in the same institution. The results are negative and include reduced efficiency in the overall operation and reduced morale.
CHAPTER 2: OPERATIONS DESIGN

2.1.12 Results

Having a business process management framework in place that is followed religiously has many advantages for the institution, namely:

- Creating forums where officials are able to communicate and share their knowledge
- Using transversal integrated processes:
  - To standardise processes
  - To sign-off institution user requirements easily
  - For big cost savings by eliminating duplicate systems and work between and within institutions
- Using standardised integrated processes leads to:
  - Visibly accessible processes
  - Identify the processes that require process improvement
- Using auditable processes and system audit trails:
  - For integrated standardised training
  - For continuous business improvement
  - To support the structuring of the institution
  - To determine the functional structure (process supported, areas of duplication, inefficiencies)
  - To align strategy, processes, products, service delivery model, structures, and capabilities

2.1.13 Final note on business process management

It could be said that a common business process management methodology is of vital importance to any public service in order to ensure quality service delivery. Within the methodology, there are many factors that can be further elaborated upon and a case also exists for determining minimum norms and standards that institutions should adhere to. Such factors include:

- Minimum capacity in institutions to deal with business process management
- Business process management tools and standards to be used
- Governance structures for business process management
- Standardised process inventory for the public service
- Improvement approaches to be utilised
- Business process management monitoring requirements and systems

It is expected that the approval and implementation of this framework will, in a way, result in improved service delivery. It is also envisaged that this framework will assist governmental institutions in ensuring the streamlining and pictorial of the value chain to maximise benefits of service delivery.

BUSINESS PROCESS MAPPING TOOLKIT

The Business Process Mapping Toolkit comprises of the four steps in business process mapping as well as notes on Business Process Model and Notation (BPMN) shapes.
DEFINITION OF BUSINESS PROCESS MAPPING

Business process mapping has several definitions. Davenport (1993) defines business process mapping by stating that it is a structured and measured set of activities that are designed to produce a specific output for a particular service beneficiary or market. Furthermore, this definition places emphasis on the manner in which the work is done within an institution. Underdahl (2011) defines business process mapping as, “an approach that is designed to produce better processes”. For the purposes of this document, a business process has been defined as a set of linked, repetitive business activities that together and only together transform inputs into outputs that are of value to a service beneficiary (Myers, 2007:1).

For Government, business process mapping is a means of defining what happens, from start to end in a business process, leading the provision of services. Furthermore, it is a collection of related, structured activities or tasks that produce a specific service or product and it is best visualised with a flowchart. Business process mapping is more than just documenting a new or old process as it requires the following:

- Identifying all service processes
- Identifying the person responsible for each process
- Breaking down each process into the individual steps performed from start to finish (remember that no step is too small to document)
- Creating a visual presentation of the processes’ steps in the form of a map to ensure clarity

"For Government, business process mapping is a means of defining what happens, from start to end in a business process, leading the provision of services."
Business process mapping is the initial description of a business process in diagrammatical form. However, before initiating business process mapping, a governmental institution must adhere to the following three core objectives:

**1. Effectiveness**
- Does the process meet the service beneficiary’s needs?
- Does the process lead to the attainment of the desired goal?
- Has the right job been done irrespective of methods or techniques used?

**2. Efficiency**
- Does it cut down on the usage of resources?
- Was the service executed using the correct technique?
- Has the service met its goal?

**3. Adaptability**
- Is the process flexible enough to change as the requirements change?

Figure 16: Three core objectives of business process mapping

**BUSINESS PROCESS MAPPING COMPONENTS**

The following was adapted from Myers (2007:10):

**Process scope**
A process has a name. The name will be used to reference the process throughout the business process life cycle. Only one name should be used and must be understood by all internal and external stakeholders.

The process has a purpose. It is important to understand why the process exists or the – need or requirement for the process.

A process has a start and an end. Processes are started by trigger events and end with result events.

A process has a boundary. The boundary will separate the process from its environment and will stipulate what is included and excluded in the process.

**Process suppliers and service beneficiaries**
Process suppliers provide inputs to the process, whereas, process service beneficiaries receive value from the process, are always external to the process and can be internal or external to the institution.

**Inputs**
Processes start with inputs from the environment. They can be in the form of tangible or intangible items such as raw materials, funds, energy, requests, information, messages or service beneficiaries who require services. In short, an input starts an event process.
Outputs
Processes end with outputs. Outputs can be in the form of tangible or intangible items that flow from the process back to the environment. Examples include finished products, processed information, manufactured material, invested funds or satisfied service beneficiaries. In short, outputs achieve the result/s of the process.

Flow units
Flow units are the specific, definable items in the process that are transformed by the activities. Flow units start as inputs and are either consumed or end as outputs. They follow routes in the process and can take on the form of documents, information or physical objects.

Activities
Process activities transform inputs into outputs, thus they are the building blocks of processes. Activities usually require multiple resources, thus they will always take time and require resources.

Resources
Resources enable you to perform activities within the process, thus they can be seen as a type of energy source. They enable the transformation of inputs into outputs, but they are not transformed themselves. These can include people, equipment, machines, information systems or facilities.

Directives
Directives constrain or dictate under what conditions transformation occurs. They guide or govern the work being done. They are neither consumed, nor transformed by the activity. They are the knowledge, policies, procedures and rules that keep the process on course and moving toward its desired result.
THE FOUR MAJOR STEPS IN BUSINESS PROCESS MAPPING

**STEP 1: PROBLEM IDENTIFICATION**
Answer the following questions to define the service (to enhance the beneficiary’s understanding of the big picture):
- What or which service is going to be mapped?
- Why is it mapped?
- When is it going to be mapped?
- Where is the service being performed?
- Who is going to be involved in the whole process?
- How much is it going to cost?
Understand all the steps in the process leading to the provision of a service/product

**STEP 2: INFORMATION GATHERING**
- Identify objectives, risks and key controls in a process
- Identify who the true process owners are
- Obtain buy-in from process owners
- Identify bottlenecks that will prevent the process from achieving desired results
- Identify obvious problems with the process
- Identify processes implemented as a result of service beneficiary dissatisfaction and how greater efficiency can be applied

**STEP 3: MAP THE “AS-IS”**
- Interview each official and have them describe what they do on a day-to-day basis
- Record the process
- Develop the process map in front of the official responsible for completing the work to ensure that the final map matches their understanding of the work

**STEP 4: ANALYSIS**
Analyse the following:
- Structure of the institution
- Skills possessed and attributes by those performing the service
- Policies and procedures applicable to the service being mapped
- Institution's working culture
- Performance management
Identify the different work processes
Gather information
Verify the data gathered
Replace inefficiencies

(Adapted from Muthu et. al., 1999)

Figure 17: The four major steps in business process mapping
Step 1: Problem identification
Prior to implementing business process mapping, it is important that the people who are involved with the process understand the problem identification process. The following questions help guide the problem identification process:

- What or which service is going to be mapped?
- Why is it mapped?
- When is it going to be mapped?
- Where is the service being performed?
- Who is going to be involved in the whole process?
- How much is going to cost?

Step 2: Information gathering
It is worth noting that in business process mapping, case defining processes should not be based on the institution’s own understanding. Instead, it must be defined according to the service beneficiaries’ understanding as they will evaluate whether the service received was according to their satisfaction. Placing oneself in the shoes of the service beneficiary, will enable oneself to experience the service first-hand and identify trigger points that can make or break process.

Information gathering steps allow objectives to be identified, risks and key controls in a process. Obtain a large volume of information that is relevant to the process before trying to learn the process’ intricacies. Identify who the true process owners are, namely those officials who can effect change. Their buy-in and agreement is paramount. Obtain and include additional supporting information, such as process objectives, risks, key risk controls and measures of success. Develop worksheets to effectively record and maintain this information.

Finally, the main aim of this step is to identify possible bottlenecks or blockages that will prevent the process from achieving the desired results. This includes information transfer between institutions or officials and value adding processes. In this step, the following must be identified:

- Where are the information-gathering bottlenecks?
- Which processes have obvious problems?
- Which processes were implemented as a result of service beneficiary dissatisfaction?
- How can greater efficiency be applied to these problems?
Step 3: Map the “as-is”
This step involves sitting down with each official and having the official describe what it is he/she does on a day-to-day basis in detail. Each step in the process is recorded and built in front of the official who is responsible for completing the work. This allows them to interactively ensure that the final map matches their understanding of the work.

Break down a complex process by listing each official who is involved in the process in a separate column and allow time to flow down the page. Only after all this is done can the actual process mapping be completed.

Step 4: Analysis
During the analysis, the reviewer looks at the following:
- Structure of the institution
- Skills possessed and attributes by those performing the service
- Policies and procedures applicable to the service being mapped
- Institution’s working culture
- Performance management

Firstly, managers should be able to identify different work processes that are being implemented. Knowing the process of each component of the institution is crucial in understanding how work is done and how it could best serve the needs of service beneficiaries.

Secondly, once the process is identified it is necessary to gather data and information on the intricacies of the different business processes. Managers should be able to gather information regarding the key officials involved in the work process. These individuals can make changes to the process; therefore, they should be involved in crafting the process map. Other pertinent information that should be gathered includes process objectives, risks, control mechanisms and milestones measurements.

Thirdly, verification should be done on the data gathered. Verification can take on many forms, such as actual interviews, line manager conferences and other techniques that a business manager can implement. The results should be mapped out. This step will validate if the identified process is clear and if the work that has been set is being carried out effectively. Analyse the map together with the information that was gathered. Any inefficiency in the process should be replaced immediately and these best practices should serve as a model for the whole institution.
BUSINESS PROCESS MAPPING NOTATION

These notes give details of the Business Process Model and Notation (BPMN) shapes to ensure its usefulness and enhance understanding of the processes across all institutional sectors. The following information has been sourced from Object Management Group (2009).

Table 9: Business process mapping notation

<table>
<thead>
<tr>
<th>Diagram types</th>
<th>Description</th>
<th>Quality assurance guideline: key attributes, rules and standards for compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events</td>
<td>An event is something that “happens” during the course of a business process. It is triggered by a stimulus and has results. Events are used to model time, conditions and communication in between different processes.</td>
<td>BPMN restricts the use of events to include only those types of events that will affect the sequence or timing of the activities of a process.</td>
</tr>
<tr>
<td>Start Events</td>
<td>Indicate where a particular process will start.</td>
<td>Start events start the flow of the process and thus will not have any incoming sequence flows.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indicate a start event with a circle that is drawn with a single thin line (to differentiate it from the intermediate and end events).</td>
</tr>
<tr>
<td>None Start Event</td>
<td>Indicates that a business process starts in an undefined manner, thus the trigger is unspecified.</td>
<td>Expand a sub-process with a none start event. This is useful for when a parent process triggers a sub-process.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indicates a none start event with the same notation used for start events.</td>
</tr>
<tr>
<td>Message Start Event</td>
<td>A message start event arrives from a participant and triggers the start of the process.</td>
<td>Indicate the receipt of a specified message with a letter that is drawn inside a circle with a thin line.</td>
</tr>
<tr>
<td>Timer Start Event</td>
<td>Indicates a specific time, date or cycle that triggers the start of the process, e.g., every Monday at 09:00.</td>
<td>When imposing a time condition on a process, indicate so with a clock inside a circle with a thin line.</td>
</tr>
<tr>
<td>Conditional Start Event</td>
<td>When a process condition is true (“yes”), indicate so with a conditional start event. An example of such a condition could be that the process may only start upon approval and must thus be indicated as such.</td>
<td>Indicate this event with a lined paper marker that is drawn inside a circle with a thin line.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The condition can only be false before it is true, thus it triggers a process.</td>
</tr>
<tr>
<td>Diagram types</td>
<td>Description</td>
<td>Quality assurance guideline: key attributes, rules and standards for compliance</td>
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</tr>
<tr>
<td><strong>Signal Start Event</strong></td>
<td>A signal start event, received in the form of, for example, an email or newsletter, indicates that another process may start.</td>
<td>Note that a signal start event (from the same broadcast) can trigger multiple processes. The broadcasted message itself does not form part of the process as it only triggers another process to start. Indicate this event with an upward-facing triangle inside a circle with a thin line.</td>
</tr>
<tr>
<td><strong>Multiple Start Event</strong></td>
<td>A multiple start event indicates that the process can be triggered by multiple events such as an email, telephone call or letter.</td>
<td>The behaviour of a process may be more difficult to understand if there are multiple start events. This can make the diagram difficult to understand, thus the modeller as advised should use this notation sparingly. Indicate this event with a pentagon inside a circle with a thin line.</td>
</tr>
<tr>
<td><strong>End Event</strong></td>
<td>Indicates where a process will end. A final event is triggered as termination of the process.</td>
<td>This event can have multiple incoming sequence flows, but no outgoing sequence flows. The notation shares the same basic shape of the start and intermediate events, yet it is drawn with a single, thick black line to distinguish it from other events.</td>
</tr>
<tr>
<td><strong>None End Event</strong></td>
<td>Indicates that a none end event detail is defined. A none end event is used to show the end of a sub-process, which causes the flow to go back to its parent process.</td>
<td>The modeller does not display the type of event. The event does not have an internal marker. Indicate this event with the same notation that is used for an end event.</td>
</tr>
<tr>
<td>Diagram types</td>
<td>Description</td>
<td>Quality assurance guideline: key attributes, rules and standards for compliance</td>
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</tr>
<tr>
<td>Message End Event</td>
<td>Indicates that a message is sent to a participant at the conclusion of the process. The message notifies the termination of the process.</td>
<td>Note that message end events can only be sent to different participants or processes not within the same pool. Indicate this event with a filled-in letter inside a circle with a thick border line.</td>
</tr>
<tr>
<td>Terminate End Event</td>
<td>Indicates that all activities in the process should be immediately ended.</td>
<td>Indicate the immediate termination of an event with a bulls-eye-inspired circle that has a thick outer line and filled-in circle in the middle.</td>
</tr>
<tr>
<td>Signal End Event</td>
<td>Indicates that a signal will be broadcast when the end is reached.</td>
<td>Note that the signal, which is broadcast to any process that can receive the signal, can be sent across process levels or pools, but is not a message (which has a specific source and target). Indicate this event with a filled-in triangle and a circle with a thick border line.</td>
</tr>
<tr>
<td>Multiple End Event</td>
<td>A multiple end event indicates that there are multiple consequences for ending the process.</td>
<td>Indicate this event with a filled-in pentagon inside a circle with a thick border line.</td>
</tr>
<tr>
<td>Diagram types</td>
<td>Description</td>
<td>Quality assurance guideline: key attributes, rules and standards for compliance</td>
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</tbody>
</table>
| Intermediate Event | Indicates an event that occurs between the start and end of a process. It will affect the flow of the process, but will not start or (directly) terminate the process. Intermediate events can be used to: - show where messages are expected or sent within the process - show where delays are expected within the process - disrupt the normal flow through exception handling | An intermediate event that is placed within the normal flow of a process can be used for one of two purposes:  
1. The event can respond to (“catch”) the event trigger or the event can be used to set off (“throw”) the event trigger. An intermediate event that is attached to the boundary of an activity can only be used to “catch” the event trigger; it cannot have an incoming sequence flow, but can have one outgoing sequence flow.  
2. When a token arrives at an intermediate event that is placed within the normal flow of a process, one of two things will happen. If the event is used to “throw” the event trigger, then the trigger of the event will immediately occur (the message will be sent) and the token will move down the outgoing sequence flow. If the event is used to “catch” the event trigger, then the token will remain at the event until the trigger occurs (the message is received). The token will then move down the outgoing sequence flow.  
Note that the following intermediate events may be used in normal flow: - None - Message - Timer - Conditional - Link - Signal  
Thus, the multiple events cannot be used within normal flow: They may have only one incoming sequence flow.  
Indicate an intermediate event with a circle with two thin black border lines. |
<table>
<thead>
<tr>
<th>Diagram types</th>
<th>Description</th>
<th>Quality assurance guideline: key attributes, rules and standards for compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Message Intermediate Event</strong></td>
<td>A message intermediate event triggers an event for the process to continue after receiving a message.</td>
<td>When used to “catch” the message, the event marker (letter) will be unfilled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When used to “throw” the message, the event marker (letter) will be filled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>In normal flow, it can be used for sending messages to a participant.</td>
</tr>
<tr>
<td><strong>Signal Intermediate Event</strong></td>
<td>A signal intermediate event is used for sending or receiving signals.</td>
<td>The event can only receive a signal when attached to the boundary of an activity.</td>
</tr>
<tr>
<td></td>
<td>Use a signal for communicating within and across process levels, across pools, and between business process diagrams.</td>
<td>Defines a more general, non-error condition for interrupting activities (such as the successful completion of another activity).</td>
</tr>
<tr>
<td></td>
<td>Note that there is a signal source, but no specific intended target.</td>
<td>When used to “catch” the signal, the event marker will be unfilled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When used to “throw” the signal, the event marker will be filled.</td>
</tr>
<tr>
<td><strong>Multiple Intermediate Event</strong></td>
<td>A multiple intermediate event indicates that there are multiple triggers assigned to the event.</td>
<td>If used within normal flow, the event can “catch” the trigger or “throw” the triggers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When attached to the boundary of an activity, the event can only “catch” the trigger.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When used to “catch” the trigger, only one of the assigned triggers is required and the event marker will be unfilled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When used to “throw” the trigger (the same as a multiple end event), all the assigned triggers will be thrown and the event marker will be filled.</td>
</tr>
<tr>
<td>Diagram types</td>
<td>Description</td>
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</tr>
<tr>
<td><strong>Link Intermediate Event</strong></td>
<td>A link is a mechanism for connecting two sections of a process. Link intermediate events can be used to create looping situations or to avoid long sequence flow lines.</td>
<td>Link event uses are limited to a single process level (they cannot link a parent process with a sub-process).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Paired intermediate events can also be used as “off-page connectors” for printing a process across multiple pages.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>They can also be used as generic “go to” objects within the process level. There can be multiple source link events, but there can only be one target link event. When used to “catch” from the source link, the event marker will be unfilled. When used to “throw” to the target link, the event marker will be filled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>An intermediate event with a link trigger must not be both a target and a source of a sequence flow. If used as an “off-page connector” or a “go to” object: A link intermediate event may be the target (target link event) or a source (source link event) of a sequence flow, but must not be both a target and a source. If there is a source link event, there must be a matching target link event (they have the same name).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There may be multiple source link events for a single target link event. There must not be multiple target link events for a single source link event.</td>
</tr>
<tr>
<td><strong>Timer Intermediate Event</strong></td>
<td>Timer intermediate events are used when a specific time, date or a cycle, for example, every Monday at 09:00, can be set to trigger the event.</td>
<td>This event can be used in two ways, namely a time-out (when placed on an activity boundary) and delay (when placed in line in a sequence flow).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indicate a gateway with a diamond shape that is dawn with a single, thin black line.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Connect a sequence flow from or to the corners of the gateway’s diamond.</td>
</tr>
<tr>
<td>Diagram types</td>
<td>Description</td>
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<tr>
<td>Gateways</td>
<td>Gateways are used to model control flow branching in BPMN. Gateways split and join sequence flow.</td>
<td>Indicate a gateway with a diamond shape that is dawn with a single, thin black line.</td>
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<td>Connect a sequence flow from or to the corners of the gateway’s diamond.</td>
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<tr>
<td>Exclusive Gateways</td>
<td>Gates or decisions are locations within a business process where the sequence flow can take two or more alternative paths. Decisions can be thought of as a question that is asked at that point in the process. The question has a defined set of alternative answers (gates). Each decision gate is associated with a condition expression found within an outgoing sequence flow. When a gate is chosen during the performance of the process, the corresponding sequence flow is then chosen. The data-based exclusive gateways: The set of gates for data-based exclusive decisions is based on the Boolean expression contained in the condition expression attribute of the outgoing sequence flow of the gateway. These expressions use the values of process data to determine which path should be taken pending, for example, after receiving an order, it shall be checked whether the order is valid. If it is, the order is processed and further steps are taken. If the order is invalid, it shall be rejected. The control flow depends on the validity of the order.</td>
<td>The conditions for the alternative gates should be evaluated in a specific order. The first one that evaluates as true will determine the sequence flow that will be taken. Since the behaviour of this gateway is exclusive, any other conditions that may actually be true will be ignored; only one gate can be chosen. This means that if none of the other gates are chosen, then the default gate will be chosen, along with its associated sequence flow. But the default gate is not mandatory for a gateway. Conditions are usually expressed by annotations on the outgoing edges. A token arriving at the decision would be directed down the appropriate path, based on the chosen gate. The data-based exclusive gateway must not use a marker that is shaped like an “X”, but only use a blank diamond notation without a marker.</td>
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### Diagram types

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<th>Inclusive Gateways</th>
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#### Description

Modelling “or” situations (not necessarily either/or) is done via inclusive gateways. This decision represents a branching point where alternatives are based on conditional expressions contained within an outgoing sequence flow. However, in this case, the true evaluation of one condition expression does not exclude the evaluation of other condition expressions. Since each path is independent, all combinations of the paths may be taken, from zero to all.

**Example 1:**
The director attends a forum and is expected to co-facilitate and/or provide inputs during the session. He can facilitate and provide inputs at the same time or do one activity at the time or decide to do only one activity.

**Example 2:**
In a Quality Insurance Bureau, service beneficiaries are asked about shipping service and product quality. Service beneficiaries can rate both criteria positive or negative which leads to four possible answers overall (+/+; +/−; −/+; −/−). The two criteria are independent, which means that if a service beneficiary gave one answer so far, you do not yet know how he will rate the other. The inclusive gateway realises the implied indecency.

#### Quality assurance guideline: key attributes, rules and standards for compliance

When splitting, one or more branches are activated. All active incoming branches must complete before merging. A marker (“O”) will be placed in the centre of the gateway to indicate that the behaviour of the gateway is inclusive.

When the inclusive gateway is used as a merge, it will synchronise all tokens that have been produced upstream, but at most one for each incoming sequence flow. It requires that tokens for all sequence flow that were actually produced by an upstream (by an Inclusive situation, for example) be synchronised. If an upstream inclusive produces two out of a possible three tokens, then a downstream inclusive will synchronise those two tokens and not wait for another token, even though there are three incoming sequence flow. The evaluation does not have to respect a certain order.
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<tr>
<td>Parallel Gateway</td>
<td>Modelling “and” situations is done via parallel gateways which provide a mechanism to synchronise parallel flow and to create parallel flow. For example, when receiving an order, products are shipped while the seller awaits the payment. Both tasks are executed in parallel. The process terminates after both payment is received and products are shipped.</td>
<td>When used to split the sequence flow, all outgoing branches are activated simultaneously. When merging parallel branches it waits for all incoming branches to complete before triggering the outgoing flow. The parallel gateway must use a marker that is in the shape of a plus sign (“+”) and is placed within the gateway diamond to distinguish it from other gateways.</td>
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<tr>
<td>Event-Based Gateway</td>
<td>To model decisions that are based on events, the event-based (exclusive) gateway is used. On the input side, their behaviour is the same as a data-based exclusive gateway. On the output side, the basic idea is that this decision represents a branching point in the process where the alternatives are based on events that occur at that point in the process, rather than the evaluation of expressions using process data. A specific event, usually the receipt of a message, determines which of the paths will be taken. Example 1: If an institution is waiting for a response from a service beneficiary, they will perform one set of activities if the service beneficiary responds “Yes” and another set of activities if the service beneficiary responds “No.” The service beneficiary’s response determines which path is taken. The identity of the message determines which path is to be taken. Example 2: Tom wants to have coffee with a friend. He sends him an SMS and waits for reply. Depending on his friend’s answer (agree or do not agree) he will meet him or he will stay at home.</td>
<td>After such a gateway, there shall be two or more intermediate events. message-, timer-, condition- and signal-events. It is also possible that none of the awaited events will occur, so it is recommended to model also a timer-event which represents a timeout situation. By that the process will guaranteed continue.</td>
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<tr>
<td><strong>Activity</strong></td>
<td>Indicates work that is performed within a business process. An activity can be an atomic or non-atomic (compound). The types of activities that are a part of a business process diagram are: process, sub-process, and task. However, a process is not a specific graphical object. Instead, it is a set of graphical objects. Activity performers: You may enter one or more performers. The performer attribute defines the resource that will perform or will be responsible for the activity. The performer entry could be in the form of a specific individual, a group, an institutional role or position, or an institution. If the activity is instantiated with a specified input, that activity shall complete with the specified output.</td>
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<tr>
<td><strong>Sub-Process</strong></td>
<td>A sub-process is a compound activity in that it has detail that is defined as a flow of other activities. A sub-process is a graphical object within a process flow, but it also can be “opened up” to show another process (either embedded or reusable). The sub-process can be in a collapsed view that hides its details or a sub-process can be in an expanded view that shows its details within the view of the process in which it is contained. A sub-process object shares the same shape as the task object, which is a rounded rectangle. A sub-process is a rounded corner rectangle that must be drawn with a single thin black line. The sub-process marker must be a small square with a plus sign (+) inside. The square must be positioned at the bottom centre of the shape. An expanded process may only begin with a none start event and end with a none end event.</td>
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<tr>
<td><strong>Embedded Sub-Process</strong></td>
<td>Indicates an activity that contains other activities (a process). The process within the process is dependent on the parent process for instigation and has visibility to the parent’s global data. The objects within the embedded sub-process, being dependent on their parent, do not have all the features of a full business process diagram, such as pools and lanes. Thus, an expanded view of the embedded sub-process would only contain flow objects, connecting objects, and artefacts.</td>
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<tr>
<td>Reusable Sub-Process</td>
<td>A reusable sub-process object is an activity within a process that &quot;calls&quot; to another process that exists. The process that is &quot;called&quot; is not dependent on the reusable sub-process object’s parent process for global data. The reusable sub-process object may pass data to/from the called process. <strong>Example:</strong> A job evaluation process can be used as part of another process such as design organisational structure. It can also be used as an independent process when it gets triggered by a &quot;job evaluation request&quot;.</td>
<td>The called process must be instantiated as a sub-process through a none start event. Being reusable, the process could also be instantiated as a sub-process by other independent sub-process objects (in the same or other diagrams). In addition, it can be instantiated as a top-level process through a separate start event that has a trigger. A reusable sub-process object shares the same shape as the task and sub-process, which is a rectangle that has rounded corners. If it calls a process, then there are two options: 1. The details of the called process can be hidden and the shape will be the same as a collapsed sub-process. 2. If the details of the called process are available, then the shape will be the same as an expanded sub-process.</td>
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<tr>
<td>Reference Sub-Process</td>
<td>There may be times where a modeller may want to reference another sub-process that has been defined. If the two sub-processes share the exact same behaviour and properties, then by one referencing the other, the attributes that define the behaviour only have to be created once and maintained in only one location. An example of a submission process could be that if all processes required of the submission and the format and steps are exactly the same, then one process can be used/referenced for all other processes.</td>
<td>All inputs, outputs and data must match.</td>
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<tr>
<td>Task</td>
<td>Indicates an atomic activity within a process flow. It is a unit of work, the job to be performed. A task is used when the work in the process is not broken down to a finer level of process model detail. Generally, an end-user, an application, or both will perform the task, for example, a draft a submission.</td>
<td>A task object shares the same shape as the sub-process, which is a rectangle that has rounded corners. A task is a rounded corner rectangle that must be drawn with a single thin line. BPMN specifies three types of markers for tasks (a task may have one or two of these markers): - Loop marker - Multi-instance marker - Compensation marker</td>
</tr>
<tr>
<td>Service Task</td>
<td>Indicates a task that provides some sort of service, which could be a web service or an automated application external to the process.</td>
<td>Tasks of these types must start by receiving a message and when they end, they will often send a message back to the process that started them.</td>
</tr>
<tr>
<td>Receive Task</td>
<td>Indicates a simple task that is designed to wait for a message to arrive from an external participant (relative to the business process). Once the message has been received, the task is completed. A receive task is often used to start a process. In a sense, the process is bootstrapped by the receipt of the message.</td>
<td>In order for the task to instantiate the process it must meet one of the following conditions: - The process does not have a start event and the receive task has no incoming sequence flow - The incoming sequence flow for the receive task has source of a start event</td>
</tr>
<tr>
<td>Send Task</td>
<td>Indicates a simple task that is designed to send a message to an external participant (relative to the business process). Once the message has been sent, the task is completed.</td>
<td>This indicates that the message will be sent by the task. The message in this context is equivalent to an out-only message pattern (web service). One or more corresponding outgoing message flow may be shown on the diagram. However, the display of the message flow is not required. The message is applied to all outgoing message flow and the message will be sent down all outgoing message flow at the completion of a single instance of the task.</td>
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<tr>
<td>User Task</td>
<td>Indicates a typical “workflow” task where a human performer performs the task with the assistance of a software application and is scheduled through a task list manager of some sort.</td>
<td>The message will be received at the start of the task, after the availability of any defined input sets. One or more corresponding incoming message flows may be shown on the diagram. However, the display of the message flow is not required. The sending of the message marks the completion of the task, which may cause the production of an output set. One or more corresponding outgoing message flows may be shown on the diagram. However, the display of the message flow is not required.</td>
</tr>
<tr>
<td>Script Task</td>
<td>A script task is executed by a business process engine.</td>
<td>The modeller or implementer defines a script in a language that the engine can interpret. When the task is ready to start, the engine will execute the script. When the script is completed, the task will also be completed. The modeller may include a script that can be run when the task is performed. If a script is not included, then the task will act equivalent to a task type of none.</td>
</tr>
<tr>
<td>Manual Task</td>
<td>Indicates a task that is expected to be performed without the aid of any business process execution engine or any application. An example of this could be a telephone technician installing a telephone at a service beneficiary location.</td>
<td>The task is entirely performed manually.</td>
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| Ad-Hoc Sub-Proceses| *Ad-hoc* is a Boolean attribute, which has a default of false. This specifies whether the process is *ad-hoc* or not. The activities within an *ad-hoc* process are not controlled or sequenced in a particular order; their performance is determined by the performers of the activities.  

Each process can be executed arbitrarily, often until a completion condition is fulfilled. They can be done when necessary (the need arises).  

If set to true, then the *ad-hoc* marker shall be placed at the bottom centre of the process or the sub-process shape for *ad-hoc* processes. The following attributes apply only if the sub-process is *ad-hoc*:  

- *Ad-hoc* ordering – determines if its activities can be performed in parallel (the default) or must be sequential.  
- Affected by resource constraints *ad-hoc* completion condition – an expression that tells you when the *ad-hoc* sub-process will end. |  

| Standard Activity Loop | If the loop condition is evaluated before the activity, this is generally referred to as a "while" loop. This means that the activities may not be performed at all (if the condition is false the first time) or may be performed many times.  

Example:  
*Record service beneficiary details while more service beneficiaries are still waiting or calling in. Activity will stop as soon as no service beneficiaries are available or calling in.*  

If the loop condition is evaluated after the activity, this is generally referred to as an “until” loop. This means that the activities will be repeated until a condition becomes true. The activities will be performed at least once, but may be performed many times. An example of this could be to amend the submission until it is accepted.  

Loops can also be created by connecting a sequence flow to an “upstream” object. An object is considered to be upstream if that object has an outgoing sequence flow that leads to a series of other sequence flows, the last of which turns out to be an incoming sequence flows to the original object. That is, that object produces a token and that token traverses a set of sequence flows until the token reaches the same object again.  

Expanded sub-processes also can have a loop marker placed at the bottom centre of the sub-process rectangle.  

Those activities that are repeated (looped) will have a loop marker placed in the bottom centre of the activity shape. |
### Diagram types

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| **Multi-Instance Loop**   | - If the multi-instance ordering is serial, then this becomes much like a while loop with a set number of iterations the loop will go through. These are often used in processes where a specific type of item will have a set number of sub-items or line items. A multi-instance loop will be used to process each of the line items.  
  
  If the multi-instance ordering is parallel, this is generally referred to as multiple instances of the activities. An example of this type of feature would be used in a process to write a book, there would be a sub-process to write a chapter. There would be as many copies or instances of the sub-process as there are chapters in the book. All the instances could begin at the same time or send newsletters while subscribers are still active or valid. | - Those activities that are parallel multi-instance will have a parallel marker placed in the bottom centre of the activity shape.  
  
  New activity instances may execute in parallel or in sequence. |
| **Artefacts**             | - BPMN provides modellers with the capability of showing additional information about a process that is not directly related to the sequence flow or message flow of the process.  
  
  At this point, BPMN provides three standard artefacts: A data object, a group, and an annotation. Additional standard artefacts may be added to the BPMN specification in later versions. | - Associations can be used to link artefacts to flow objects.  
  
  An artefact cannot be a target/source for sequence flow or message flow. |
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<tr>
<td><strong>Data Objects</strong></td>
<td>Data objects are considered artefacts and not flow objects. They are considered an artefact because they do not have any direct effect on the sequence flow or message flow of the process, but they do provide information about what the process does. That is, how documents, data, and other objects are used and updated during the process. While the name “data object” may imply an electronic document, they can be used to represent many different types of objects, both electronic and physical.</td>
<td>A data object is a portrait-oriented rectangle that has its upper-right corner folded over that must be drawn with a solid single black line. As an artefact, data objects generally will be associated with flow objects. An association will be used to make the connection between the data object and the flow object. This means that the behaviour of the process can be modelled without data objects for modellers who want to reduce clutter. The same process can be modelled with data objects for modellers who want to include more information without changing the basic behaviour of the process.</td>
</tr>
<tr>
<td><strong>Text Annotations</strong></td>
<td>Indicates a mechanism for a modeller to provide additional information for the reader of a BPMN diagram. Text is an attribute that the modeller wishes to communicate to the reader of the diagram.</td>
<td>A text annotation is an open rectangle that must be drawn with a solid single black line. The text annotation object can be connected to a specific object on the diagram with an association, but they do not affect the flow of the process. Text associated with the annotation can be placed within the bounds of the open rectangle.</td>
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<tr>
<td><strong>Group</strong></td>
<td>Indicates an artefact that provides a visual mechanism to group elements of a diagram informally? The grouping is tied to the category supporting element (which is an attribute of all BPMN elements). That is, a group is a visual depiction of a single category. The graphical elements within the group will be assigned the category of the group. (Note that categories can be highlighted through other mechanisms, such as colour, as defined by a modeller or a modelling tool).</td>
<td>A group is a rounded corner rectangle that must be drawn with a solid dashed black line. As an artefact, a group is not an activity or any flow object, and, therefore, cannot connect to sequence flow or message flow. In addition, groups are not constrained by restrictions of pools and lanes. This means that a group can stretch across the boundaries of a pool to surround diagram elements, often to identify activities that exist within a distributed business-to-business transaction. Groups are often used to highlight certain sections of a diagram without adding additional constraints for performance, as a sub-process would. The highlighted (grouped) section of the diagram can be separated for reporting and analysis purposes. Groups do not affect the flow of the process.</td>
</tr>
<tr>
<td><strong>Connecting Objects</strong></td>
<td>There are two ways of connecting objects in BPMN: a flow, either sequence or message, and an association. Sequence flow and message flow, to a certain extent; represent orthogonal aspects of the business processes depicted in a model, although they both affect the performance of activities within a process.</td>
<td>Sequence flow will generally flow in a single direction (either left to right, or top to bottom) and message flow will flow at a 90° angle from the sequence flow. This will help clarify the relationships for a diagram that contains both sequence flow and message flow. However, BPMN does not restrict this relationship between the two types of flow. A modeller can connect either type of flow in any direction at any place in the diagram.</td>
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<tr>
<td><strong>Sequence Flow</strong></td>
<td>A sequence flow is used to show the order that activities will be performed in a process. Each flow has only one source and only one target.</td>
<td>The source and target must be from the set of the following flow objects: Events (start, intermediate, and end), activities (task and sub-process) and gateways. During performance (or simulation) of the process, a token will leave the source flow object, traverse down the sequence flow, and enter the target flow object. A sequence flow is a line with a solid arrowhead that must be drawn with a solid single line.</td>
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<tr>
<td><strong>Message Flow</strong></td>
<td>Indicates the flow of messages between two entities that are prepared to send and receive them. In BPMN, two separate pools in the diagram will represent the two entities.</td>
<td>Message flow must connect two pools, either to the pools themselves or to flow objects within the pools. They cannot connect two objects within the same pool. A message flow is a line with an open arrowhead that must be drawn with a dashed single black line. The message flow can connect directly to the boundary of a pool, especially if the pool does not have any process details within. A message flow can also cross the boundary of a pool and connect to a flow object within that pool. If there is an expanded sub-process in one of the pools, then the message flow can be connected to either the boundary of the sub-process or to objects within the sub-process.</td>
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<tr>
<td>Association</td>
<td>An association is used to associate information and artefacts with flow objects. Text and graphical non-flow objects can be associated with the flow objects and flow. An association is also used to associate data objects with other objects.</td>
<td>An association flow is a line that must be drawn with a dotted single black line. If there is a reason to put directionality on the association then: A line arrowhead may be added to the association line. A directional association is often used with data objects to show that a data object is either an input to or an output from an activity. An association is used to connect user-defined text (an annotation) with a flow object.</td>
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<tr>
<td>Swim-Lanes (Pools and Lanes)</td>
<td>BPMN uses the concept known as “swim-lanes” to help partition and/organise activities. It is possible that a BPMN diagram may depict more than one private process, as well as the processes that show the collaboration between private processes or participants. If so, then each private business process will be considered as being performed by different participants. Graphically, each participant will be partitioned; that is, will be contained within a rectangular box called a “pool.” Pools can have sub-swim-lanes that are simply called “lanes.”</td>
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<tr>
<td><strong>Pool</strong></td>
<td>Indicates a participant in the process. A participant can be a specific business entity (a company) or it can be a more general business role (a buyer, seller or manufacturer). A pool is represented in its own graphic container to separate it from other pools. Note that a pool can be left black or white: A black box indicates that it has no internal details, whereas a white box indicates that it has internal details. There is no sequence flow associated with a black box, as its details are hidden, however, message flow may attach to its boundaries.</td>
<td>Indicate a pool with a square-cornered rectangle that is drawn with a solid, single black line. Only one pool within a diagram may have no boundary. If there is more than one pool in the diagram, the remaining pools must each have a boundary. To enhance the clarity of the diagram, a pool will extend the entire length of the diagram, either horizontally or vertically. However, there is no specific restriction to the size and/or positioning of a pool. Modellers and modelling tools can use pools (and lanes) in a flexible manner in the interest of conserving the “real estate” of a diagram on a screen or a printed page. A pool acts as the container for the sequence flow between activities. The sequence flow can cross the boundaries between the lanes of a pool, but cannot cross the boundaries of a pool itself.</td>
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<tr>
<td><strong>Lane</strong></td>
<td>Indicates a sub-partition within a pool and will extend the entire length of the pool, either vertically or horizontally. If the pool is invisibly bounded, the lane which is associated with the pool must extend the entire length of the pool. Depending on their preference, the modeller may place the text that is associated with the lane (its name and/or any attribute) in any direction as long as it remains in the lane.</td>
<td>Lanes are used to organise and categorise activities within a pool. The meaning of the lanes is up to the modeller as BPMN does not specify the usage of lanes. Lanes are often used for such things as internal roles (managers or associates), systems (an enterprise application), an internal institution (shipping or finance), and more. In addition, lanes can be nested or defined in a matrix, for example, there could be an outer set of lanes for company institutions and an inner set of lanes for roles within each institution.</td>
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STANDARD OPERATING PROCEDURES

2.2 STANDARD OPERATING PROCEDURES

2.2.1 Introduction
The Strategic Framework for Service Delivery and Organisational Transformation indicates in its first pillar, dealing with operations management and implementation, that an institution should create SOPs. The development of SOPs is prescribed to supply more detail and clarity to perform a specific job after the business process for the specific job has been designed and captured. Institutions need committed officials who can complete work procedures consistently and accurately for extended periods of time. To this effect, well-written SOPs provide direction to officials, improve communication between officials and service beneficiaries, reduce formal training time and improve work consistency (Stup, 2001:2).

An institution must deliver the standard of service that was promised to its service beneficiaries in its published service delivery charter.

SOPs used in combination with planned training and regular performance feedback lead to an effective and motivated workforce. Institutions and service beneficiaries benefit from consistent work performance and predictable results whilst officials benefit from increased confidence and a clear sense of achievement (Stup, 2001:2).

SOPs detail and describe regularly recurring work that is to be conducted within an institution (United States Environmental Protection Agency, 2007:1). SOP development flows from developing efficient and effective business processes for a specific task to ensuring that work is done in a uniform way by various and different officials tasked to perform the same task.

The SOP development process allows managers, officials, and technical advisers to cooperate for everyone’s benefit. A very positive sense of teamwork arises when these groups work together toward common goals (Stup, 2001:2).
Initiatives such as Total Quality Management (TQM), International Standards Organisation 9000 family and Six Sigma are management programmes that are designed to help institutions maintain process and quality control, while remaining effective and efficient in an ever-changing environment. At the heart of each of these programmes, SOPs drive the results. While research and institutional performance continually demonstrate the power and effectiveness of these structured management control programmes, institutions can benefit from the potential of SOPs without the added detail and development that these complete programmes require (Grusenmeyer, 2003:1).

2.2.3 Why develop standard operating procedures?
The purpose of SOPs is to detail the regularly recurring work processes that are conducted or followed within an institution. SOPs document the manner in which activities must be performed to facilitate consistent conformance to technical and quality requirements and to support delivering high-quality work. SOPs are intended to be specific to the institution whose activities it describes. They assist institutions in maintaining their quality control and quality assurance processes. They ensure their compliance with Government regulations (United States Environmental Protection Agency, 2007:1).

If not written correctly, SOPs are of limited value. In addition, the best written SOPs will fail if they are not followed. Therefore, the use of SOPs needs to be reviewed and re-enforced on an ongoing basis. Current copies of SOPs need to be made readily accessible for reference in the work areas of those individuals actually performing the activity, either in hard copy or electronic format; otherwise SOPs serve little purpose (United States Environmental Protection Agency, 2007:1).

SOPs are part of a continuous improvement strategy that should be continuously reviewed and revised as services become more efficient.
In today’s working environment, SOPs must make value for money sense, especially if you invest the time and energy to develop and implement effective SOPs. Below are some of the ways in which they can have a direct or indirect positive impact on performance (Grusenmeyer, 2003:1):

- Officials perform much better when things are done correctly, on time, the same way every time.
- Doing jobs the same way every time, rather than wondering about it, improves productivity (consistency in routines).
- SOPs will reduce system variation, which is the enemy of production efficiency and quality control.
- Well-written SOPs facilitate training. Having complete step-by-step instructions helps trainers ensure that nothing is missed and provides a reference resource for trainees.
- Well-written SOPs facilitate cross training. A SOP can be an excellent reference document on how a task is done for officials filling in on jobs they do not perform on a regular basis.
- Officials tend to be supportive of the things they help create. Involving officials in developing SOPs can help assure the final product is more complete, useful and accepted.
- Officials can coach and support each other if there is documentation available on exactly how various tasks must be done and everyone knows what their co-workers are supposed to be doing. This can also help generate a more cooperative team approach to getting all the daily tasks done correctly every day.
- Having well-defined SOPs, using them in training and insisting that they be followed can help keep officials safe at work and may provide some legal protection if an injury occurs.
**BENEFITS**

The development and use of SOPs minimise variation and promote quality through consistent implementation of a process or procedure within an institution, even if there are temporary or permanent personnel changes. SOPs can indicate compliance with institutional and governmental requirements and can be used as part of an induction training programme, as they should provide detailed work instructions. They minimise opportunities for miscommunication and can address safety concerns. In addition, SOPs are frequently used as checklists in auditing procedures. Ultimately, the benefits of valid SOPs are reduced work effort, along with improved comparability, credibility, and legal defensibility (United States Environmental Protection Agency, 2007:1-2).

The benefits of SOPs include the following:

- Identifying planned and agreed-upon roles and actions. This information helps standardise activities and promotes co-ordination and communication amongst officials. These procedures thus help improve the speed of decision making and the quality and consistency of a service.

- Describing and documenting what is expected of officials in the performance of their official duties, ensuring that good practice is achieved at all times.

- Providing a framework for training programmes and briefings. These activities in turn improve the understanding of work requirements and help identify potential problems.

- Serving as a reference document for officials and contributing to the audit process.

- Providing a valuable structure for internal communication with a key role, within the institution, in creating a knowledge management base.

- Acting as a vehicle for disseminating best practices within the institution.

- Serve to speed up the integration of an individual into the institution during the introductory training phase, by making available a library of institutional wide best practice and operating procedures.

- Improving transparency within the institution by enabling all officials to see how specific activities are performed in a standard and clear fashion.

- Providing a clear audit trail in cases of dispute or external investigation by showing the procedures followed and records maintained.

- Providing a checklist which is action and implementation-oriented.

- Used as a cost-effective functional training tool.

- Providing valuable background information to change management policies, by embedding new best practices.

Potential disadvantages of SOPs could include (IBIS Associates, n.d.):

- Becoming restrictive and detailed to the extent of reducing individual liberty and individual approaches to work.

- Becoming very time-consuming, involving the completion of excessive paperwork.

- Extending to cover even the most minor aspects of work, creating a complete controlled environment (ideal for bureaucratic management style).

- Falling into disrepute unless updated with new regulatory requirements and best practices.

- Appease officials rather than be used as a key management tool if they are not used by all.

(IBIS Associates, n.d.)
2.2.4 Links to legislation
- Chapter 10 Section 195 (1) of the Constitution
- Public Service Act, 1995 (Act No. 103 of 1994)
- White Paper on Transforming Public Service Delivery (1997)

2.2.5 Scope
The writing of SOPs is applicable to all governmental institutions. SOPs may be written for any repetitive activity as well as for any administrative or functional procedure that is being followed in an institution (United States Environmental Protection Agency, 2007:7).

2.2.6 Objectives
The author of a SOP should be very clear on its objectives while writing it. The following should be considered:
- Define the expected results of implementation, regulatory or institutional
- Understand why a SOP is needed, who will use it and how it will be used
- Determine the needs for a SOP and assign responsibility for management and review thereof
- Distinguish between SOPs, guidelines, policy and work instructions and learn how each may work for each area of responsibility in a concerted integrated way
- Implement appropriate SOP training programmes
- Implement review and control systems
- Understand the role of the institution

(Pathogen Combat for Safe Food, 2008:7)

2.2.7 Content
All institutions operate differently, thus the SOPs will need to reflect this. However, there are some general principles that will apply. SOPs should be specific to the institution and tasks, dependent on the competence of the officials working in the institution. There is no single template that can be applied to all institutions and tasks, but efforts will be made to supply a generic table as a minimum requirement.

SOPs should define the process and specify which activities must be carried out by whom (Pharmacy Council of New Zealand, 2008:2). They should help to ensure that, other than in exceptional circumstances, recommended procedures are followed at all times. Their introduction provides an opportunity for officials to define and assess their own work, to communicate this to others and help to improve team-working within the institution (Pharmacy Council of New Zealand, 2008:1).

2.2.8 Procedure characteristics
Well-written SOPS benefit officials by:
- Improving and simplifying job performance
- Being easily and rapidly accessible to officials
- Having clear roles and its importance being demonstrated in an accompanying explanation
- Leading to a specific and ideally simple action which can be documented effortlessly.

(IBIS Associates, n.d.)
2.2.9 Approaches to standard operating procedures

SOPs must be written in a concise step-by-step easy to read format. The information provided must be unambiguous and not overly complicated. The present tense and active voice should be used throughout as it uses fewer words, is more engaging to readers and it comes across as being direct and concise. Avoid wordy documents that use redundant phrases and are overly lengthy. Information should be conveyed clearly and explicitly to remove any doubts as to what is required.

The institution should have a procedure in place for determining what procedures or processes need to be documented. Several categories and types of SOPs can be distinguished. As described by the United Nations Food and Agricultural Organisation (n.d.), important SOP types include:

- Fundamental SOPs: These give instructions on how to make SOPs for the other categories
- Methodical SOPs: These describe a complete testing system or method of investigation
- SOPs for safety procedures
- SOPs for operating instruments and other equipment
- SOPs for analytical methods
- SOPs for the preparations of reagents
- SOPs for receiving and registration of samples
- SOPs for quality assurance
- SOPs for archiving and dealing with complaints

The initiative and procedure for the preparation, implementation and management of documents is a procedure in itself which should be described. These SOPs should at least mention:

- Who can and who should make which type of SOP?
- To whom the proposal for a SOP should be submitted and who adjudges the draft?
- What is the procedure of approval?
- Who decided on the date of implementation and who should be informed?
- How to revise or withdraw a revision?

Refer to the toolkit.
2.2.10 Four phases of standard operating procedures development

“What” should be done with regard to developing SOPs for institutions has been dealt with, however attention should be given to the “how” to develop SOPs. The following method was developed and is proposed for use by institutions.

**Figure 18: The standard operating procedure methodology framework**
2.2.11 Training on standard operating procedures
Note that SOPs are training tools. In its basic form, it helps with understanding the manner in which certain task are implemented, while it also serves as a reference for knowledge updating, as required.

Training on SOPs is often neglected. It is frequently the case that officials do not receive adequate training on SOP implementation. The purpose of the SOP thus remains unfulfilled.

The relevant manager should see that there is continuous training of officials on SOPs. The training should be properly documented. Generally, the effective date for SOP training must be two to three days after it is authorised. This is to give sufficient time for officials to read and understand the SOP before it is actually implemented in the system.

Formal and continuous training sessions should be delivered by the relevant manager. Thus awareness amongst officials will increase and it will also contribute to the continuous review for improving the SOP.

2.2.12 Non-conformance
If deviation from the implementation of a SOP occurs, this can be either the result of unacceptable implementation by the responsible officials or it might be the SOP itself that is at fault. Perhaps, the user has found a superior method for doing the job when compared to the method described in the SOP. If the cause lies with the SOP, this is the signal that the SOP should be updated since continuous deviation in implementation is not acceptable.

There may be exceptional cases where it is necessary or appropriate to work outside a SOP, for example, in the event of a computer breakdown. In these situations, the professional judgment of the manager in charge must remain paramount.

It is good practice to record incidences of non-conformance with SOPs. In some cases, it may be possible to anticipate situations where changed circumstances will apply. These should be reflected within the SOPs (Royal Pharmaceutical Society, 2007).
2.2.13 Why the standard operating procedure toolkit?
This SOP Toolkit is intended to assist institutions in developing, implementing and maintaining SOPs. Every institution needs to prepare a comprehensive set of SOPs to provide structure to important administrative functions. Each institution will need to tailor information to their unique needs and preferences. The SOP Toolkit will serve as an important guide to assist an institution in improving communication. These procedures help integrate institutional operations, linking the work of managers and planners with the activities of other officials. As suggested by Stup (2001), SOPs “act as effective communication tools that contribute to workers’ understanding and job satisfaction”. These procedures include steps that outline when and how information should flow between institutions. The SOP development process, while demanding, can provide significant performance improvements. Stup (2007:7) states that “when properly and fully carried out, the development process brings officials, managers, and advisers together in a collaborative way. As a result, everyone focuses their abilities on doing the best job possible with the department’s resources”. The knowledge of SOPs will make institutions understand processes in order to improve efficacy in achieving Government’s outcomes.

2.2.14 Final note on standard operating procedures
The introduction of SOPs for Governmental institutions has many benefits. The preparation of SOPs requires managers to document what they already do. This makes it easier to analyse current ways of working and decide whether better use can be made of support officials. These procedures provide an opportunity to demonstrate professionalism, accountability and responsibility and can go a long way in tackling service delivery and governance issues within government (Royal Pharmaceutical Society, 2007).

A common SOP guideline and methodology is of vital importance to the public service in order to ensure quality service delivery. Within the methodology there is, however, many factors that can be further elaborated upon (Department of Public Service and Administration, 2011a:34).

A more intensive debate is needed on these topics. It is expected that the approval and implementation of this framework will contribute to improved service delivery (Department of Public Service and Administration, 2011a:34).
The information used to compile the following document has been sourced from the United States Environmental Protection Agency (2007) and Pathogen Combat for Safe Food (2008), unless otherwise stated.

PHASE I PREPARATION

The institution should have a procedure in place for determining what procedures or processes need to be documented and how to go about it. The identified SOPs should then be written by officials knowledgeable with the activity and the institution’s internal structure. These officials are essentially subject-matter experts who actually perform the work or use the process. A team approach can be followed, especially for multi-tasked processes where the experiences of a number of officials are critical, which also promotes buy-in from potential users of the SOP (United States Environmental Protection Agency, 2007:3).

"The institution should have a procedure in place for determining what procedures or processes need to be documented and how to go about it."
Develop a guidance document
An institution needs to develop a guidance document in line with the guideline and methodology issued by the DPSA. The guidance document needs to be specific to an institution and includes the following as a minimum:

Writing styles
SOPs should be written with sufficient detail so that someone with a basic understanding of the procedure, but with limited experience or knowledge, can successfully reproduce the procedure when unsupervised (United States Environmental Protection Agency, 2007:3).

Consider the scope and complexity of the SOP, the number of steps involved, the amount of detail necessary within each step, and how many decisions, if any, must be made that will influence subsequent steps (Grusenmeyer, 2003:5). Consideration must also be given to the officials that will use the SOPs, especially officials with different learning needs answering questions such as “How do they learn?”

It is important to note that any one SOP may have a number of different uses. Depending on the intended use at the time, the SOP may be written or presented differently to be more effective. A SOP that is part of a reference manual may contain large amounts of explanatory detail and even supporting background information so officials can understand the logic and importance behind certain SOP steps (Grusenmeyer, 2003:6).

When using the same SOP in basic training, less detail may be desirable. The amount of detail should be tailored to the level of the training. For example, new trainees might be overwhelmed by large amounts of detail, so give them only the details they need to get the job done correctly. For in-depth follow-up training or retraining, you may want the SOP to contain more detail and background information explaining why certain things are done or the logic behind certain practices. The same SOP used as an on-the-job reminder should be a bare bone overview that is readily accessible at the work site, easy to see, and quick to review and understand (Grusenmeyer, 2003:6).

Timing and frequency
A SOP needs to remain current to be useful. Clear guidelines need to be developed and given as to when and how many times SOPs must be written. A review of SOPs must take place when certain events take place. Some examples of such events include a change in legislation governing a task, a change in procedure regarding a task, and new technology or means that become available to perform task. Over and above the review of SOPs due to a particular event taking place, SOPs must also be reviewed systematically, for instance, every two years to ensure that the policies and procedures remain current and appropriate.

The purpose of a SOP is to provide detailed direction so that any official can do a job correctly, on time, every time.
Develop standard operating procedure format

When writing SOPs, managers can choose a number of different ways to organise and format them. The goal is to create a document that is easy for the reader to understand and helpful for the work at hand (Stup, 2001:3).

There are two factors that determine what type of SOP to use. First, how many decisions will the user need to make during the procedure? Second, how many steps and sub-steps are in the procedure? Routine procedures that are short and require few decisions can be written using the simple steps format. Long procedures consisting of more than 10 steps, with few decisions, should be written in hierarchical steps format or in a graphic format. Procedures that require many decisions should be written in the form of a flowchart (Stup, 2001:3).

The primary considerations for choosing the best SOP formats involve obtaining and securing buy-in, institutionalising the SOP format, identifying the “to be” processes, developing a repository and developing governance arrangements as discussed in Figure 19.

**Simple steps or a checklist**

These are easy to write and follow and work well for short, simple, straightforward tasks.

**Hierarchical steps**

This is an extension of the simple steps format. This format works better for tasks that require additional detail or sub-steps within each primary step.

**Linear flow chart**

Think of this as a graphic version of the two previous formats. It works well for tasks where activities must be done in a specific order and where an easy to follow reminder at the job site is useful.

**Annotated pictures:**

This format works well for people who cannot read or where a language barrier exists. Since pictures can dramatically reduce the need for written explanations, this format helps to shorten complex and detailed SOPs. For some officials, SOP pictures can make excellent work site reminders. For example, a photo illustrating how a work site should be set up or arranged, or the proper locations of shields, levers, switches and handles on a piece of equipment.

**Flowchart**

This format makes complex SOPs, especially those with a number of decisions that affect subsequent steps, easier to follow. Boxes within the flow chart can also be expanded to include checklists or sub-steps. The best SOP format is one that, given the situation, does the best job of accurately transmitting the necessary information and facilitating consistent implementation of the SOP.

(Stup, 2001:3)

*Figure 19: Different standard operating procedure formats*
Obtain and secure buy-in
Senior management and leadership of an institution are obliged to provide inspirational leadership. They must lead and promote the need to have a SOP guideline and toolkit in place and hammer on the importance and the value of rolling it out to its fullest. It is thus important to obtain and secure top management buy-in and commitment. This commitment should be illustrated by management through them leading from the front and acting as change agents, thus “walk-the-talk” (Department of Public Service and Administration, 2011a:11).

Institutionalise the standard operating procedure format
Leadership must then also provide the mandate for implementation of the SOP methodology in the institution. The leadership commitment is of critical importance and therefore it could be considered to appoint a champion in top management to be accountable for implementing the guideline and methodology in the institution (Department of Public Service and Administration, 2011a:11).

A template is provided in the SOP Toolkit, but not prescribed. This process should form part of routine activities.

Identify priority processes
Every institution follows many processes and completes many tasks and as such will not be able to develop SOPs for all the tasks at one go. For this purpose, it is essential to prioritise the development of certain SOPs.

Identify processes
Before prioritising which SOPs to develop first, it is important to compile a complete list of all the processes’ services and products.

Prioritise processes
Developing a complete set of SOPs for a business can be a time-consuming process. A little time spent in the beginning to organise the effort can help reduce frustration with the process and make the effort more efficient and effective. Using the following four steps will aid in your organising efforts:

1. Identify the key areas of concern for your operation where SOPs might be useful.
2. Using the list from the first step, identify the top one or two priority areas for attention. In which areas are more controls desired or required? In which areas will economic returns or impact on the operation be greatest? Which areas are likely to yield some good successes early in the process so you can build momentum and excitement for the effort?
3. Focusing on the selected top priority areas from step two, identify all the processes, functions or operations that occur within each of these areas.
4. Group together and combine or subdivide further (whichever makes sense for the operation) all the important processes, functions or operations within each area. Then prioritise them for SOP development.

(Grusenmeyer, 2003:2)
Develop a repository
Each institution should develop a numbering system to systematically identify and label their SOPs, and the document control should be described. Generally, each page of a SOP should have control documentation notation. A short title and identification number can serve as a reference designation. The revision number and date are very useful in identifying the SOP in use when reviewing historical data and is critical when the need for evidentiary records is involved and the activity is being reviewed. When the number of pages is indicated, the user can quickly check if the SOP is complete. Generally, this type of document control notation is located in the upper right-hand corner of each document page following the title page (United States Environmental Protection Agency, 2007:4).

The institution should maintain a master list of all SOPs. This file or database should indicate the SOP number, version number, date of issue, title, author, status, division, branch, section, and any historical information regarding past versions. An individual should be appointed to be responsible for maintaining a file listing all current quality-related SOPs used within the institution (United States Environmental Protection Agency, 2007:4). There needs to be an indication of the officials responsible for assuring that only the current version is used and how, outdated versions are to be maintained or archived in a manner to prevent their continued use, as well as to be available for historical data review (United States Environmental Protection Agency, 2007:5).

Electronic storage and retrieval mechanisms are usually easier to access than a hard-copy document format. For the user, electronic access can be limited to a read-only format, thereby protecting against unauthorised changes made to the document (United States Environmental Protection Agency, 2007:5).

Develop governance arrangements
A formal governance structure to oversee all SOP engagements should be set in place and well communicated to all internal and external stakeholders. Clear roles and responsibilities need to be assigned to all members in the structure (Department of Public Service and Administration, 2011a:12).

“There needs to be an indication of the officials responsible for assuring that only the current version is used and how, outdated versions are to be maintained or archived.”
DEVELOPMENT

After the environment has been created, the following four-step approach is necessary to develop the SOPs.

**Determine the standard operating procedure objective**

Planning should happen with the strategic goals in mind. SOPs work best when they are designed to achieve specific results. Decide what strategic goals will be achieved through better management with SOPs and how those goals will be measured. You then can use this information to adjust procedures and provide feedback to officials about their performance (Stup, 2001:6).

The author of a SOP should be very clear on its objectives while writing it. Pathogen Combat for Safe Food (2008) highlights the following steps in determining the objective of a SOP.

- Define the expected results of implementation (regulatory or institutional)
- Understand why a SOP is needed and who will use it and how will it be used
- Distinguish between SOPs, guidelines, policy statements and work instructions and learn how each may work for each area of responsibility in a concerted, integrated way
- Implement appropriate SOP training programmes
- Implement a review and control system

**Appoint a writer or team**

The SOP must convey a clear instruction. Not only must the user understand the instruction, but he/she also must be prepared to carry it out. The logical step is to let the user, as far as possible, write a draft of the SOP, in cooperation with the supervisor. The user-author practice prevents the working procedure from appearing to the reader unfamiliar. It is much likely that the user-author practice will result in an improved sense of responsibility for the official to use and comply with the SOP (Pathogen Combat for Safe Food, 2008:7).

Identify the best individual to lead the development effort for each SOP and assign a development team of officials, managers and anyone else who can bring relevant expertise to the effort (Grusenmeyer, 2003:2).

The development of SOPs should be overseen by the manager responsible for the management of the daily operations. This manager will be ultimately accountable for the SOP. The name of the manager under whose authority the SOP was prepared should be clearly specified. It is good practice to involve all officials involved in the dispensing process in preparation of the SOP. This will help to engage officials and ensure that procedures specified are followed.
The SOP should be written by individuals knowledgeable with the activity and the institution’s internal structure. These individuals are essential subject-matter experts who actually perform the work or use the process. A team approach can be followed, especially for multi-tasked processes where the experiences of a number of individuals are critical, which also promotes buy-in from potential SOP users.

Produce the standard operating procedure
Once the objective of the SOP has been confirmed and the drafters appointed, it is time to start documenting the SOP.

Producing a complete set of SOPs for an institution can be a time-consuming process. Standard operating procedures are produced for core practices and when it is necessary to communicate and/or standardise administrative or technical tasks.

Name the procedure
The SOP title should contain descriptive action words and sufficient information about the content so that it clearly identifies the activity or procedure. (Grusenmeyer, 2003:3). Example: Issuing an Identity Document and Payment of an Old Age Grant. The title should be placed prominently on the front page to allow the user to identify and find it easily.

Write a scope
The scope of the SOP should clearly outline the areas of work to be covered by the procedure. The scope includes functions performed, equipment necessary and the type of products to be used. Clearly state the range of activities the SOP applies to, as well as any limitations or exceptions.

To write a scope, the following questions need to be answered (Grusenmeyer, 2003:3):

- Which specific operations or tasks within an operation will be covered?
- Which operations or tasks are not covered?
- Who is the SOP written for?

Example: This Issuing of an Identity Document SOP is for all of the officials working with the issuing of an identity document at a service counter. The SOP starts with receiving the application, checking the quality of information, forwarding to the back office for production, the receiving of the physical document from the back office and finally the handing over of the document to the applicant. It does not cover the back office production processes. For procedures covering these areas, see the appropriate SOP. This is where referencing codes and numbers for other SOPs come in handy (Grusenmeyer, 2003:3).
Chart the procedure

Charting is the procedure of laying out all the steps and analysing the process with the goal of making it more efficient and easier to follow. It involves taking each step in the process and placing it into a process chart. All people involved in performing relevant tasks should participate in the charting process, following free, exhaustive and open discussions.

Describe each task in detail, including the following (Grusenmeyer, 2003:4):

- Specific order in which activities are done
- Timing sequences and times allowed
- Materials or tools used and how they are used
- Safety or health considerations
- References to other associated SOPs

(Pathogen Combat for Safe Food, 2008)

Note the date of operation

SOPs should be clearly marked with the date of preparation and operation and/or date of review or amendment. They should be kept up to date and relevant at all times (Pharmacy Council of New Zealand, 2008:4).

Note the periodicity of the review

Standard operating procedures need to remain current to be useful. Therefore whenever procedures are changed, SOPs should be updated and re-approved.

If desired, modify only pertinent sections of a SOP and indicate the change date/revision number for that section.

These procedures should be reviewed regularly to allow for changes in practice or circumstances such as legislative changes or changes with officials. SOPs should be systematically reviewed on a periodic basis (for example, one to two years) to ensure that policies and procedures remain current and appropriate, or to determine whether the SOPs are even needed. The review date should be added to each SOP that has been reviewed. If a SOP describes a process that is no longer followed, it should be withdrawn.

The review process should not be overly cumbersome to encourage timely review. The frequency of review should be indicated by management in the institution’s SOP guide document.

When changes are made in facilities, equipment, operations or officials, the SOP may need to be updated to take into account these changes. It is incumbent on the institution to routinely evaluate the effectiveness of its SOPs and proceed to appropriate changes accordingly. Setting up a regular timetable for reviewing SOPs is strongly advised.
Furthermore, SOPs should be regularly reviewed and updated to ensure that they encourage efficient work practice, which complies with the ever increasing requirements, improvements and Government’s regulatory framework changes. If no changes are necessary, this decision should also be recorded and reflected in the number of the SOP version.

**Write the procedure in format**
To write a SOP, consult the format developed by the particular institution in the preparation phase.

**Test the procedure**
For a SOP to be effective, it must be performed in the workplace. There two ways to be absolutely certain that a SOP is well written and performs as expected. Have someone internally and externally test the SOP by performing each step exactly as it is described while the procedure writer watches. Have a person not familiar with the work follow the SOP. Any steps that cause confusion or hesitation for the test officials should be revised (Stup, 2001:6).

**External review**
Officials who perform the procedure should be provided with a copy of the draft SOP. Ask them to review and suggest changes that are easier to understand, more accurate, or will improve performance. Assure the officials that their input is important and will be used. People are much more likely to accept and use the SOP if they feel a sense of ownership in it. Officials will feel ownership and commitment to a SOP if they believe that management used, or at least fairly considered, their ideas during development. The chance of success is reduced when officials feel that management is imposing SOPs without regard to their input. Another excellent reason to involve the officials using the SOP is that they are likely to have good ideas. Highly successful managers actively engage their work teams in a continual quest to become more efficient, increase cost effectiveness, and improve quality (Stup, 2001:6).

**Internal review**
Provide an external person with a copy of the SOP draft. Ask them to suggest any changes that will make it clearer and more effective. Managers and officials often see dramatic performance improvements after an external expert helps them with SOPs (Stup, 2001:6).

> When changes are made in facilities, equipment, operations or officials, the SOP may need to be updated to take into account these changes.
Indicate responsibility
Clear responsibility must be assigned to a specific person to see to it that SOPs are up-to-date, effective, efficient and applicable. A clear owner of the SOP thus needs to be indicated and formally appointed.

Authorise the procedure
The finalised SOPs should be formally approved by the relevant authority in an institution to give the SOP formal status (United States Environmental Protection Agency, 2007:3).

The signature of the person responsible for writing the SOP shows that the SOP is complete and correct. Should an auditor or anyone else have a query about the content of the SOP, this would be the person to contact. The signature of the relevant authority in the institution responsible for authorising the SOP shows that the SOP is operative.

Distribute and file the procedure
The SOP owner is responsible for the distribution and withdrawal of SOPs. The original is to be kept secured by the SOP owner. A distribution list directs the SOPs to persons who will use it. It should be distributed to all related persons of its function. A strict check should be kept for numbers of SOPs issued and distributed at each working area.

The institution should maintain a master list of all SOPs. This file or database should indicate the SOP number, version number, date of issuance, title, author, status, division, branch, section and any historical information regarding past versions (United States Environmental Protection Agency, 2007).

Once the new version of the SOP has been issued, the historical or expired SOPs should be properly filed. This is kept in a designated file under the responsibility of the manager. All copies of expired SOPs must be destroyed immediately after the new version comes into effect. This is to reduce the confusion for the officials working on the floor by the existence of two different methods floating simultaneously (Pathogen Combat for Safe Food, 2008).
PHASE 3 IMPLEMENTATION

A good model to ensure implementation is made by first creating an enabling environment, then empowering the institution and its officials, encouraging the institution and its officials and finally enforcing the matter being implemented.

Enable

Develop implementation plan
Develop an implementation plan to ensure that the approved SOP is implemented within the regulatory framework and that the SOP is executed in a generic and standardised manner. A project leader should also be appointed for the implementation plan at this stage.

Empower

Once the enabling environment has been created through legislation, the individual officials need to be empowered to be able to do the work.

Induction and training on the procedure
This step in the SOP implementation process is often the most neglected. Train or retrain everyone as necessary to follow the SOP exactly. Even with very detailed steps, it is necessary to train all officials otherwise individual officials will interpret the meaning of SOP in different ways, leading to inconsistency in work routines and performance. When training officials, share the reasons why procedures must be performed correctly and not just what to do or how to do it. People are much more likely to follow procedures exactly when they understand why they are important. In addition, sharing “why” demonstrates that you care about the official and his or her success. It also helps develop the official's job knowledge and enhance his or her ability to contribute to future procedure improvements. An effective SOP training programme will make the officials aware of what training activities will take place and what the trainer will be able to do when training is complete. The trainer will explain and demonstrate both why and how each step in the SOP is performed and then gives the learner a chance to practice. The trainer will provide positive feedback as the learner masters parts of the procedure and patiently revisits those parts that need improvement (Stup, 2001:7).

Make the procedure accessible
The finalised SOP must be made available to all role players. Care should be taken that all current SOPs are in circulation and that all reviewed SOPs be removed from circulation. All current SOPs can also be published on the institution's intranet for officials to be able to access it easily.

Encourage

Once the officials have been empowered to do the work they must be continuously encouraged to stay dedicated to the implementation of the SOP.
Run an advocacy programme
Successful SOP development and implementation typically requires that all officials and stakeholders who are affected by a SOP be involved. For this purpose, a tailor-made advocacy programme to accentuate the importance of the SOP must be run.

Supply feedback on progress
In order to ensure sustainable success, feedback on the implementation progress and success need to be supplied to the officials working with the SOP on a continuous basis.

Enforce
Set norms and standards that need to be enforced once the three implementation steps have been taken.

Monitor the procedure
The minute you write and implement a SOP, it is time to evaluate and update it. Even new SOPs frequently need to be tweaked once or twice before they operate smoothly. Officials should report required changes to their supervisor any time they see an opportunity, problem, or concern. Anytime something changes, each SOP within the areas affected by the change should be reviewed for accuracy and appropriateness (Grusenmeyer, 2003:5).

PHASE 4 REVIEWING THE STANDARD OPERATING PROCEDURE

Determine timelines for revision
SOPs need to remain current to be useful. Therefore, whenever procedures are changed, SOPs should be updated and re-approved (United States Environmental Protection Agency, 2007:3).

SOPs should also be reviewed on a periodic basis, for example every two years, to ensure that the policies and procedures remain current and appropriate, or to determine whether the SOPs are even needed. The review date should be added to each SOP that has been reviewed. If a SOP describes a process that is no longer followed, it should be withdrawn (United States Environmental Protection Agency, 2007:3).

The review process should not be overly cumbersome to encourage timely review. The frequency of review should be indicated by management in the institution's guidance document. This document should also indicate the individual(s) responsible for ensuring that SOPs are current (United States Environmental Protection Agency, 2007:3-4).

Impact assessment
Impact assessments on the SOP need to be done on a scheduled basis to determine if the activity is contributing to the overall achievement of the related outcome.

Change in business processes
A change in business processes will result in a change in SOPs.
STANDARD OPERATING PROCEDURE FORMATS

There is no set SOP format. In fact, one SOP format is often as good as another. However, the way in which SOPs are managed is critical for both quality and compliance success.

SOPs can be difficult to manage. Demands for speedier processes make it hard to keep up with SOP changes, implications and SOP-related training. Each SOP template should feature the following information:

- Name of the institution
- Title of the SOP
- Purpose of the SOP
- Authorisation
- Version number
- References
- Clear instructions
- A link to the process referenced
- The date of implementation or the effective date
- Page number
- Rationale
- An identifying number
## STANDARD OPERATING PROCEDURE

### SOP Title:
*Name the SOP*

### SOP Number:
*Provide the reference number for the SOP*

### Purpose:
*Explain the objective the SOP is intended to achieve*

### Scope:
*State the range of activities the SOP applies to, as well as any limitations or exceptions*

### Responsibility:
*State the officials, groups, contractors, & subcontractors responsible for complying with the SOP*
*State the person or group responsible for assuring the appropriate officials are trained on the SOP*

### Procedure:
*Explain the procedure in simple steps. Describe what to do, not how to do it*
*State who does each step & how it is recorded to be certain that whoever is performing the procedure can prove that they have done it. Think about what is needed before the procedure is started so that the person performing the function can do it correctly the first time*

### Review & Revision:
*State how often the SOP is reviewed & under what circumstances it is to be revised*

### Contingencies:
*State what happens if the SOP cannot be followed & identify who needs to be notified*
References: <List related SOPs, any supporting documentation necessary to understand &
correctly follow the procedure, including any applicable regulations & regulatory guidelines>

Definitions: <Define words and acronyms that people reading the SOP would not generally know
and that would require clarification. If a definition is needed, and one exists in the regulations, use the
regulation definition>

Attachments: <Attach any documents used in support of the SOP, e.g., flowcharts & work
instructions>

History of Change: <State in sufficient detail, what changes were made, what parts of the SOP
were affected & when the changes become effective>
2.3 SERVICE STANDARDS

The information included in this section has been sourced from Treasury Board of Canada Secretariat (1996), unless otherwise stated.

2.3.1 Introduction
The White Paper on Transforming Public Service Delivery: 1997 (Batho Pele White Paper), states that national and provincial institutions must publish standards for the level and quality of services they will provide, including the introduction of new services to those who have previously been denied access to them (Department of Public Service and Administration, 1997:10). In the case of certain services such as health and education, national institutions, in consultation with provincial national and provincial institutions, may set standards which will serve as national baseline standards. Individual provinces may then set their own standards, provided these meet or exceed the national baseline. Provincial institutions may also set additional standards for aspects of services not covered by national norms. Similarly, institutions may set intra-departmental service standards which will serve as minimum norms for their institutions and components.
Governmental institutions, as service providers, have both a legal and moral responsibility to deliver the best possible services to the public. The legal responsibility emanates from a regulatory framework. The moral aspect is underpinned, amongst others, by the eight principles of Batho Pele. Within the context of Batho Pele, providing quality services means putting in place a service delivery system that meets the needs of the people it serves (Department of Public Service and Administration, 2007:97).

The Delivery Agreement for Outcome 12 stipulates a number of outputs and sub-outputs. In Output 3, Sub-output 8: Business Processes, it is stated that:

- “Although the initiative mentioned above needs to be undertaken …it was realised during the roll out of Service Delivery Improvement Plans by the DPSA (Department of Public Service and Administration) that departments do not understand the value chain regarding the setting and improvement of service standards.”
- “Undocumented processes mean that staff turnover can compromise service delivery, and that consistent quality standards are difficult to maintain.”
- “A further complicating factor is that where mapping of processes is being conducted, it does not take place within a nationally set norm and standard and also outside of any set framework regarding the value chain dealing with service delivery improvement.”

The link between business process mapping, SOPs, the setting of service standards and SDIPs is greatly stressed within the Outcome 12 Delivery Agreement, which goes on further to state that:

- “The MPSA (Minister of Public Service and Administration) thus has limited powers directly over the efficient and effective running of a department except his own, but he can set norms and standards within which parameters other executing authorities must operate. These norms and standards then set minimum requirements to which a department must adhere. Furthermore the MPSA can monitor compliance and share best practice amongst departments.”

There is a need for the DPSA to initiate and lead a coordinated approach in the setting of service delivery norms and standards. Sector or line institutions have unique challenges, for example, large geographic service areas, inequalities in terms of income and access to transport/infrastructure, and also have varying capabilities in dealing with these challenges and in managing service standards.

The bottom line is that all institutions have a responsibility to review, improve and report on service standards.
2.3.2 What are service standards?

A standard is a “basis of measurement” and “a definite level of excellence”. A norm is defined as a “usual or average level of performance”. An institutional service standard is something desired (by the institution and service beneficiaries) and achievable (Department of Public Service and Administration, 2007:99).

Service standards are the rules of engagement for providing services to service beneficiaries. Service standards include service delivery targets such as waiting times and hours of operation. Service beneficiaries are entitled to know what they should expect from the institution, how services will be delivered and what they cost, and what service beneficiaries can do when services they receive are not acceptable. Service standards provide the behavioural attributes that leads to consistent service delivery. Therefore, service standards refer to response times for delivering a service (turn-around time). According to the Batho Pele Handbook, service standards allow others to judge public service performance in delivering a service (definitive level excellence) (Department of Public Service and Administration, 2007:99).

2.3.2.1 Types of service standards

A service standard is a reasonable and measurable expectation from the side of the service beneficiary and an honest commitment by the service provider to meet or exceed that expectation.

A service standard has qualitative aspects, such as:
- Appropriateness: the service the individual or community needs and expects
- Acceptability: when services are provided to satisfy the reasonable expectations of the service beneficiaries, community or taxpayer
- Batho Pele principles

Reasonable and measurable expectation from the side of the beneficiary and an honest commitment by the service provider, to meet or exceed that expectation

Standards can be generic (process standards) or standards can be specific (outcome standards). Besides the qualitative aspects, service standards should also be expressed in terms of quantity, time and cost.
CHAPTER 2: OPERATIONS DESIGN

2.3.3 Objectives
The main objectives of service standards include the following:

- To improve service delivery by promoting high quality, high value public services that are vital to the well-being of service beneficiaries
- To provide value for money to service beneficiaries by ensuring that services are cost efficient
- To articulate the commitment of public servants to the transformation process by delivering a high standard of service
- To meet the growing expectations of service beneficiaries for more information and active consultative processes
- To ensure integrated service delivery by aligning institutional-specific standards with national norms and standards
- To ensure a progressive and evolutionary incremental approach to the quality of public service delivery

(Department of Public Service and Administration, 2007:112)

2.3.4 Links to legislation
The setting of service standards emanates from the White Paper on Transforming Public Service Delivery: 1997 (Batho Pele White Paper), whereby institutions are mandated to develop precise and measurable service standards, which must be approved by the relevant Minister/Member of Executive Council (MEC)/executing authority before they are adopted and approved. Once service standards are approved, they must be published and displayed at the point of delivery and communicated as widely as possible to all potential service beneficiaries so that they know what level of service delivery they can expect, and what redress mechanisms are in place (Department of Public Service and Administration, 1997:8).

According to the Public Service Regulations, 2016, Part 3 (38): “An executive authority shall establish and maintain a service delivery improvement plan aligned to the strategic plan contemplated in regulation 25 for his or her department.”
2.3.5 Why develop service standards?

Prior to 1994, service standards were entirely lacking in public service; this then drove the democratic Government to focus its mindset to transformation of public service. Public service is faced with major challenges from the social and economic sectors as well as those stemming from major changes in public attitudes and expectations. Government wants public services for all that are efficient, effective, equitable and constantly improving. In this regard, the Government produced “quality standards” – the Batho Pele principles – which include the following relevant points:

- **Consultation**: How do we consult with our service beneficiaries? How are the service beneficiaries consulting us (governmental institution)?
- **Access**: How do our service beneficiaries access us? How do we access our service beneficiaries?
- **Information**: How do we provide information on services that we provide/render?
- **Openness and transparency**: Do our service beneficiaries know who the head of the institution is or how much it costs to run the institution? Is this information readily available?
- **Courtesy**: How courteous are we when providing a service? Do we conduct a public opinion survey amongst the end users of our services to establish levels of courtesy, with questions such as: Are service providers helpful? Do we smile when attending to our service beneficiaries? Do we respect the dignity of all service beneficiaries?
- **Redress**: In case of a grievance, how do we address the grievance/complaint? What mechanisms are in place to ensure redress?
- **Value for money**: Are the services provided economic and efficient?

(Department of Public Service and Administration, 2013:27)

Paragraph 4.2. of the White Paper on Transforming Public Service Delivery (Batho Pele White Paper), 1997 provides a clear mandate to institutions on the setting of service standards:

4.2.1 National and provincial departments must publish standards for the level and quality of services they will provide, including the introduction of new services to those who have previously been denied access to them. In the case of certain services, such as health, or education, national departments, in consultation with provincial departments, may set standards which will serve as national baseline standards. Individual provinces may then set their own standards, provided these meet or exceed the national baseline. Provincial departments may also set additional standards for aspects of service not covered by national norms. Similarly, departments may set intra-departmental service standards which will serve as minimum norms for their institutions and components. These internal institutions and components may also set additional service standards for aspects not covered by intra-departmental norms. Standards must also be precise and measurable, so, that users can judge for themselves whether or not they are receiving what was promised.

4.2.2 Service standards must be set at a level which is demanding, but realistic.

4.2.3 Service standards must have the approval of the relevant Minister/
CHAPTER 2. OPERATIONS DESIGN

MEC/executing authority before they are adopted.

4.2.4 Once approved, service standards must be published and displayed at the point of delivery and communicated as widely as possible to all potential users so that they know what level of service they are entitled to expect, and can complain if they do not receive it. Performance against standards must be regularly measured and the results published at least once a year and more frequently where appropriate.

4.2.5 Performance against standards must be reviewed annually and as standards are met, so they should be progressively raised, year on year. Once set and published, standards may not be reduced. If a standard is not met, the reasons must be explained publicly and a new target date set for when it will be achieved.

Institutions have succeeded in varying measures in delivering on the above mandate. Unfortunately, due to the lack of a systemic approach, institutions have often done their own thing, neglecting to share with other institution process management and SDIPs aimed at harnessing the collective knowledge of the public service in achieving more efficiency and effectiveness when it comes to service delivery.

2.3.6 Set realistic targets
The challenge for institutions is to select service standards that measure the key services being delivered by that institution. It is important to understand that all standards must meet the Specific, Measurable, Achievable, Realistic and Time-bound (SMART) criteria, namely:

- **Specific**: Is the service standard specific? Does it mention what is being measured? For example, does it refer to a specific quantity, quality, timeframe and cost? An example of a specific standard is: Further Education and Training colleges’ throughput rate to be increased by 1% per annum to reach 67% by 2011/12.

- **Measurable**: Is the service standard measurable? If it is vague, rather than specific, it will not be measurable. For example, if we simply state that we should be more courteous to our service beneficiaries, we will not be able to measure the level of courtesy. We need to unpack courtesy in terms of response times, reduced complaints, and more in order for it to be measurable.

- **Achievable**: Is the service standard achievable with the current resources, or are additional resources available and affordable in order to achieve the standard? For example, if we set a standard of processing social grant applications within two days, it certainly is specific and measurable, but is it achievable with the available human and financial resources?

- **Realistic**: Is the service standard realistic in terms of current or past performance? If we look at the previous example of processing social grant applications within two days, is this realistic, knowing what procedures and protocols have to be followed?

- **Time-bound**: Does the service standard specify a clear timeframe or deadline, such as having to be completed by a specific date, or within a specific period? Delivery can only be measured if it is linked to a time period.

(Department of Public Service and Administration, 2013:25)
CRITERIA FOR SETTING SERVICE STANDARDS

A champion should facilitate the consultations on specific service standards. Draft standards should be reviewed and enhanced by a standards team. Standards must be clearly identifiable within the institution’s Key Performance Indicators (KPIs). The following criteria must be considered by the facilitator and the standards team before and during standards setting:

- Are the standards meaningful to service beneficiaries?
- How are standards to be communicated?
- Are standards attainable?
- Are performance measures in place and are achievements reported?
- Are standards affordable?
- Are standards reviewed and updated?
- Do standards comply with national standards and legislation?
- Are standards based on consultation?
- Are standards owned by managers?
- Are standards owned by managers?
2.3.7 Five phases to develop service standards

A total of five phases are recommended when developing service standards.

**PHASE 1**
- Obtain buy-in
- Develop a change management programme
- Develop a policy
- Appoint a champion

**PHASE 2**
- Know your business
  - Identify service beneficiaries
  - Identify and document own services
  - Identify partnerships
  - Access your current service standards
  - Know what is affordable

**PHASE 3**
- Inform officials on service standards
- Train officials to deliver on service standards

**PHASE 4**
- Publish and implement service standards
- Monitor the implementation
- Improve service standards
- Review and set new service standards as required

**PHASE 5**
- Communicate service standards
- Communicate performance against service standards
- Develop a service delivery charter

Figure 23: The methodology framework for setting service standards

**SERVICE STANDARDS TOOLKIT**

The *Service Standards Toolkit* has been specifically developed to assist in the process of developing service standards.
2.3.8 Final note on service standards

Setting realistic service standards and delivering the services at the set standards is of critical importance for service delivery. Through this instrument, service delivery can be continuously improved by setting the bar higher each time when the previous set standard has been fully achieved. Communicating the standards will also ensure that the service beneficiaries know what level of service to expect and thus do not have expectations that are unrealistic and or unachievable (Department of Public Service and Administration, 2007:114).

Service standards must be relevant and meaningful to the individual user. This means that they must cover the aspects of services which matter most to service beneficiaries, as revealed by the consultation process, and they must be expressed in terms which are relevant and easily understood (Department of Public Service and Administration, 1997:10-11).

Some standards will cover processes, such as the length of time taken to authorise a housing claim, to issue a passport or identity document, or to answer letters. Other standards will focus on outcomes. In the healthcare sector, for example, standards might be set for the maximum time that a patient should have to wait at a primary health care clinic for a non-urgent operation, or for the information they are entitled to receive about their treatment and about who is responsible for their case. This means that they should reflect a level of service which is higher than that currently offered, but which can be achieved with dedicated effort and by adopting more efficient and service beneficiary-focused working practices (Department of Public Service and Administration, 1997:10-11).

To achieve the goal of making the South African public service globally competitive, standards should be benchmarked against international standards, taking into account South Africa’s current level of development. Service standards, as well as the results of performance against these standards, should also be published. This will enable the public to hold national and provincial institutions accountable for their performance. It will also be essential to track improvements in services from year to year, as this information will inform subsequent decisions about the levels to which standards should be raised in future (Department of Public Service and Administration, 1997:10-11).
PHASE 1 PREPARATION

**Obtain buy-in**
The institution needs to obtain buy-in from all stakeholders involved in the delivery of services. Furthermore, the institution needs approval and buy-in from the executing authority and senior management before embarking on the development of service standards. The buy-in is to obtain support and funding for developing service standards (Department of Public Service and Administration, 2011c:6). Buy-in is usually best achieved within the development and implementation of a change management programme.

**Develop a change management programme**
The institution needs to develop a change management programme clearly indicating objectives and benefits of developing service standards (Department of Public Service and Administration, 2011c:7).

One of the best ways to drive change management and buy-in is to appoint a service standards champion. The champion may choose to appoint a service standards committee or team within the institution to advise on and promote the process. The champion should be a skilled facilitator as he or she is responsible for getting stakeholders and experts together to write up a draft version of the service standards. The champion should have a budget and authority to appoint an external specialist, if deemed necessary. The champion may have to set up more than one writing team where service standards are too diverse for one team to focus on. He or she should also introduce facilitation platforms, for example, whereby team members can collaborate and share standards on an e-learning platform.
Develop a policy
A policy on service standards must be developed that is accepted by all in the institution and in line with the national guideline and methodology. The policy should be understandable and easy to implement (Department of Public Service and Administration, 2011c:6).

Appoint a champion
The institution needs to appoint a champion to run with the development of service standards within the institution. The champion/s should be able to understand the issues and challenges related to service delivery as well as the process of developing service standards (Department of Public Service and Administration, 2011c:6).

Know your business
In developing service standards, you need to know the institution’s business (know what is being done). In order to meet budgetary realities and service beneficiaries’ expectations, you need to assess the standards in light of your current ability to meet them and your past performance. To determine your current level of service delivery, you will need an appropriate performance measurement and monitoring system. Monitoring performance, which includes assessing service beneficiary satisfaction, is essential if you want to establish and work to service standards.

Institutions are rethinking the way they do business. Re-designing your services often produces significant resource savings and results in improved service delivery. In such cases, service standards should not only reflect current performance (where you are), but desired state of affairs (where you want to move to).
Before consulting with your service beneficiaries to find out what aspects of service delivery are most important to them, what needs to be improved and what is working well, it is useful to know both the costs of existing service levels and the major cost drivers. This knowledge will enable you to provide a rational response during the consultation on possible changes to service delivery.

Service standards may have to be adjusted to meet future budget levels. Understanding current costs and the potential for reengineering will help you know what is affordable.

Knowing your business includes the following aspects, amongst others:

**Identify service beneficiaries**

Service beneficiaries are all individuals, groups and business who have dealings with the Government. There may be several different service beneficiaries for each service, and each has different perspectives and expectations. Public management is therefore the art of balancing these differing expectations. It is important to identify all direct service beneficiaries who receive a service or product from these institutions.

Some beneficiaries may be within the institution, for example, human resources or corporate services, however, the primary beneficiaries of a service standards process should always be the public.

The key process here is consultation. Service beneficiaries are the most important stakeholders. Other stakeholders to consult are officials, partners and labour. Business process management/mapping is a powerful tool that can be used for identifying service beneficiaries. Business process management is a much earlier process and the results of that process should be directly applicable to this step.

**Identify and document all services**

Service beneficiaries deal with the Government in a wide variety of ways. They may receive a social grant, apply for an identity document or ask for information and advice. In all these cases, there is a transaction or interaction between the governmental institution and the service beneficiaries. In all these interactions, the governmental institution is providing a service. A service is provided every time a service beneficiary deals with the institution. These services that are delivered need to be documented.

For example, the key to identifying services is to identify every interaction with service beneficiaries. It is important to note that services can be external, internal and some services are within other institutions.

> Service beneficiaries are all individuals, groups and businesses who have dealings with the Government.
**Identify partnerships**
Some services are delivered in partnership with other governmental institutions, other spheres of government (provincial and local) and the private sector. These arrangements have the objective to increase the efficiency of service delivery and to provide more rationalised service delivery from the point of the service beneficiary. Knowing your partners in service delivery includes knowing what other related services are being delivered to your service beneficiaries so that you can seek out rationalisation and efficiencies. All partnerships, possible and existing, need to be reviewed at a strategic and operational level (refer to “Identify service beneficiaries” and “Identify and document all services”).

**Assess current service standards**
It is important to assess service standards based on the institution’s current ability to meet them and its previous performance. To determine the institution’s current level of service delivery, it needs an appropriate performance measure and monitoring system. Monitoring performance includes assessing service beneficiary satisfaction.

This step can only be done effectively if the institution has existing documented service standards. If such are in place, this step constitutes a critical review phase which is best done in small, focused workshops with the relevant officials.

**Know what is affordable**
Before consulting with service beneficiaries, it is important to know both the costs of existing service levels and the major cost drivers. This knowledge will enable you to provide a reasoned response during consultations with service beneficiaries on possible changes to service delivery.

Examples of partnerships include: the National Qualifications Framework (NQF) – a complex partnership between Sector Education and Training Authorities (SETAs), South Africa Qualifications Authority (SAQA), the Department of Higher Education (DHE), and public or private providers of education and training.
Consult stakeholders
In developing service standards, the institution needs to consult with its service beneficiaries to find out what is important, how satisfied they are with current service delivery, what is working well and what needs to be improved. By consulting with service beneficiaries about the services they receive, making them aware of the costs of delivering services, the institutions will find it easier to match its service beneficiaries’ expectations with what the institution can afford. Service beneficiaries should be partners in the delivery of services.

Consultation with service beneficiaries is important for two reasons. Firstly, if you decide based on own ideas what service beneficiaries want, you run the risk of being out of touch with what your service beneficiaries actually consider to be the most important aspects of service delivery. Secondly, service beneficiary satisfaction depends not only on the quality of the service, but on service beneficiaries’ initial expectations. Such consultations will indicate where you can improve service to provide the greatest pay-off in terms of increased service beneficiary satisfaction.

The eight Batho Pele principles are the overarching measures when reviewing service standards. The following checklist may be useful in guiding a workshop during such a review:

- Official courtesy, appearance and communication skills
- Public security
- Response times
- Ease of access
- Information sharing with beneficiaries; for example, brochures, signage, website, contact centre
- Complaints management system
- Services delivery accountability in terms of cost effectiveness (value for money)
- Documentation of measurable service standards

Consult stakeholders
In developing service standards, the institution needs to consult with its service beneficiaries to find out what is important, how satisfied they are with current service delivery, what is working well and what needs to be improved. By consulting with service beneficiaries about the services they receive, making them aware of the costs of delivering services, the institutions will find it easier to match its service beneficiaries’ expectations with what the institution can afford. Service beneficiaries should be partners in the delivery of services.

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Set SMART service standards  
If the “champion” (the person responsible for setting the standard) has enough information from consultation, he or she may go ahead and draft service standards which should be tabled to the service standards team for review and ratification. The champion may opt to write standards directly during a consultative workshop (or multiple workshops if needed) during which stakeholders and experts may freely debate and agree on the output.

It has been proven that service beneficiaries regard the following factors as critical to good service:
- Responsiveness
- Competence
- Easy access
- Courtesy
- Good communication
- Reliability and accuracy
- Security
- Appearance of officials
- Attractive physical facilities

Keep these factors in mind when you develop service standards. Openly display service standards and complaint mechanisms to service beneficiaries. Governmental institutions may undertake pilot projects to get a better idea of how their standards work in practice. Others may implement service standards, monitor them and then adjust them as necessary. Service standards are meant to be monitored, changed and improved over time. They are not cast in stone once they are set.

Service standards may not be uniform everywhere for a given service. Localised service standards may be preferable to across-the-board national standards in certain cases where local circumstances vary.
Please refer to the end of the toolkit for templates on documenting service standards. The first provides for the basic capturing of service, standard and measures and the second is more comprehensive and provides for quality and target group specific details.

Regardless of the template used during the consultative workshop, the standards document must be drafted in simple, clear language understandable by any service beneficiary and end user. Remember that service standards must be drafted in the SMART way (refer to section 2.3.7).

**PHASE 3 EMPOWER OFFICIALS**

**Inform relevant officials on service standards**
By training officials on service standards you are making them aware of the costs of delivering services and also the manner in which they are delivered. Service beneficiaries will not notice an improvement in service delivery unless front-line officials are appropriately trained in dealing with service beneficiaries. Front-line officials should have approved delegated powers with authority and accountability to make the decisions that matter to service beneficiaries.

**Train officials to deliver on service standards**
Officials should be properly trained and equipped to make decisions, and should have access to the tools they need to deliver quality service. Officials cannot be responsive to service beneficiaries if they are restricted by rules and regulations, if the information they need to deliver good service is not readily available or if they are not encouraged to be innovative and take measured risks. Ensure that relevant officials have aligned their performance agreements to revised service standards.
MANAGE SERVICE STANDARDS

Publish and implement service standards
Service standards should be implemented in a deliberate, planned manner building on previous experience. Service standards should be published as soon as possible and then be improved over time.

Monitor the implementation
Service standards should be monitored to ensure that the services delivered are consistent and of a high calibre. Service standards can be monitored in three categories: reliability, quality of delivery and service beneficiary service. Monitoring should be done through internal and external public service audits, service beneficiary satisfactions surveys and Izimbizos (Department of Public Service and Administration, 2011d:10).

Improve service standards
Identify gaps between set standards and actual delivery. Service standards should be constantly monitored in order to be adept/improve as service beneficiaries’ needs and expectations changes.

Review and set new service standards as required
Service standards must be rendered and updated annually. Standards can be reviewed in the following circumstances:
1. Change in systems/procedures (legislative, technology and environmental)
2. When existing service standards are continuously achieved, consider raising the service standard
3. Change in beneficiary needs

Service standards should be monitored to ensure that the services delivered are consistent and of a high calibre.
Communicate service standards
After developing service standards, you need to communicate them with your service beneficiaries to find out what is important, how satisfied they are with the standards and what more needs to be improved. By communicating with service beneficiaries about the services they receive and service standards, you are making them aware of the costs of delivering services, as well as managing their expectations against what your institution can afford.

Communicate performance against service standards
Communicating your current performance against the improved service standards is important because you will be able to indicate/identify a service delivery gap between where you are currently (current state of affairs) and where you intend moving to (desired state of affairs). These will, in the long run, provide the greatest pay-off in terms of increased service beneficiary satisfaction (Department of Public Service and Administration, 2011c:8).

Develop a service delivery charter
Once service standards are accepted, you need to develop a service delivery charter which will make clear commitment to the service standards that service beneficiaries can expect from a governmental institution (refer to section 2.3). These must be signed off by the relevant Minister/MEC/executing authority (Department of Public Service and Administration, 2011d:10).

"By communicating with service beneficiaries about the services they receive and service standards, you are making them aware of the costs of delivering services."
### Table 10: Recommended transversal template

<table>
<thead>
<tr>
<th>Services area</th>
<th>Key service</th>
<th>Quantity</th>
<th>Quality</th>
<th>Responsible unit</th>
<th>Time period</th>
<th>Full statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child care and protection</td>
<td>Placement of children in foster care</td>
<td></td>
<td>All eligible children in foster care that applied</td>
<td>Alternative care unit</td>
<td>90 days</td>
<td>We shall place all eligible children in foster care as prescribed by Section 150 of Act 38 of 2005 (Children found in need of care and protection) within 90 days</td>
</tr>
</tbody>
</table>
2.4 SERVICE DELIVERY CHARTER

2.4.1 Introduction
The service delivery charter (also known as a Statement of Public Service Commitment) is a component of the performance management system that sets out governmental institutions' commitment to providing services at specified levels, in order to affect strategic developmental outcomes, within the constraints of available resources. There is a dire need for a significant public education, communication and participation regarding the service delivery charter.

Responding to the challenges presented by the legacy of the past and rising to the legitimate demands of service beneficiaries has been acknowledged as an enormous and daunting task. The public service exists to serve the needs of the people. All service beneficiaries have a right to expect high quality public services, which meet their needs.

The main challenge facing institutions is to move from “knowing” to “doing”. The institution has to discover ways of working that encourage new attitudes and organisational cultures and which develop new skills and competencies. To help transform attitudes and the culture of the public service from a “can’t do” rules-bound mindset to a “can and will do” service delivery commitment, the Government introduced the concept of Batho Pele – putting people first.

According to the White Paper on Transforming Public Service Delivery, 1997 (Batho Pele White Paper), national and provincial governmental institutions must publish their Statement of Public Service Commitment, where the main aim is to indicate the institution’s clear commitment to the service standards that service beneficiaries can expect, and to explain to service beneficiaries how the institution will fulfil each of the Batho Pele principles (Department of Public Service and Administration, 1997:20). Furthermore, the service delivery charter should be short, simple and easy to understand.

The White Paper on Transforming Public Service Delivery, 1997 (Batho Pele White Paper) lists eight basic principles to enhance service delivery. All public servants are exhorted to internalise these principles and make Batho Pele a way of life.
2.4.2 The operations management context

A service delivery planning framework and methodology was developed in 2011 to put in place the capacity for planning, developing, implementation and institutionalisation of service delivery tools, systems, processes, mechanisms and intervention programmes that are meant to improve and institutionalise quality service delivery to all. Central to this is the development of the operations management and implementation value chain that includes individual frameworks and toolkits stipulating the minimum required norms and standards for service delivery modelling, business process mapping, review and management, Standard Operating Procedures (SOPs), unit costing, setting of service standards, service delivery charters and the sustainability of service delivery improvement plans, compliance, monitoring and reporting.

Our aim is to help operational managers develop and implement a service delivery charter for their institution. This will have an immediate three-fold benefit in that it will:

- Reinforce the institution’s or the component’s commitment to service delivery improvement for all end-users
- Help the institution or component rise to the challenge of treating citizens as service beneficiaries and meeting their demands equitably and fairly
- Immeasurably enhance communication with service beneficiaries

The institutions and bodies responsible for delivering services to the public are also responsible for developing and implementing a service delivery charter. Operational managers must involve their frontline officials in the process of developing a service delivery charter. They must be encouraged to take ownership of the values and principles expressed in the charter. In the final analysis, the responsibility of implementing the charter vests with the individuals who are at the coalface, namely, the frontline officials. Without their commitment and support, improving service delivery will remain a distant, idealistic dream.

The institutions and bodies responsible for delivering services to the public are also responsible for developing and implementing a service delivery charter.
2.4.3 What is a service delivery charter?

A service delivery charter is a public document that set out the standards of service that service beneficiaries can expect from a governmental institution, as well as complaints mechanisms. It should be developed to suit the needs of individual institutions. A service delivery charter is intended to:

- Ensure that institutions focus on service beneficiaries
- Manage the expectations of service beneficiaries
- Measure and assess performance
- Initiate service delivery improvement

There is no rigid format, but a service delivery charter should address the following as a minimum:

- The name of the institution
- The physical, postal and e-mail addresses of the institution
- The days and times that the institution is open to the public
- A list of the (core) services provided
- A statement of the service standards that service beneficiaries can expect
- An explanation of how queries and/or complaints will be dealt with
- A statement of the service beneficiary’s rights
- A statement of the service beneficiary’s obligations
- A pledge to maintain service standards

**BENEFITS**

Having a service delivery charter will have an immediate three-fold benefit, as follows:

- It reinforces the institution’s or the component’s commitment to service delivery improvement for all end-users
- It will help the institution or component rise to the challenge of treating citizens as service beneficiaries and meeting their demands equitably and fairly
- It will immeasurably enhance communications with service beneficiaries

“A service delivery charter should be developed to suit the needs of individual institutions.”

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Figure 25: Definition of a service charter
2.4.4 Service delivery charter as a learning tool
Developing service standards to be published in the service delivery charter is a consultative process that affords managers the opportunity to learn about the institution itself and the communities it serves. Consultation as such lends to the following learning opportunities:

- Understanding the circumstances of your service beneficiaries
- Knowing what your service beneficiaries need and expect
- Understanding one’s own shortcomings
- Understanding one’s own limitations
- Realising what is realistic and doable and what is not
- Coming to a deeper understanding of Batho Pele or putting people first

Improving service delivery is a continuous, progressive process; it is never complete and as standards are met, new standards should be set. This on-going process allows for continual learning and improvement.

2.4.5 Objectives
The objectives of developing a service delivery charter include expressing a commitment to service delivery in which (Department of Public Service and Administration, 2007:86):

- Published standards of service delivery are maintained
- The respectful treatment of all service beneficiaries is encouraged
- Service beneficiaries’ rights are protected
- Relationships with service beneficiaries are enhanced
- The transformation of the public service from a rules-bound bureaucracy to a results-driven institution is accelerated

2.4.6 Links to Batho Pele
The service delivery charter embodies most of the Batho Pele principles, in that it must:

- Specify the services provided, which must be decided in consultation with the service beneficiaries
- State the service beneficiary’s rights and obligations to facilitate courtesy
- Provide full information on what services are provided and where they can be accessed
- State the standards that service beneficiaries can expect and give full particulars of who should be contacted if there are any queries in order to promote openness and transparency
- Explain how complaints will be handled to ensure that service beneficiaries have redress
- Reassure service beneficiaries that they are getting value for money in the range, quality and availability of the services offered

2.4.7 Links to legislation
The following information has been extracted from the Batho Pele Handbook (Department of Public Service and Administration, 2007:87-88).

Apart from the White Paper on Transforming Public Service Delivery, 1997 (Batho Pele White Paper), which has already been mentioned, the most powerful mandates for the development and implementation of a service delivery charter come from the following legislation:

2.4.7.1 Constitution
The nine principles governing public administration provided in Section 195 of the Constitution insist that public services should be publicised and that officials should commit to provide services of a standard that meet the needs of the service beneficiaries.
2.4.7.2 Promotion of Administrative Justice Act, 2000
(Act No. 3 of 2000)
This Act confirms the service beneficiary’s right to consultation and redress if his or her rights are adversely affected by an administrative action. A service delivery charter should stipulate how these rights will be upheld.

2.4.7.3 Promotion of Access to Information Act, 2000
(Act No. 2 of 2000)
This Act gives effect to a citizen’s constitutional right of access to information held by the State and any information that is held by another person which may be required for the exercise or protection of any rights, in order to:
- Foster a culture of transparency and accountability in public services by giving effect to the right of access to information
- Promote a society in which the people of South Africa have effective access to information to enable them to exercise and protect all of their rights

2.4.7.4 Public Service Regulations, 2016
Chapter 3, Part 3 (38) of the Public Service Regulations 2016 states that an executing authority shall establish and sustain a service delivery improvement programme for his/her institution that must include:
- Specifying the service to be improved to the actual and potential service beneficiaries
- The existing and future arrangements with the institution’s actual and potential service beneficiaries
- The service beneficiary’s means of access to the services, the barriers to increased access and the mechanisms or strategies to be utilised progressively to remove the barriers so that access can be increased
- The existing and future service standards for the main services to be provided
- The existing and future arrangements on how information about the institution’s services are provided
- The current and future complaints system or mechanisms

2.4.8 Why the need for a service delivery charter?

2.4.8.1 Managing service beneficiary expectations
The vast majority of service beneficiaries are not aware of the exact functions and competencies of national, provincial and local Government. Furthermore, for each function of national, provincial and local Government, the expectations that service beneficiaries have differ significantly between and within socio-economic groupings. It is crucial that the expectations of service beneficiaries are managed in this regard by ensuring clarity on the services that each institution will provide, as well as the associated guaranteed service levels.

2.4.8.2 Clarifying the rights and obligations of service beneficiaries
Similarly, it is important to be explicit about the role that service beneficiaries need to play, their rights and the mechanisms by which to exercise these in terms of service delivery and governance commitments and their obligations and duties in ensuring that the Government is governable, serviceable and sustainable through the recovery of costs.
2.4.8.3 Providing a basis for communication
A service delivery charter constitutes a clear means of communication to service beneficiaries in that it sets out the role of the Government and the role of service beneficiaries, as well as the services provided and service levels that will be provided in a tangible and measurable manner. Communications with service beneficiaries on the basis of service standards, indicators and targets will reduce the potential for misunderstandings and misinterpretation.

2.4.8.4 Deepening democracy, involving service beneficiaries and creating a basis for accountability in local Government
A service delivery charter will deepen democracy by forming a basis for public participation where performance information is communicated and the appropriate mechanisms are created by which service beneficiaries and communities can hold the Government accountable in between and at elections. Public participation and involvement in decision-making is rendered impotent when it is unclear to service beneficiaries. The service delivery charter is a written and signed document setting out a governmental institution’s commitment/s made to service beneficiaries. This will enable service beneficiaries to understand what they can expect from the Government, and will form the basis of engagement between the Government and service beneficiaries, communities or organs of civil society. The service delivery charter makes explicit the social contract between the Government and its service beneficiaries.

2.4.8.5 Empowering service beneficiaries and communities to leverage change
By involving service beneficiaries in deciding what should be included in the service delivery charter, the Government would be investing significant power in the hands of service beneficiaries in shaping its future.

2.4.9 Outcomes
The following primary and secondary outcomes of successfully implementing a service delivery charter include:

- Primary:
  - Improved service delivery
  - Greater job satisfaction for officials
  - More satisfied service beneficiaries
  - The accelerated transformation of the public service
- Secondary:
  - Better communication with service beneficiaries
  - Fewer complaints by service beneficiaries

KEY PERFORMANCE INDICATORS
The following aspects are key performance indicators:

- A service delivery charter developed and displayed at strategic points
- Standards are met and continuously raised (improved service delivery)
- Increases in the number of compliments or complaints, which provide an indication that service beneficiaries know what standards to expect
2.4.10 Five phases of service delivery charter development

There are five phases to consider when developing a service delivery charter.

**PHASE 1**
- Preparation
  - Obtain buy-in
  - Develop a guideline
  - Appoint champion

**PHASE 2**
- Design
  - Who are we?
  - Where can we be found?
  - What are our services and products?
  - What are our service standards?
  - How will we deal with complaints?
  - What are your rights?
  - What are your obligations?

**PHASE 3**
- Consultation
  - Get buy-in and commitment

**PHASE 4**
- Publishing
  - Once the service delivery charter is completed, it should be published and widely distributed

**PHASE 5**
- Review
  - It is crucial to review the service delivery charter to ensure that it is still relevant

*Figure 26: Five phases of service delivery charter development*
2.4.10.1 Guidelines for Developing a Service Delivery Charter

The following guidelines should be kept in mind while developing a service delivery charter:

- Get buy-in and commitment: It is crucial to involve officials in the development of a service delivery charter so that you get their buy-in and commitment to improve service delivery. Encourage officials to become custodians of the process so that they can take ownership of the charter. It is also important for the officials to know and understand the committed service standards.

- Set realistic targets: Consult service beneficiaries while setting service standards in an intelligent and realistic manner. Make them aware of resources and the bigger picture of the transformation process. In essence, set realistic targets.

- Communicate widely: Develop and implement a well-structured communication strategy to ensure that it serves as a vehicle for Batho Pele. Think creatively about imparting information to all audiences and again consider the cost implications.

- Reward officials: Announce positive results of the programme and reward individuals who have been particularly instrumental in making the charter come alive.

The service delivery charter should contain the following key elements for it to be considered a good charter:

- **Service standards**: Commitments to the level and quality of service to which beneficiaries are entitled.

- **Information**: Clarity about who is eligible, when and where the service is available and any pre-requisites, for example, documents to bring along.

- **Redress**: How to complain and what redress to expect in the event that the service delivered falls short of the standards that were promised.

Encourage officials to become custodians of the process so that they can take ownership of the charter.

**SERVICE DELIVERY CHARTER TOOLKIT**

The Service Delivery Charter Toolkit provides a step-by-step guide for developing a service delivery charter.
An institution needs to obtain a buy-in from all stakeholders involved in delivery of services.

**Obtain buy-in**
An institution needs to obtain a buy-in from all stakeholders involved in delivery of services. The buy-in is to obtain understanding, support and funding for developing service delivery charter (Department of Public Service and Administration, 2011c:6).

**Develop a guideline**
The institutional guideline should clearly indicate the rational and objectives of the service delivery charter, intended achievement and benefits of developing the service delivery charter, which service/s to be included in the charter, and why the identified service/s have been selected.

**Appoint a champion**
Once these other sub-steps are achieved, a champion/s must be appointed to run with the development of service standards within the governmental institution. The champion/s should be able to understand issues and challenges of service delivery (Department of Public Service and Administration, 2011c:6).
PHASE 2 DESIGN

The following list has been extracted from the Batho Pele Handbook (Department of Public Services and Administration, 2007: 92-95).

**Who are we?**
The answer will take the form of: “We are the Department of...”.

**Where can we be found?**
Provide the physical locations of the buildings where services are delivered to service beneficiaries. Be sure to include the full address and contact details for each location, including e-mail addresses, if applicable. Where call centres have been established, these must be identified with their corresponding address details. It is critically important that the days of the week and times during which the services may be accessed are clearly stated. It is preferable to provide all this information by geographical area so that service beneficiaries can establish the most suitable location for their needs. For remote locations, it is advisable to provide full directions of how to get to the service point.

**What are our services and products?**
Here it is necessary to list all the services provided by the institution and then specify which services are available at each location. In addition, full information must be provided on what the service beneficiaries need to do or take with them in order to access the services, for example, ID documents, birth certificates, photographs, medical histories, educational qualifications and certificates.

A commitment to the Batho Pele principles will enhance the charter. It is suggested that a statement along the following lines be included here: “The provision of our services will be based on the principles of Batho Pele and we undertake to honour these principles by ... <indicate here how you will give force to each of the Batho Pele principles in delivering the relevant services>”.

This is not a simple exercise and requires thought and discussion with officials as well as service beneficiaries. Some of the best ways to consult with officials and service beneficiaries is by way of focus groups. These groups should be representative and often work best with a mixture of officials and service beneficiaries. The facilitator must be a mature and preferably a senior official that is well-versed in the services of the institution.
It must be accepted that the findings of these focus groups may require the institution to review or even revise some of its services and how they are provided.

Once the focus groups have been held it is useful to send out questionnaires to a cross section of service beneficiaries, asking the same sort of questions addressed during the focus groups. This may provide additional important information and will serve as a useful control mechanism. The same focus groups and questionnaires can be used to provide the input to the next two steps.

**What are our service standards?**

Having established realistic and relevant service standards through the focus groups, each service should be listed with the standards applicable to this particular service. The standards may be introduced with the following statement: “We shall commit to the following minimum standards for the level and quality of the services we provide: [list the services].”

Remember that your service beneficiaries, as a result of previous disadvantage, may not be in a position to articulate appropriate standards. On one hand, they may not expect much from you. On the other hand, their expectations might be totally unrealistic. The focus groups should help them understand more clearly what they can rightfully expect from your institution.

Times change and service beneficiaries’ needs may change with them. In order to monitor standards and service beneficiary satisfaction it will be necessary, at regular intervals to review the standards. Again, focus groups can be used to facilitate this process. However, a simple questionnaire at service points is a useful interim device to ensure that service delivery is still on track and meeting the needs and expectations of service beneficiaries. This questionnaire can also be used to determine changed needs or new expectations.

**How do we deal with queries and complaints?**

Here, service beneficiaries will be reassured about their rights by committing your institution to redress procedures and courteous assistance. If your institution has set up a complaints or help desk, this must be clearly stated with full particulars and an explanation on how to access this service, with full details, including the names of officials in attendance.

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The White Paper on Transforming Public Service Delivery, 1997 (Batho Pele White Paper) lists eight basic principles to enhance service delivery. All public servants are exhorted to internalise these principles and make Batho Pele a way of life.
You may wish to follow the following guidelines in completing the queries and complaints section of your charter:

When you write to us we shall:

- Acknowledge your letter or e-mail within <amount of days> of receiving it
- Provide you with the name of the official handling your query
- Provide you with a reference number, where applicable
- Tell you when you can expect a full response
- Provide you with telephonic and e-mail contact details, for example, “You can call or e-mail Mr/Ms <name> on <telephone number and area code> or at <e-mail address> between <time-period> and from Monday to Friday.”

If you have a complaint, please tell us so that we can try remedy the situation immediately. If you are unhappy with our response, you can contact Mr/Ms <name> on the following number <contact number>.

Please tell us what you think of our services and standards and whether you think we are meeting them. We would appreciate any comments and/or criticism you may have. Please contact: Mr/Ms <name> on <telephone number>, <fax> or <email address>.

Finally, under the heading of standards, it is useful to give an undertaking to publish the results of the institution’s performance in a publication available to the public. The following statement may be helpful:

We shall publish the results of our performance against our standards for the year 2002 in <name of publication> on <date>.

What are your rights?
Here, you must list the service beneficiary’s rights. We suggest the following:

You have the right to all the Batho Pele principles, especially the following:

- Courteous behaviour at all times
- Full information
- Prompt and efficient service
- Redress and an apology for lapses in our service

The above may need to change, depending on the institution and the nature of the services provided.

What are your obligations?
While it is critically important that the service delivery charter should spell out the rights of service beneficiaries, they need to be reminded that service delivery is a two-way street and that they have certain obligations as well. For example, you may wish to remind them that they too need to be courteous and civil and respect the dignity of officials they encounter.
PHASE 3 CONSULTATION

**Get buy-in and commitment**

It is crucial to involve all officials in the development of a service delivery charter so that you get their understanding and buy-in and commitment to the content of service delivery charter with regards to which service/s are to be included/listed in the charter and why the identified service/s improve service delivery. The buy-in will encourage officials to become custodians of the process so that they can take ownership of the charter (Department of Public Service and Administration, 2007:86).

PHASE 4 PUBLISH

Once the service delivery charter is completed, it should be published and widely distributed to service beneficiaries and displayed within the institution’s service points (Department of Public Service and Administration, 2007:95). Think creatively about imparting and publishing information to all audiences and again consider the cost implications.

PHASE 5 REVIEW

It is crucial to review the service delivery charter to ensure that it is (within current mandate/s) still relevant and still addresses the services that a governmental institution is providing. In the case where the mandate/s of the governmental institution has changed, such changes must be reflected in the charter.

Institutions with regional/district/site offices must ensure that their charter reflects the type of service rendered within the specific sites and not the generic charter that speaks to generic services or services provided at head office and not at site/regional/district offices.

**KEY CONSIDERATIONS**

Once the service delivery charter has been completed:

- It should be widely distributed to service beneficiaries and displayed within the institution, especially at service points.
- It is important to ensure that it is customised to reflect service point specific information. For example, the national Department of Home Affairs may not necessarily provide the same service as one of the provincial or district offices. The service point specific charters must, in turn, be published at the specific service point.
TEMPLATE
SERVICE DELIVERY CHARTER

The Department of [name]
<Include an “about us” section explaining who you are.>

Contact details:
<Where can we be found?>
<How can you contact us?>

What services do we provide?
<Including a detailed list of all the services you provide and how the service beneficiaries can make use of these services, for example, what documentation they need to access these services. Include a section on the eight Batho Pele principles and how your institution seeks to fulfil these principles through service delivery.>

What are our service standards?
<Explain the minimum standards for the level and quality of service delivery as set out by your institution. These can be listed using bullet points, for example:
- When you write to us, we shall:
- Acknowledge your letter within [amount of] days of receiving it
- Provide you with a contact name and full details for future queries, including the applicable telephone and fax number and email address
- Advise you when you can expect a reply>
How do we rate our performance against our standards?

Include information on how your institution ensures that performance standards are met, for example:

We shall publish the results of our performance against our standards each year in our annual report.

You have the right to all the Batho Pele principles, including practising and receiving courteous behaviour. We expect you to be civil, courteous and respect the dignity of our officials at all times.
2.5 ORGANISATIONAL DEVELOPMENT

The following section has been extracted from the Toolkit for Organisational Design (Department of Public Service and Administration, 2008)

2.5.1 Introduction
The South African Government is responsible for the sustainable growth and development of the country. One of its major responsibilities is to ensure that all service beneficiaries have access to and receive the services they need. The manner in which governmental institutions are structured has an impact on how effectively these institutions can deliver services to service beneficiaries.

In 2006, Cabinet decided that the DPSA should develop guidelines to assist institutions with their organisational structuring. The decision followed from a review of the capacity of institutions by the Forum of South African Directors-General (FOSAD). The review identified a number of shortcomings in organisational structures in the public service. The DPSA developed the Guide and Toolkit on Organisational Design as one element of support and capacity building for institutions.

2.5.2 Purpose
The Organisational Design Toolkit strives to do the following:

- Serve as a practical tool to support practitioners and managers in designing, implementing and maintaining organisational structures in government
- Provide a common framework for organisational design in Government
- Serve as a tool for continuous improvement by sharing information about good practices
- Provide decision makers (executive authorities and accounting officers) with information on organisational structuring that can assist them when making decisions about their institution’s structures.

The manner in which governmental institutions are structured has an impact on how effectively these institutions can deliver services to service beneficiaries.
2.5.3 Why do we need effective organisational structures?

Effective organisational structures in the public sector matter to the nation, the Government, public sector institutions and officials. A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by the Government. In practical terms, this means that an effective organisational structure:

- Is necessary to implement the strategic plan. If the structure is not aligned with the strategic plan of the institution, the institution is not likely to achieve its objectives
- Is necessary for effective service delivery. Structures are the vehicles through which services are delivered
- Can assist with efficiency and optimal utilisation of resources. The structure of the institution can influence how the financial and human resources are allocated and used
- Is necessary for officials’ morale. The way in which the institution is structured will influence the morale, energy and enthusiasm of the officials
- Can assist in fostering the appropriate organisational culture for delivering on the mandate and strategic priorities

2.5.4 Organisational structuring process

The suggested generic process for organisational structuring in Government consists of six phases and five review points, each with its specific sequence of steps and relevant tools and techniques. Refer to Figure 28 for reference.

For more information, please refer to the Organisation Design Toolkit which is available on the DPSA website: www.dpsa.gov.za

"A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by the Government."
Figure 28: The organisational structuring process (six phases)
CHAPTER 2: OPERATIONS DESIGN

CONCLUDING REMARKS

Governmental institutions are required by legislation to deliver and continually improve upon effective and efficient service delivery. This cannot be done if an institution does not know and control all of the operational processes at work when delivering a service. Any attempt at service or service delivery improvement will be fruitless without meeting the minimum requirements set out in this chapter.

Thus, in order to effect meaningful improvement initiatives, institutions must make use of the Business Process Mapping Toolkit in order to better understand and manage business processes. If business processes are not aiding in delivering an institution’s service effectively, it is imperative that the processes be redesigned to ensure that an effective and efficient process of continuous improvement is put in place.

Every institution must institute SOPs for repetitive tasks as they ensure that all officials know exactly what is expected of them, thereby improving productivity and time management, reducing operating costs and, in turn, ensuring the effective and efficient delivery of service. For SOPs to be effective, they must be easily understandable and updated frequently to reflect the ever-changing requirements of service beneficiaries. When procedures are changed, so should the SOP. SOPs need to be consistently tested to determine that they are indeed still a true reflection of what is required to deliver the service. In order to aid institutions in creating effective SOPs, the DPSA has created the SOP Toolkit.

The implementation of service standards ensures that public services are efficient, effective and consistently improving. In setting service standards, it is imperative that institutions set realistic goals. If unrealistic goals are set, institutions will fail to reach them resulting in service beneficiary anger or outcry. To aid governmental institutions in setting service standards, the DPSA has created the Service Standards Toolkit.

Each institution must create a service delivery charter as stipulated by the White Paper on Transforming Public Service Delivery: 1997 (Batho Pele White Paper). The service delivery charter sets out the standards that service beneficiaries can expect from an institution as well as provides information with regards to how a service beneficiary can go about registering a complaint if he or she is not satisfied. If complaints are consistently received about service delivery, service standards, SOPs and business process will need to be readdressed. The service delivery charter is to be consistently reviewed to ensure that it is still in line with legislative framework. In order to aid institutions in creating an effective service delivery charter, the DPSA has created the Service Delivery Charter Toolkit.

A governmental institution needs effective organisational structures to deliver on its mandate and on the priorities set by the Government. In a review of the capacity of institutions by FOSAD, a number of shortcomings in organisational structures in the public service were identified. The DPSA has thus developed the Guide and Toolkit on Organisational Design as one element of support and capacity building for institutions, which can be found on the DPSA website.
CHAPTER 3

Operations Planning & Control
Operations managers may face several challenges in their attempts to manage operations efficiently. Their broad responsibilities include for the forecasting, planning, and controlling and adjusting operations. These ensure that an institution runs smoothly and that all performed activities contribute to the production of goods and services within the institution.

**OPERATIONAL FORECASTING**
Operations managers need to put actions into place that will deliver the required outputs at the required times.

**OPERATIONAL PLANNING**
Operations managers need to develop an operations plan to ensure that an institution has all of the resources required to perform the work to deliver services to service beneficiaries. In turn, the institution’s work flow should remain uninterrupted.

**OPERATIONAL CONTROL AND ADJUSTMENT**
After implementing the new operations plan, managers will be required to control it. Through in-period monitoring, operations managers will be able to gather the information required to determine whether the plan is performing in the expected manner. As things do not always run as expected within the working environment, operations managers will need to know how to adjust their plans in order to maintain the levels of production required.
3.1 DELVING INTO OPERATIONS MANAGEMENT AND CONTROL

3.1.1 What is operations management?
Operations management is concerned with institutional operations managers’ activities, decisions and responsibilities (Pycraft et al., 2010:4). It involves providing services and adding value to service beneficiaries, and ensuring that they receive the correct services and the preferred outcomes. It also involves understanding the service beneficiary’s requirements, managing the service processes, ensuring the institution’s objectives are met, while also paying attention to the continuous improvement of services (Pycraft et al., 2010:4).

Service operations managers:
- Are accountable for providing services to the institution’s service beneficiaries
- Have a significant bearing on the success of the institution
- Are responsible for a large percentage of the institution’s assets

3.1.1.1 What are public services?
- Public services come in different shapes and forms, and are offered by a range of different types of institutions. Public services include institution-to-service-beneficiaries service, government-to-government services, internal services and non-profit and voluntary services.
- Public services refer to a wide range of services provided by the local, provincial and national Government spheres to their service beneficiaries and communities. These include, amongst others, human settlements, police, welfare, health and education services.
- Internal services are different types of formal and informal services that institutional officials make available to each other. Formal services include human resource management, finance, security and information technology. Almost everyone working in an institution offers some kind of service to other people in the institution, such as convening meetings, providing information, participating in discussions or drafting reports. These are informal internal services.

The information in Chapter 3.1 has been sourced from Johnston, Clark and Shulver (2012), unless otherwise stated.
Government-to-government services are services provided between various institutions and include advisory services, institutional support, monitoring and evaluation, budget support, infrastructure maintenance, communications, finance and legal services.

3.1.1.2 Who are service beneficiaries?
It is imperative to note that different institutions often use different terms for their service beneficiaries. Public service provides services to service beneficiaries who are our citizens. The police handles victims and criminals, hospitals handle patients and visitors, correctional facilities handle inmates and visitors, and so on. (Johnston et. al., 2012:5-6). The word “service beneficiary” is used to cover all of these individuals and communities that receive services from institutions.

3.1.1.3 What is service?
While a product is tangible, a service is an activity or a process of set steps involving the treatment of the service beneficiary (while also possibly providing a product such as an identity card). (Johnston et. al., 2012:6). This is also known as the service delivery process.

Service from the operation's perspective
From an operations point of view, a service provided is the service process as well as the service outputs, which have all been designed, created and enacted by the operation using its input resources. This includes the service beneficiary, where the service beneficiary also takes some part in the service process. As a result, the service provided is the common ground where the operations and the service beneficiary overlap as represented in Figure 29.

![Figure 29: A model for a service provided and received](Johnston et. al., 2012)
From the service beneficiary's perspective
From the service beneficiary’s point of view, a service received is the service beneficiary’s experience of the service provided which results in outputs such as products, benefits, emotions, judgements and intentions.

The service beneficiary experience
The service beneficiary experience is the direct and personal understanding of, and response to, a service beneficiary’s participation in the service process and its outputs. This experience includes their passage through a series of steps. An experience is perceived from the point of view of an individual service beneficiary and is fundamentally personal, existing only in the service beneficiary’s mind. Aspects of the service beneficiary experience include the:

- Service beneficiary interaction
- Frontline official flexibility
- Service department responsiveness
- Institutional official or information systems ease of access
- Extent of personal interaction
- Interface with other service beneficiaries
- Level to which the service beneficiary feels valued by the institution
- Courtesy and competence of the service delivery official

3.1.1.4 What are the service outputs?
Service outputs are used to explain the service beneficiary’s service process results and experience. The key outputs are products, benefits, emotions, judgements and intentions. Refer to Figure 29.

- **Products:** A significant functional output of the service offered is the tangible product that is delivered. These would include products such as a new heart for a heart operation patient or an identity card issued to the service beneficiary.

- **Benefits:** The benefits are imperative to a service beneficiary. The benefits of a service refer to how the service beneficiary feels that they have benefited or gained from the service provided and how well their needs or requirements have been met. For example, a patient who has undergone a heart operation will benefit from a longer and more active life.

- **Emotions:** When a service beneficiary receives a service, it results in them feeling many emotions, including disappointment, anger, sadness, shame, joy or surprise. In a hospital, the patient should experience a well-managed stay, where they feel comfortable and assured throughout with the least possible discomfort and inconvenience.

- **Judgements:** Judgements are the conscious or unconscious evaluations of the service provided. They are the service beneficiary’s experience and perceived benefits gained. These evaluations and emotions are restructured into a feeling of satisfaction or dissatisfaction about the overall service.
- **Intentions**: Judgements, either positive or negative, will result in intentions, such as the intention to complain or not, the intention to reuse the service or not, or the intention to endorse the service or not.

Institutional outcomes will address meeting targets and objectives. A hospital may have clinical targets such as waiting times, operational targets such as theatre usage and financial targets such as adherence to budgets. In order to ensure success, an operation has to meet both the institutional and service beneficiary outcomes.

### 3.1.1.5 What is the relationship between products, services and value?

Many institutions provide a combination of products and services. However, it is not the relative amount of product versus the service that an institution offers, but rather the **value** that the service beneficiary derives from the product or service.

Value is generated by the service beneficiary’s experience up until the point of consumption. The service beneficiary is the ultimate judge of value, which the service beneficiary observes over time, and plays a considerable role in value creation. In service delivery, the service beneficiary’s role is referred to as “co-production”.

As demonstrated, the service beneficiary’s experience could be an inherent part of the operations process. As such, the service beneficiary sees much of the process, plays a key role in the process and receives the product or service.

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**CO-PRODUCTION**

Co-production relates to the way service beneficiaries could get more involved with public sector services. An example is the South African Revenue Service’s e-filing system, where service beneficiaries have to perform actions to receive their desired service.

“Value is generated by the service beneficiary’s experience up until the point of consumption.”
3.1.2 Why is operations management important?
Efficient and effective operations management should result in enhanced services, as elaborated hereunder.

3.1.2.1 Better for the service beneficiary
If a service beneficiary is provided with an accurate service, a worthy experience and preferred outcomes; they will be content, perhaps even delighted. Service beneficiaries may be prepared to wait longer in order to receive a higher service level.

3.1.2.2 Better for the officials
Should the service beneficiary be content with a service, experience and outcome, the officials will also have an enhanced experience:
- An efficient operation and satisfied service beneficiaries will result in officials taking pride in both the job they do and the institution they work for.
- Service beneficiaries will be easy to deal with because they are satisfied. The service and the experience met their needs.
- Service beneficiaries who are content tend to be more understanding, so when things go wrong, they are more tolerant which in turn makes things easier for officials.
- An effective and efficient operation results in fewer problems, which results in fewer grievances for officials to address.

3.1.2.3 Better for the institution/public service
Providing the right service and experience through good operations management bears many benefits for the institution at large:
- Service beneficiaries who are content with service delivery are more likely to return and also more likely to recommend the institution and its services to others.
- Delivering the correct service and experience should empower the institution to attain its goals/objectives and mission, supporting the institution’s strategic intent.
- Effective operations management should assist in developing the institution’s future intent and develop skills and competencies to support the institution’s development.
- Improved and efficient services will enhance the institution’s brand and reputation.
- Enhanced operations management leads to improved services which are more cost effective and efficient thereby reducing the institution’s costs.

3.1.3 Challenges for operations managers
The key strategic challenges faced by most operations managers include:
- Managing tactically and strategically
- Making operations a contributor and implemener to strategy
- Making the business case for improved service delivery
- Understanding the service concept
3.1.3.1 Managing tactically and strategically

Operations managers need to manage both tactically and strategically. Being tactical is about being focused on the short-term day-to-day activities. Being strategic is about being focused on long-term activities and with the operation's wider contribution to the institution.

The problem for operations managers is that a substantial part of the managing operation is immediacy. This is the constant challenge of addressing the needs of a stream of service beneficiaries, managing officials and making operational decisions to delivery of the right service, at the right cost, at the right time. The danger of this immediacy is that it can result in short-term focus. Many operations managers concentrate their time and effort on managing day-to-day operations for the following reasons:

- Pressure to deliver on day-to-day services may leave little time for medium-term operational improvement activities or longer-term strategic planning.
- Operations managers find themselves in a comfort zone with the unambiguous and rational nature of many short-term tactical decisions. Intuitive processes required for strategic planning are quite different from rational tactical processes and justifications are made to put them on hold.

This often results in the development and strategic aspects of operations management being neglected and an inconsistent amount of time being spent on managing day-to-day operations. Good operations managers are those who pay attention to and make the time to manage both strategic and day-to-day operations in order to establish and maintain a successful institution.

3.1.3.2 Making operations a contributor to strategy and an implementer

Operations managers are involved in the delivery part of the institution. It is the operations and its officials that provide the service. As such, operations managers are responsible for the strategy's implementation. It is important for managers to understand the institution's strategy as this will outline what the institution has to be good at. It might involve, for example, delivering a service at low cost or providing a wide range of services or a valuable service beneficiary experience.

3.1.3.3 Making a business case for improved service delivery

Making a business case to the accounting officer in order to obtain the resources required to provide more efficient and effective operations and render a value-added service requires clear justification with evidence of the relationship between cost and service. This knowledge will assist the operations manager to understand the bearing of any decisions they make on both the service provided and the institution's success.

The operations manager has a fundamental contribution to develop strategy by knowing what they can, or could deliver and by driving change and improvement through the institution to provide it.
3.1.3.4 Understanding the service concept

The service concept outlines what the institution does and what operations has to deliver. In a product-based institution, this is usually simple – the product is tangible can be seen and touched. However, a service is an activity or process and it is easy for officials to have different views about what the process is. Similarly, there might also be opposing views about what the institution is offering and what the service beneficiary is obtaining. It is imperative to develop and communicate a coherent service charter in order to explain the institution’s products to all its service beneficiaries, internally as well as externally, and ensure that it can be and is implemented.

3.1.4 Relationship between cost, quality and time in operations

Almost all processing operations have difficulty in achieving a balance between cost, quality and time. This is equally true in public sector operations. Even though governmental institutions do not have a profit motive, they have to operate within financial constraints. Financial constraints often have bearing on either quality or time. The perception is that improving quality or time will result in higher costs, and likewise a decline in cost must involve a decline in quality (Active Operations Management International, 2007:1). The strains between these factors need to be understood and managed by operations managers. There is a need for operations managers to attain the best possible balance between cost, quality of the service/product and time (Active Operations Management International, 2007:2).

3.1.5 The crux of operations planning and control

Even after the operations system has been successfully designed and placed in to actual use, considerable managerial discretion remains. This is because decisions must be made on a shorter-term basis (that is month-to-month, day-to-day, and even hour-to-hour) as to how the system will be operated and controlled. Operational planning and control decisions involve the scheduling and control of human resources, materials and financial input to produce the desired quantity and quality of output most efficiently.

Operational planning and control are based on forecasts of future demand for the output of the system. Even with the best possible forecasting and the most finely tuned operations system, demand cannot always be met with existing system capacity in a given time period. Unexpected trends and new product developments, such as smart card identity, environmental and political conditions can throw the forecasts off, and problems in

![Figure 30: Relationship between cost, quality and time in operations](image-url)
the operations system can reduce capacity. At these times, shorter-term managerial decisions must be made to allocate system capacity to meet demand.

Planning and control is concerned with the reconciliation between what the service beneficiary requires and what the operation’s resources can deliver.

The purpose is always the same:

- Make a connection between supply and demand that will ensure that the operation’s processes run effectively and efficiently
- Produce products and services as required by service beneficiaries or dictated by relevant legislation

Planning is a formalisation of what is intended to happen at some time in the future. However, a plan does not guarantee that an event will actually happen. Service beneficiaries change their minds about what they want and when they want it. Institutions may not always deliver on time, machines may fail, or officials may be absent through illness. Control is the process of coping with changes. It may mean that plans need to be redrawn. It may also mean that an “intervention” will need to be made in the operation to bring it back “on track”, for example, finding a new institution that can deliver quickly, repairing the machine which failed, or moving official from another part of the operation to cover for the absentees.

Control makes the adjustments which allow the operation to achieve the objectives that the plan has set, even when the assumptions on which the plan was based do not hold true (Pycraft et. al., 2010:273).

Within the constraints imposed by its design, an operation has to be run on an ongoing basis. Planning and control is concerned with managing the ongoing activities of the operation so as to satisfy service beneficiary demand. All operations require plans and require controlling, although the degree of formality and detail may vary.

An operations manager typically ensures smooth operation of various processes that contribute to the production of goods and services of an institution. The role of an operations manager is very wide and encompasses many operational areas. The broad responsibilities of an operations manager include:

- Operational forecasting
- Operational planning
- Operational control and adjustment

“Planning and control activities provide the systems, procedures and decisions which bring different aspects of supply and demand together” (Pycraft et. al., 2010:273).
3.2 OPERATIONAL FORECASTING

The primary advantage of forecasting is that it provides the institution with valuable information that it can use to make decisions about the future of the institution (Bass, 2015).

3.2.1 What is forecasting?
Forecasting is the initial phase of managing the ongoing activities of the operation. Forecasting helps operations managers and institutions develop meaningful plans and reduce uncertainty of events in the future. Two important aspects associated with forecasting are:

1. the expected level of demand
2. the forecast’s degree of accuracy

After the forecast has been made, it is important that institutions study them and meet the demands of service beneficiaries by reacting to the forecast. However, there is no way to predict things with complete accuracy; operations managers can only choose the best forecasting to fit different situations (Wikispaces, 2015).

An institution uses a variety of forecasting methods to assess possible outcomes. The methods used by an individual institution will depend on the data available and the sector or sphere in which the institution operates (Bass, 2015).

It is not possible to accurately forecast the future. Due to the qualitative nature of forecasting, an institution can come up with different scenarios depending upon the interpretation of the data. For this reason, institutions should never fully rely on any forecasting method. However, an institution can effectively use forecasting with other tools of analysis to give the institution the best possible information about the future.

Forecasting enables operations managers to set in sequence actions that will deliver outputs timeously for when they are required and at the desired quality level. Operations managers may forecast on a weekly, monthly, quarterly or annual basis depending on the kind of variables involved (Active Operations Management International, 2007:33).
3.2.2 Why do we have to forecast?
While a forecast is never perfect due to the dynamic nature of the external public service environment, it is beneficial for all levels of functional planning, strategic planning and budgetary planning. Forecasts are vital to institutions and can guide important decisions regarding the future direction of the institution (Chase, Jacobs and Aquilano, 2015).

Forecasting enables the operations manager to set actions in motion in order to deliver outcomes in time for when they are needed. Depending on the kind of lead time involved, the operations manager may forecast on a weekly, monthly or annual basis (Active Operations Management International, 2007:32).

The primary goal of operations management is to match supply to demand. Having a forecast of demand is essential for determining how much capacity or supply will be needed to meet demand. For instance, operations needs to know what capacity will be needed to make staffing and equipment decisions, budgets must be prepared, supply chain management needs information for ordering from suppliers, and supply chain partners need to make their plans (Stevenson, 2015:75-76).

Forecasts play an important role in the planning process because they enable managers to anticipate the future so they can plan accordingly. Forecasts affect decisions and activities throughout an institution, in finance, human resources, marketing and Management Information Systems (MIS), as well as in operations and other parts of an institution.

3.2.3 Elements of a good forecast
- **Timely**: Usually, a certain amount of time is needed to respond to the information contained in a forecast. For example, capacity can neither be expanded overnight, nor can inventory levels be changed immediately. Hence, the forecasting horizon must cover the time necessary to implement possible changes.
- **Accurate** and the degree of accuracy should be stated: This will enable managers to plan for possible errors and will provide a basis for comparing alternative forecasts.
- **Reliable** and it should work consistently: A technique that sometimes provides a good forecast and sometimes a poor one will leave users with the uneasy feeling that they may get burned every time a new forecast is issued.

"Forecasting enables the operations manager to set actions in motion in order to deliver outcomes in time for when they are needed."
- **Meaningful units**: Financial planners need to know how much funds will be needed, production planners need to know how many units will be needed, and schedulers need to know what machines and skills will be required. The choice of units depends on user needs.

- **In writing**: Although this will not guarantee that all concerned are using the same information, it will at least increase the likelihood of it. In addition, a written forecast will permit an objective basis for evaluating the forecast once the actual results are in.

- **Simple to understand and use**: Users often lack confidence in forecasts based on sophisticated techniques; they do not understand either the circumstances in which the techniques are appropriate or the limitations of the techniques. Not surprisingly, fairly simple forecasting techniques enjoy widespread popularity because users are more comfortable working with them.

- **Cost-effective**: The benefits should outweigh the costs.

(Stevenson, 2015: 78)

<table>
<thead>
<tr>
<th>Table 11: Examples of forecast uses within institutions</th>
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</thead>
<tbody>
<tr>
<td><strong>Accounting</strong></td>
</tr>
<tr>
<td><strong>Finance</strong></td>
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<tr>
<td><strong>Human Resources</strong></td>
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<tr>
<td><strong>MIS</strong></td>
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<tr>
<td><strong>Operation</strong></td>
</tr>
<tr>
<td><strong>Product/service design</strong></td>
</tr>
</tbody>
</table>

(Stevenson, 2015:76-77)

"The forecasting model an institution should adopt depends on several factors, including forecasting time horizon, data availability, accuracy required, size of the forecasting budget, and availability of qualified personnel."
3.2.4 Forecasting techniques and methods
Forecasting techniques and methods can be both qualitative and quantitative and their level of sophistication depends on the type of information and the impact of the decision. The forecasting model an institution should adopt depends on several factors, including forecasting time horizon, data availability, accuracy required, size of the forecasting budget, and availability of qualified personnel (Chase, Jacobs and Aquilano, 2015).

Table 12: Three forecasting techniques

| Judgmental forecasts       | Rely on analysis of subjective inputs obtained from various sources, such as consumer surveys, the sales officials, managers and executives, and panels of experts
|                          | Quite frequently, these sources provide insights that are not otherwise available, e.g., projections by analysts, economists and politicians
| Time-series forecasts      | Simply attempt to project past experience into the future
|                          | These techniques use historical data with the assumption that the future will be like the past.
|                          | Some models merely attempt to smooth out random variations in historical data while others attempt to identify specific patterns in the data and project or extrapolate those patterns into the future, without trying to identify causes of the patterns, e.g., the number of smart identity cards issued over a period of time
| Associative models        | Use equations that consist of 1 or more explanatory variables that can be used to predict demand, e.g., demand for a smart identity cards might be related to variables such as the price per card and the amount of time spent on producing the card, as well as to specific characteristics of the card (turnaround time, accuracy and security)

(Stevenson, 2015:82)
Table 13: Two forecasting methods

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Qualitative methods</th>
<th>Quantitative methods</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Based on human judgement, options, subjective and non-mathematical</td>
<td>Based on mathematics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Quantitative in nature</td>
</tr>
<tr>
<td>Strengths</td>
<td>Can incorporate latest changes in the environment and within the institution</td>
<td>Consistent and objective</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Able to consider much information and data at one time</td>
</tr>
<tr>
<td>Weaknesses</td>
<td>Can bias the forecast and reduce forecast accuracy</td>
<td>Often quantifiable data is unavailable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Only as good as the data on which it is based</td>
</tr>
</tbody>
</table>

(Stevenson, 2015:82-83)

3.2.4.1 Qualitative methods

Qualitative techniques permit the inclusion of soft information (human factors, personal opinions and hunches) in the forecasting process. These factors are often omitted or downplayed when quantitative techniques are used because they are difficult or impossible to quantify (Stevenson, 2015: 82).

In some situations, forecasters rely solely on judgment and opinion to make forecasts. If management must have a forecast quickly, there may not be enough time to gather and analyse quantitative data. At other times, especially when political and economic conditions are changing, available data may be obsolete and more up-to-date information might not yet be available. Similarly, the introduction of new products and the redesign of existing products or packaging suffer from the absence of historical data that would be useful in forecasting. In such instances, forecasts are based on executive opinions, service beneficiary surveys and opinions of experts (Stevenson, 2015: 82-83).

Executive opinions

A small group of upper-level managers (marketing, operations and finance) may meet and collectively develop a forecast. This approach is often used as a part of long-range planning and new product development. It has the advantage of bringing together the considerable knowledge and talents of various managers. However, there is the risk that the view of one person will prevail, and the possibility that diffusing responsibility for the forecast over the entire group may result in less pressure to produce a good forecast (Stevenson, 2015: 83).

Qualitative techniques permit the inclusion of soft information (human factors, personal opinions and hunches) in the forecasting process.
CHAPTER 3: OPERATIONS PLANNING AND CONTROL

Service beneficiary surveys
Because it is the service beneficiaries who ultimately determine demand, it seems natural to solicit input from them. In some instances, every service beneficiary or potential service beneficiary can be contacted. However, usually there are too many service beneficiaries or there is no way to identify all potential service beneficiaries. Therefore, institutions seeking service beneficiary input usually resort to surveys, which enable them to sample service beneficiary opinions. The obvious advantage of service beneficiary surveys is that they can tap information that might not be available elsewhere. On the other hand, a considerable amount of knowledge and skill is required to construct a survey, administer it, and correctly interpret the results for valid information. Surveys can be expensive and time-consuming (Stevenson, 2015: 83).

Expert opinions
A manager may solicit opinions from a number of other managers and officials. Occasionally, outside experts are needed to help with a forecast. Advice may be needed on political or economic conditions in Africa or a foreign country, or some other aspect of importance with which an institution lacks familiarity.

Another approach is the Delphi method, an iterative process intended to achieve a consensus forecast. This method involves circulating a series of questionnaires among individuals who possess the knowledge and ability to contribute meaningfully. Responses are kept anonymous, which tends to encourage honest responses and reduces the risk that one person’s opinion will prevail.

Each new questionnaire is developed using the information extracted from the previous one, thus enlarging the scope of information on which participants can base their judgments.

The Delphi method has been applied to a variety of situations, not all of which involve forecasting. As a forecasting tool, the Delphi method is useful for technological forecasting, that is, for assessing changes in technology and their impact on an institution. Often the goal is to predict when a certain event will occur. For instance, the goal of a Delphi forecast might be to predict when video telephones might be installed in at least 50% of residential homes or when a vaccine for a disease might be developed and ready for mass distribution. For the most part, these are long-term, single-time forecasts, which usually have very little hard information to go by or data that are costly to obtain, so the problem does not lend itself to analytical techniques. Rather, judgments of experts or others who possess sufficient knowledge to make predictions are used (Stevenson, 2015: 83-84).

3.2.4.2 Quantitative methods
Quantitative methods involve either the projection of historical data or the development of associative models that attempt to utilise causal (explanatory) variables to make a forecast. Quantitative techniques consist mainly of analysing objective, or hard data. They usually avoid personal biases that sometimes contaminate qualitative methods. In practice, either approach or a combination of both approaches might be used to develop a forecast (Stevenson, 2015:82).
Time series
A time series is a time-ordered sequence of observations taken at regular intervals, for example, hourly, daily, weekly, monthly, quarterly or annually. The data may be measurements of demand, shipments, accidents, output, precipitation, productivity, or the consumer price index. Forecasting techniques based on time-series data are made on the assumption that future values of the series can be estimated from past values. Although no attempt is made to identify variables that influence the series, these methods are widely used, often with quite satisfactory results.

Analysis of time-series data requires the analyst to identify the underlying behaviour of the series. This can often be accomplished by merely plotting the data and visually examining the plot. One or more patterns might appear: trends, seasonal variations, cycles, or variations around an average. In addition, there will be random and perhaps irregular variations. These behaviours can be described as follows:

- Trend refers to a long-term upward or downward movement in the data. Population shifts, changing incomes, and cultural changes often account for such movements.
- Seasonality refers to short-term, fairly regular variations generally related to factors such as the calendar or time of day. The health, home affairs, social development and education sectors within Government experience weekly and even daily “seasonal” variations.
- Cycles are wavelike variations of more than one year’s duration. These are often related to a variety of economic, political, and even agricultural conditions.
- Irregular variations are due to unusual circumstances such as severe weather conditions, strikes, or a major change in a product or service. They do not reflect typical behaviour, and their inclusion in the series can distort the overall picture. Whenever possible, these should be identified and removed from the data.
- Random variations are residual variations that remain after all other behaviours have been accounted for.

(Stevenson, 2015: 84)

Moving average
A simple moving average forecast is used when the demand for a product or service is constant without any seasonal variations. A weighted moving average forecast varies the weights, given a particular factor and is thus able to vary the effects between current and past data.

Exponential smoothing
Exponential smoothing improves on the simple and weighted moving average forecast as it considers the more recent data points to be more important. To correct for any upward or downward trend in data collected over time periods, smoothing constants are used.

Regression analysis
Regression analysis uses a chart to view the moving average as a single line of change over time.

Causal relationship
Causal relationship forecasting attempts to determine the occurrence of one event based on the occurrence of another event.
Focus
Focus forecasting tries several rules that seem logical and easy to understand to project past data into the future.

3.2.5 Monitoring the forecast
Many forecasts are made at regular intervals, for example, weekly, monthly, quarterly and annually. Because forecast errors are the rule rather than the exception, there will be a succession of forecast errors. Tracking the forecast errors and analysing them can provide useful insight on whether forecasts are performing satisfactorily. There are a variety of possible sources of forecast errors, including the following:

- The model may be inadequate due to:
  - The omission of an important variable
  - A change or shift in the variable that the model cannot deal with (for example, sudden appearance of a trend or cycle)
  - The appearance of a new variable
- Irregular variations may occur due to severe weather or other natural phenomena, temporary shortages or breakdowns, catastrophes, or similar events
- The forecasting technique may be used incorrectly, or the results misinterpreted
- Random variations. Its inherent variation remains in the data after all causes of variation have been accounted for (note that there are always random variations)

A forecast is generally deemed to perform adequately when the errors exhibit only random variations.

Hence, the key to judging when to re-examine the validity of a particular forecasting technique is whether forecast errors are random. If they are not random, it is necessary to investigate to determine which of the other sources is present and how to correct the problem.

Forecast errors are the difference between the forecast value and what actually occurred. All forecasts contain some degree of error; however, it is important to distinguish between sources of error and the measurement of error. Sources of error are random errors and bias. Various measurements exist to describe the degree of error in a forecast. Bias errors occur when a mistake is made, for example, not including the correct variable or shifting the seasonal demand. Random errors cannot be detected, they occur normally (Stevenson, 2015:106).
Forecasting is a key input to capacity planning and control. As far as capacity planning and control is concerned, there are three requirements from a demand forecast:

- It is expressed in terms which are useful for capacity planning and control
- It is as accurate as possible
- It gives an indication of relative uncertainty

(Active Operations Management International, 2007: 32-33)

Today many computer forecasting programmes are available to easily forecast variables. When making long-term decisions based on future forecasts, great care should be taken to develop the forecast.

**OPERATIONAL FORECASTING TOOLKIT**

The Operational Forecasting Toolkit has been developed to facilitate institutional operating forecasting.
Forecasting enables operations managers to set in sequence actions that will deliver outputs timeously for when they are required and at the desired quality level. Operations managers may forecast on a weekly, monthly, quarterly or annual basis depending on the kind of variables involved (Active Operations Management International, 2007:33).

**FIVE STEPS TO SUCCESSFUL FORECASTING**

*Table 14: Five steps to successful forecasting*

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Determine the purpose</th>
<th>How will it be used and when will it be needed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>This step will provide an indication of the level of detail required in the forecast, the amount of resources (personnel, computer time, finds) that can be justified and the level of accuracy necessary.</td>
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<table>
<thead>
<tr>
<th>Step 2</th>
<th>Select a method and technique</th>
<th>Available methods are divided into qualitative and quantitative approaches.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refer to 3.2.4</td>
<td><strong>Qualitative methods</strong> Executive options Service beneficiary surveys Expert opinions</td>
<td><strong>Quantitative methods</strong> Time series Moving average Exponential smoothing Regression analysis Casual relationship Focus forecasting</td>
</tr>
<tr>
<td><strong>Available techniques</strong> include judgmental forecasts, time series forecasts and associative models.</td>
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</tbody>
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*Use multiple approaches to forecasting as best practice.*
<table>
<thead>
<tr>
<th>Step 3</th>
<th>Establish a time horizon</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Refer to 3.2.4.2</td>
</tr>
<tr>
<td></td>
<td>The forecast must indicate a time series, keeping in mind that accuracy decreases as the time horizon increases. Forecasting is most effective over the short term, rather than the long term. This is because long-term forecasting can quickly become inaccurate when service beneficiary demand changes or environmental trends adjust unexpectedly. The best time period will reflect previous institutional activity and what changes the institution has seen over time—quarterly, bi-annually etc. Bear in mind that the best forecasts for production planning tend to reflect shorter amounts of time.</td>
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<table>
<thead>
<tr>
<th>Step 4</th>
<th>Make the forecast</th>
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<tr>
<td></td>
<td>Obtain, clean, and analyse appropriate data. Obtaining the data can involve significant effort. Once obtained, the data may need to be “cleaned” to get rid of outliers and obviously incorrect data before analysis.</td>
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<tr>
<td></td>
<td>Choose reports on previous institutional activity to help with projecting future production. Projecting for the future requires looking into the past, and institutions can utilise previous production results to make forecasts for the future. Institutions can look at specifics for service beneficiary demand over certain periods of time, for instance, if demand drops during some months and rises during others, and apply this information to the forecasting method that has been selected.</td>
</tr>
<tr>
<td></td>
<td>Pick environmental trends to apply to the forecast. Market trends must work alongside the service beneficiary’s expectations. The environment will play a role in dictating the extent to which service beneficiary demand will increase or decrease. If trends indicate that the need for a certain product is about to expand, the institution might use this to increase production, but if trends indicate a decrease in market interest, the institution might reconsider production needs.</td>
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<table>
<thead>
<tr>
<th>Step 5</th>
<th>Monitor the forecast</th>
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<tr>
<td></td>
<td>Refer to 3.2.5</td>
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<tr>
<td></td>
<td>A forecast has to be monitored to determine whether it is performing in a satisfactory manner. If it is not, re-examine the method, assumptions, validity of data, and so on, modify as needed and prepare a revised forecast.</td>
</tr>
</tbody>
</table>

(Stevenson, 2015: 79)
3.3 OPERATIONAL PLANNING

The second phase of managing the activities of operations is operational planning. The following information has been extracted from Isaac (n.d.), unless otherwise stated.

3.3.1 What is operational planning?
Operational planning is the day-by-day and month by month planning for what your institution is doing. Strategic planning determines the entire direction of the institution, including what it is not doing but should be doing. The two forms of planning must be integrated, but must not be confused.

It is important to understand the difference between an “operational plan” and a “strategic plan”. The strategic plan is about setting a direction for the institution, devising goals and objectives and identifying a range of strategies to pursue so that the institution might achieve its goals. The strategic plan is a general guide for the management of the institution based on the priorities and goals of stakeholders. The strategic plan does not stipulate the day-to-day tasks and activities involved in running the institution.

On the contrary the operational plan does present highly detailed information specifically to direct people to perform the day-to-day tasks required in the running the institution. Institution management and officials should frequently refer to the operational plan in carrying out their everyday work. The operational plan provides the what, who, when and how much, for example:

- What are the strategies and tasks that must be undertaken?
- Who are the persons who have responsibility of each of the strategies/tasks?
- When involved determining the timelines in which strategies/tasks must be completed?
- How much of the amount of financial resources will be provided to complete each strategy/task?
- Where will the work be done, especially if there is more than one office?

No service industry can be productive without a sound operations plan. Effective planning is imperative in any institution. It is a complex process that covers an array of activities that ensures that material, equipment and human resources are available to complete the work.
Operations planning is similar to a road map which enables you to reach your destination. It helps one to understand the direction taken and the estimated time of arrival.

Where are we now? Assess the institution’s current position
Where are we heading? What is the general direction that the institution is headed? Back this up with realistic and quantified objectives
How are we going to get there? With the start and end point identified, what will help steer an institution on the journey - it is important to note that it may not always be a straight road ahead
What are the main risks? What are the mitigations or contingency plans should certain elements not go according to plan?

(Adapted from: Active Operations Management International, 2007:41)

Figure 31: Resonating questions during the operations planning undertaking

The strategic plan is a general guide for the management of the institution based on the priorities and goals of stakeholders.
### Table 15: The difference between operational and strategic plans

<table>
<thead>
<tr>
<th>Strategic plan</th>
<th>Operational plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>A general guide for the management of the institution</td>
<td>A specific plan for the use of the institution’s resources in pursuit of the Strategic Plan</td>
</tr>
<tr>
<td>Suggests strategies to be employed in pursuit of the institution’s goals</td>
<td>Details specific activities and events to be undertaken to implement strategies</td>
</tr>
<tr>
<td>Is a plan for the pursuit of the institution’s mission in the longer term (3-5 years)</td>
<td>Is a plan for the day-to-day management of the institution (1 year time frame)</td>
</tr>
<tr>
<td>It enables management to formulate an operational plan</td>
<td>An operational plan should not be formulated without reference to a strategic plan</td>
</tr>
<tr>
<td>Once formulated, it tends not to change significantly every year</td>
<td>Operational plans may differ from year to year significantly</td>
</tr>
<tr>
<td>Developing the plan is a shared responsibility that involves different categories of stakeholders</td>
<td>The operational plan is produced by the chief executive and officials of the institution</td>
</tr>
</tbody>
</table>

#### 3.3.2 Why is it important to have an operational plan?

An operational plan is important because it helps your team to:

- Be clear about where you will get the necessary resources
- Use those resources efficiently
- Clearly define the most critical resource requirements
- Reduce risks where possible, and prepare contingency plans where necessary
- Think about the long-term future of the project, including its sustainability


Advantages of an effective operations plan:

- It reduces labour by eliminating wasted time and improving process flow
- Optimises usage of equipment and maximises capacity
- Utilises human resources to their fullest potential
- Improves on-time delivery of products and services
3.3.3 What are the components of an operation plan?

The key components of a complete operational plan include:

- Human capital: The officials and skills required to implement your project, current and potential sources of these resources
- Financial requirements: The funding required to implement your project, your current and potential sources of these funds
- Risk assessment: Identifies the risks that exist and how to address them
- Estimate of project lifespan, sustainability and exit strategy: Ask how long your project will last, when and how you will exit your project, and how you will ensure the sustainability of your project’s achievements?

An operational plan is the next step after a Strategic Plan has been created. The task is to take every single strategy contained within the Strategic Plan and allocate resources, set a timeline and stipulate performance indicators (World Wildlife Fund for Nature, 2007:1).

3.3.3.1 Allocating human resources

Every strategy must have an “owner” which is the person who will be held responsible for that strategies’ implementation. If someone is not made responsible for the strategy, it is highly likely that it will not be implemented. The strategy may be allocated to just one person, or to a group of people, for example, a team of people, a sub-committee or an institution. In an operational plan, the official responsible for the strategy is generally referred to by their job role as detailed in Table 16 (Isaac, n.d.).

“If someone is not made responsible for the strategy, it is highly likely that it will not be implemented.

![Figure 32: Guideline for allocating resources to a strategy](Isaac, n.d.)
Table 16: Allocating a strategy to an official

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Person responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct a series of 3 clinics for coaches</td>
<td>Coaching director</td>
</tr>
</tbody>
</table>

(Isaac, n.d.)

### 3.3.3.2 Allocating financial resources
Not every strategy requires money, but most will. If people have to be paid to do work, then there will be financial resources needed for remuneration. Many strategies will involve administration costs in the form of telephone calls, printing and photocopying and postage. Some strategies will need particular equipment, materials, or promotional costs such as advertising.

The point is that thought has to be given to all possible costs that might be incurred if a strategy is implemented. If there is an inadequate allocation of money for the implementation of a strategy, it is more likely to fail.

### 3.3.3.3 Setting timelines
The implementation of any strategy needs a timeline; a time period during which work is performed to achieve the desired outcome. The time period can be as short as a day, or it can be several months. The time period could be in the near future, or it might be scheduled for a future year.

The purpose of inserting a timeline for each strategy in the operational plan is to give order to the great many tasks that need to be done, as detailed in Table 17. Resources will always be limited and therefore, at any given time, decisions need to be made regarding priorities and where work effort should be focused. There is no use focusing work effort on strategies that do not need to be completed as of yet while no work is performed on strategies that are urgent.

Table 17: Setting a strategy timeline

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Timelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submit application for donor funding for the development of a multimedia educational package on operations management</td>
<td>Costing completed by 30 March 2015</td>
</tr>
<tr>
<td></td>
<td>Submit application by 30 June 2015</td>
</tr>
</tbody>
</table>

(Isaac, n.d.)
3.3.3.4 Setting performance indicators

The term “performance indicator” (or “Key Performance Indicator” (KPI)) may be defined as a standard or target that should be achieved. Performance indicators are established and used as an integral aspect of the business planning and monitoring processes. There is an old saying that states “you can only manage what you can measure” and performance indicators enables management to measure the success of business strategies (Isaac, n.d.).

KPIs therefore are a standard or reference point that allows management to:

- Measure the actual result of strategies
- Make comparisons between desired results and actual results

There are a number of reasons why it is a general practice of business planning to set performance indicators. The term “performance indicator” may be defined as a standard or target that should be achieved. If the standard is reached or the target is achieved, then the strategy might be considered as “performed”, in other words a success.

Table 18: Setting a strategy performance indicator

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Performance indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct a series of workshops on operations management</td>
<td>Attendance registers of all attendees and minutes of the workshop</td>
</tr>
<tr>
<td>Develop a toolkit on operations planning and control</td>
<td>Toolkit developed, consulted and approved</td>
</tr>
</tbody>
</table>

(Isaac, n.d.)
3.3.4 How to develop an operational plan

The information under 3.3.4 has been sourced from DIY Committee (n.d.), unless otherwise stated.

An operational plan addresses four steps:

Step 1 – List the activities
Step 2 – Chart the setup
Step 3 – Analyse the schedule
Step 4 – Monitor the process

3.3.4.1 Where are we now?

In order to plan for the future, there is a need to reach a common understanding of the present circumstances. To answer this question, operations managers must focus their discussions on two key areas:

- Analysing the external and internal environment
- Reviewing (or developing) the vision, mission and values of the institution

**Analysing the external and internal environment**

The 7S framework describes seven key interdependent organisational variables that need to be taken into account. This model has proved to be a useful tool for analysing internal issues in an institution. The variables include:

- Strengths (internal): What the institution is good at and is doing well in
- Weaknesses (internal): What the institution is not good at and is not doing so well in
- Opportunities (external): The events and trends that are favourable to the institution
- Threats (external): The trends or events that are unfavourable to the institution

Strengths and weaknesses primarily focus on activities within the institution (things we control). Opportunities and threats primarily refer to events outside of the institution (things we do not control). This analysis of the environment allows the institution to take this into account when planning for its future.

Operational planning is not only about having a clear direction to steer towards, but it is also about being able to respond to changes as necessary. To do this, the institution needs to have information about the challenges, opportunities and future trends, inside and outside of the institution. So whether the institution is just starting up or is already established, the first step in the planning process is to assess the external and internal position of an institution. A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis is commonly used to identify these positions.

Operational planning is not only about having a clear direction to steer towards, but it is also about being able to respond to changes as necessary. To do this, the institution needs to have information about the challenges, opportunities and future trends, inside and outside of the institution. So whether the institution is just starting up or is already established, the first step in the planning process is to assess the external and internal position of an institution. A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis is commonly used to identify these positions.

![Figure 33: Variables in the external and internal environment](image-url)
The *How to Analyse the Internal and External Environment - 7S Variables Toolkit* offers key questions to each of the seven key variables for analysing an institution's internal issues.

**Reviewing the institution’s vision, mission and values**

The SWOT analysis will provide key information on needs, priorities, problems and opportunities. On the basis of the needs identified, the institution may need to redefine (or define) its vision, mission and values statement. These statements reflect what the institution plans or aims to do over the next three to five years. It is really important that each element of the SWOT analysis is used to consider what the future priorities for the institution should be.

**3.3.4.2 Where does the institution want to be?**

To answer this question, there is a need to clarify:

- Your priorities for the next three to five years (Medium-Term Strategic Framework (MTSF) and the Annual Operational Plan (AOP))
- Your strategic aims which are long-term goal (strategic plan and MTSF)
- How these will help achieve your mission

**Priorities for the coming period**

Identify and agree on the institution’s main priorities (for example, services and key areas of work) for the period of the strategic plan (usually three or five years). These priority areas should emerge from the SWOT analysis of the internal and external environment and their effect on the institution’s future.

**Strategic aims**

Identify and write strategic aims (goals) for the institution. Strategic aims are broad statements of what the institution hopes to achieve, thus they should:

- Help to achieve your mission
- Be limited in numbers, for example four to 10
- Show clear direction
- Be measurable

**3.3.4.3 How do we get there?**

Creating a roadmap for achieving the strategic objectives will involve the management committee in setting objectives resourcing the institution agreeing or approving operational plans ensuring that appropriate systems and structures are set in place.

**Setting objectives**

The objectives outline how each aim will be achieved, thus they should be SMART: specific measurable achievable realistic time-bound The SMART objectives will guide the institution on the following:

- What will change or be achieved?
- In what way will objectives change?
- By how much will the objectives change?
- By what date will the objectives change?

The objectives must relate to the strategic aims. It is important to check at this stage that all factors, internal and external, which have a bearing on the objectives set for future work, have been taken into account.
The **How to Analyse the Internal and External Environment – Swot Analysis Toolkit** offers a holistic approach to analysing an institution’s internal and external strengths, opportunities, weaknesses and threats.

**Resourcing the institution**
The operations manager and those involved in the planning process must take into account the resource implications of the plans. What is possible within the institution’s available resources and where or how additional resources could be procured must be determined. This may also highlight gaps in resources such as people required, equipment, or facilities as well as financial limitations.

**Agreeing on operational plans**
The operational plan outlines the day-to-day programme of work based on the aims and practices of the strategic plan. It may also be referred to as an “action plan”, “work plan” or “implementation plan”. This is normally done annually.

The detail of the operational plan is linked to each objective of the institution and will provide information on:

- What will be done?
- Who is responsible?
- How it will be done?
- With what resources (human resources such as volunteers, officials, users and management)?
- Where will it be done (physical resources such as the premises, location or equipment needed)?
- What is the cost (financial resources)?
- What the successful outcome is and what targets must be reached?

**Operational plans should contain the following:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Clear objectives</td>
</tr>
<tr>
<td>2</td>
<td>Activities to be delivered</td>
</tr>
<tr>
<td>3</td>
<td>Quality standards</td>
</tr>
<tr>
<td>4</td>
<td>Desired outcomes</td>
</tr>
<tr>
<td>5</td>
<td>Official and resource requirements</td>
</tr>
<tr>
<td>6</td>
<td>Implementation timetables</td>
</tr>
<tr>
<td>7</td>
<td>A process for monitoring progress</td>
</tr>
</tbody>
</table>

*Figure 34: Content of an operational plan*

The **What to Include in an Operational Plan Toolkit** offers a matrix for documenting the elements and defining the specifics of an operational plan.
Ensuring appropriate systems and structures

The institution needs to ensure that the necessary structures are in place to facilitate the implementation of its aims and objectives. The structures include the shape of the institution, the roles within it, the rules, procedures and policies, and management structures. They should define who is accountable, to whom and for what. The institution may need to plan for changes and developments in its existing structure as a result of its future priorities and aims. This may involve reviewing, for example:

- How officials, volunteers and management are organised (organisational structure)
- Resources such as money, equipment, premises (budgets)
- Training requirements (officials’ personal development plans)

3.3.5 Implementing the operational plan

3.3.5.1 Communicating the operational plan

The operational plan is a basic tool that directs the day-to-day activities of the officials. All officials should be aware of the existence of the operational plan, what its purpose is and why it is important to them. The operational plan is only as good as the diligence of officials in putting it into action (Isaac, n.d.).

To ensure that there is sufficient understanding of the operational plan, the highest echelons of management within the institution must thoroughly communicate the operational plan to officials. Communication strategies can include:

- A series of officials or team meetings in which senior management are engaged in explaining key aspects of the operational plan and dealing with questions that officials raise about the plan
- A breakdown of the overall operational plan into subsets and communication of each subset to the work team or section that takes responsibility. This enables the work team to understand more clearly and be focused on their part in implementing the whole plan
- The development of systems that enable progress of strategies/tasks to be measured and reported within a work team and to management
- The provision of training so that officials may better understand their tasks and responsibilities and especially how they can contribute to the overall achievement of the operational plan
- Aspects of the operational plan can be described in position descriptions of officials

How do we measure our progress?

The operations manager is responsible for monitoring all areas of the institution’s activity, and for evaluating it to determine the impact, quality and effectiveness of its work. In particular, the operations manager will want to determine if the institution is:

- Achieving its aims and objectives
- Showing progress towards its mission or purpose
- Meeting the needs of its beneficiaries
- Using its resources efficiently and to the greatest effect
- Complying with the law
- Working within its policy framework

(Isaac, n.d.)
Operations Management Framework

The Using Visuals to Communicate Toolkit offers a step-by-step guide on what visuals can be used to thoroughly communicate the operational plan to officials.

3.3.5.2 Loading, sequencing, scheduling and monitoring
Planning and control requires the reconciliation of supply-and-demand in terms of volume, timing and quality. Thus, for the volume and timing of activity in operations, four distinct activities are necessary:

1. Loading, which dictates the amount of work that is allocated to each part of the operation
2. Sequencing, which decides the order in which work is tackled within the operation
3. Scheduling, which determines the detailed timetable of activities and when activities are started and finished
4. Monitoring and control, which involve detecting what is happening in the operation, re-planning if necessary, and intervening in order to impose new plans

Loading
Loading is the amount of work that is allocated to a work centre. Valuable operating time is the amount of time at a piece of equipment or work centre that is available for productive working after stoppages and inefficiencies have been accounted for.

- Finite and infinite loading
- Finite loading is an approach which allocates work to a work centre only up to a set limit
- This limit is the estimate of capacity for the work centre
- Work over and above this capacity is not accepted
- Finite loading is relevant for operations where:
  - It is possible to limit the load
  - It is necessary to limit the load
  - The cost of limiting the load is not prohibitive

- Infinite loading
- Infinite loading is an approach which does not limit accepting work, but rather tries to cope
- Infinite loading is relevant in operations where:
  - It is not possible to limit the load
  - It is not necessary to limit the load
  - The costs of limiting the load is prohibitive

(Pycraft et. al., 2010:280-281)

The information in the Loading, Sequencing and Scheduling section has been adapted from Pycraft et. al. (2010).
Sequencing
Sequencing is the activity within planning and control that decides on the order in which work has to be performed. The priorities given to work in an operation are often determined by some predefined set of rules:

- **Physical constraints**: The physical nature of materials being processed may determine the priority of work. Sometimes the mix of work arriving at a part of the operation may determine the priority given to jobs. Jobs that physically fit together may be scheduled together to reduce waste.
- **Customer priority**: Operations will sometimes use customer priority sequencing, which allows an important or aggrieved customer or item to be processed prior to others, irrespective of the order of arrival of the customer or item.
- **Due date**: Prioritising by due date means that work is sequenced according to when it is due for delivery, irrespective of the size of each job or the importance of each customer. This usually improves the delivery reliability of an operation and improves average delivery speed.
- **Last-in-first-out**: Last-in-first-out (LIFO) is a method of sequencing usually selected for practical reasons. Note that it is not an equitable approach.
- **First-in-first-out**: Some operations serve service beneficiaries in exactly the same sequence they arrive. This is called first-in-first-out (FIFO) or first come, first served.
- **Longest operation time**: Operation managers may feel obliged to sequence their longest jobs first. This has the advantage of occupying work centres for long periods. By contrast, relatively small jobs progressing through an operation will take up time at each work centre because of the need to change over from one job to the next.
- **Shortest operation time**: At some point, most operations become cash constrained. In these situations, the sequencing rules may be adjusted to tackle short jobs first.
- **Judging sequence rules**:
  - Minimise due date promised to customer (dependability)
  - Minimise the time the jobs spend on the process, flow time (speed)
  - Minimise work in progress inventory (element of cost)
  - Minimise the idle time of work centre (element of cost)
- **Johnson’s rule**: This rule applies to the sequencing of jobs through two work centres. The rule is simple: Look for the smallest processing time, if that time is associated with the first work centre, then schedule that job first. Afterwards, look at the next smallest processing time, if it is second process, you need to sequence this last.

Sequencing is the activity within planning and control that decides on the order in which work has to be performed.
Scheduling

This is a term used in planning and controlling to indicate the detailed timetable of what work should be done, when it should be done and where it should be done. Schedules are familiar statements with volume and timing in many consumer environments.

- **The complexity of scheduling**
  The scheduling activity is one of the most complex tasks in operations management. Schedulers must deal with several types of resources simultaneously. Note that the number of possible schedules increases rapidly as the number of activities and processes increases.

- **Forward and backward scheduling**
  Forward scheduling involves starting work as soon as it arrives, whereas backward scheduling involves starting jobs at the last possible moment to prevent them from being late.

<table>
<thead>
<tr>
<th>Advantages of forward scheduling</th>
<th>Advantages of back scheduling</th>
</tr>
</thead>
<tbody>
<tr>
<td>High labour utilisation (workers always start work to keep busy)</td>
<td>Lower material costs (materials not used until they have to be)</td>
</tr>
<tr>
<td>Flexible (the time slack in the system allows unexpected work to be loaded)</td>
<td>Less exposed to risk in case of schedule change by the customer</td>
</tr>
<tr>
<td></td>
<td>Tends to focus the operation on customer due dates</td>
</tr>
</tbody>
</table>

(Pycraft et. al., 2010:288)
CHAPTER 3: OPERATIONS PLANNING & CONTROL

OPERATIONAL PLANNING TOOLKIT

- **Gantt charts**
  The most common method of scheduling is by the use of a Gantt chart. This is a simple device which represents time as bar, or channel on a chart. The start and finish times for activities can be indicated on the chart and sometimes the actual progress as well. They provide a simple visual representation both of what should be happening and of what is actually happening. They are not an optimising tool; they merely facilitate the development of alternative schedules by communicating them effectively.

- **Scheduling work patterns**
  Rostering usually indicates officials scheduling, the allocation of working times to individuals so as to adjust the capacity of an operation. There is a need to schedule such that:
  - Capacity meets demand
  - The length of each shift is neither excessively long nor too short to be attractive to officials
  - Working unsocial hours is minimised
  - Days off match agreed officials’ conditions
  - Vacation and other time off blocks are accommodated
  - Sufficient flexibility is built into the schedule to cover for unexpected changes in supply and demand

(Pycraft et. al., 2010:290-291)

**Monitoring and control**

The implementation of the operational plan requires management to regularly monitor achievement and exert control to reduce any variance from the plan. This control by managers will involve:

- Investigating on a regular basis of what has been achieved and what has not
- Implementing corrective action where tasks are not achieved or achieved on time
- Checking that resources will be available when needed
- Supervising, supporting and motivating the people of the institution to ensure tasks are undertaken
- Adjusting the operational plan if there is a need
- Reporting problems to superiors, for example, directors, committee personnel, the board members of the institution

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**OPERATIONAL PLANNING TOOLKIT**

1. The **How to Develop an Operations Plan Toolkit** offers a step-by-step approach.
2. The **How to Analyse the Internal and External Environment - 7S Variables Toolkit** offers key questions to each of the seven key variables for analysing an institutions internal issues.
3. The **How to Analyse the Internal and External Environment – SWOT Analysis Toolkit** offers a holistic approach to analysing an institution’s internal and external strengths, opportunities, weaknesses and threats.
4. The **What to Include in an Operational Plan Toolkit** offers a matrix for documenting the elements and defining the specifics of an operational plan.
5. The **Using Visuals to Communicate Toolkit** offers a step-by-step guide on what visuals can be used to thoroughly communicate the operational plan to officials.
HOW TO DEVELOP AN OPERATIONS PLAN

Refer to 3.3.4

**Step 1: List the activities**
Compile a list of all the activities or steps in the operations or operations process, showing the length of time each activity takes and the earliest possible start date. State whether each task runs parallel to other tasks or is sequential to the successful completion of a former activity. Parallel activities are those which officials can perform at the same time; however, the delivery of the final service/product depends on the completion of all the components.

**Step 2: Chart the setup**
Use a large sheet of blank paper or a whiteboard, on which to plot the rough draft of the chart. Create columns to represent time intervals, such as hours, days or weeks, depending on the time it takes to deliver your service/product. Draw a bar or use sticky notes to represent each task, which begins at the starting time and ends after the length of time it takes. Schedule the activities that depend on the completion of others in sequential order. Tasks that occur at the same time as others are scheduled in parallel, one below the other.

**Step 3: Analyse the schedule**
Use different colours to highlight tasks allocated to specific teams or individuals. Draw dotted lines in red to denote the critical path of the operations process, which highlights the main activities the team must complete to produce the services/products. For example, if two different products must be manufactured to produce the finished item, the critical path runs from the start date of the first item, through the production process, and ends with production of the last item or final product assembly. This shows the planner the minimum time in which production can take place, and enables him to identify the effect delays have on the critical path.

**Step 4: Monitor the process**
Monitor the time each task in the operations schedule takes against the Gantt chart. Amend the chart when necessary, by changing the timeline according to actual performance. If you are using a manual chart, move the sticky notes on to a later interval in the case of a delay, or move them back for early completion. Change sequential tasks accordingly, to ensure the completion date remains accurate. If changes affecting the final date are unacceptable, identify tasks to fast track to make up for delays to conform to the completion date. If you are using planning software, close each task as it is completed and record the date and time. The program will identify risks of delayed completion and enable you to revise the plan if necessary.

(Adapted from: Sandilands, 2015)
## HOW TO ANALYSE THE INTERNAL AND EXTERNAL ENVIRONMENT - 7S VARIABLES

Refer to 3.3.4.1

<table>
<thead>
<tr>
<th>Element</th>
<th>Key questions for each element</th>
</tr>
</thead>
</table>
| Strategy      | - How clear is the vision and goals of the institution?  
                 - Is everyone aware of the institution's focus when they plan strategy?  
                 - Are all the stakeholders who should be involved part of the process? |
| Structure     | - Does the current structure enable quick decision making, flow of information and service delivery to all service beneficiaries according to their requirement?  
                 - Is there a link between structure and strategy?  
                 - Are all the roles and responsibilities clearly defined?  
                 - Are governance structures in place to ensure participation of key stakeholders? |
| Officials/Staff | - Are they effectively utilised and are there enough people?  
                               - Does the institution encourage the right behaviour? |
| Skills        | - Are officials fully competent and do they have a high morale?  
                 - Are jobs designed to ensure the right skills are utilised in the right place?  
                 - Are there enough opportunities for officials to develop and grow? |
| Style         | - Is the leadership style of top management conducive to a high-performance, high-service-oriented environment?  
                 - Do officials feel they are important and are their efforts to make the work environment conducive to effective service?  
                 - Is information shared and effectively communicated and regularly enough? |
| Shared Values | - What is the nature of the overt and covert rules, values, customs and principles that govern institutional behaviour?  
                 - To what extent are the core professional values internalised? |
| Systems       | - How effective are the human, financial and technology systems that support objectives?  
                 - What is the nature of incentives within human resources and budgeting policies and procedures? |

(Adapted from the Peters and Waterman, 1982)
The SWOT analysis is a tool used for assessing and communicating the current position of an institution in terms of its internal strengths and weaknesses (things we control) and external opportunities and threats (things we do not control) it faces. It provides a perspective on what would be required to build on strengths, minimise weaknesses, take advantage of opportunities and deal with threats. Organise information according to the matrix below and review this with key stakeholders and officials.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
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<td>4.</td>
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</tr>
<tr>
<td>Weaknesses</td>
<td>Additional issues which may or may not be important</td>
<td>Develop design principles to eliminate the current weaknesses and mitigate the threats/risks associated with the current structure</td>
</tr>
<tr>
<td></td>
<td>Develop design principles to ensure that the current strengths and opportunities are incorporated</td>
<td>Additional issues which may or may not be important</td>
</tr>
</tbody>
</table>
**TEMPLATE**

**WHAT TO INCLUDE IN AN OPERATIONAL PLAN**

Refer to 3.3.4.3

Table 22: Documenting the elements of an operational plan

<table>
<thead>
<tr>
<th>What will be done?</th>
<th>Who will be responsible?</th>
<th>How will it be done?</th>
<th>With what human resources?</th>
<th>Where will it be done? (Physical resources)</th>
<th>What will it cost? (Financial resources)</th>
<th>What is the successful outcome. What targets must be reached?</th>
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</tbody>
</table>
USING VISUALS TO COMMUNICATE

A step-by-step guide on what visuals can be used to thoroughly communicate the operational plan to officials.

Refer to 3.3.5.1

Step 1: Understand the institution

Step 2: Identify service beneficiaries and service providers
A service beneficiary is any person, team, institution or company to whom your team provides products, services or information. A service provider is any person, team, institution or company that provides your team with products, services or information. They can be internal or external to the institution.

Step 3: Choose a name for your team

Step 4: Visually display the team’s structure
Ask yourself the following questions:
- Who forms part of your team?
- What are their roles?
- Is there anyone else who works closely with your team?

Step 5: Create a visual management area
A Visual Management Area is a physical area, where a team can meet regularly, display information to manage the team’s performance.
Step 6: Display the vision and value

Step 7: Measure performance

Step 8: Track performance visually

Steps 9 and 10: Discuss performance on a weekly and monthly basis
3.4 OPERATIONAL CONTROL AND ADJUSTMENT

It is important to ensure that once the planning stage has been completed, the plan is kept visibly in mind and in sight. Too often operations managers put the plan in a filing cabinet, overlook it and then move on with administering the operation from day-to-day (Active Operations Management International, 2007:43). Subsequent to operations forecasting and operations planning, the final phase in the management of operations is operational control and adjustment.

Monitoring mostly involves keeping track of what is going on. By undertaking this regularly, the operations managers have the opportunity to adjust the project to ensure that the above concerns are addressed. This is usually carried out through consideration of regular operational and financial reports on the institution’s activities. For purposes of accountability, the operations managers should ensure that this reporting is regular and that discussions on these are properly recorded (DIY Committee, n.d.).

Institutions control and adjust in order to encourage ongoing improvement, provide evidence of the impact of their activities, provide an informed basis for decision making and planning. In order to ensure that operations managers have timely information that can be useful in monitoring, in-period monitoring needs to be implemented. This means that whatever your reporting period is, an operational manager should monitor data at a shorter interval. This means that for monthly reporting, the operations manager should monitor on a weekly basis, and that for weekly reporting, an operations manager should monitor on a daily basis. Operations managers who do not comply with period monitoring often find themselves having to devote more time and effort sorting out the disorder at the end of the period (Active Operations Management International, 2007:44).

Operations control and adjustment should be an ongoing process of learning, embedding a process of continual improvement and development. The key to evaluating is to know what you are measuring. An operations manager cannot monitor and evaluate the institution and its activities effectively without clear measurable objectives, is therefore an important element of accountable management (DIY Committee, n.d.).

Too often operations managers put the plan in a filing cabinet, overlook it and then move on with administering the operation from day-to-day.
3.4.1 **What is operations control?**

Operational control regulates the day-to-day output relative to schedules, specifications and costs. Ask yourself whether product and service outputs are of high-quality and whether they are delivered on time? Are inventories of raw materials, goods-in-process, and finished products being purchased and produced in the desired quantities? Are the costs associated with the transformation process in line with cost estimates? Is the information needed in the transformation process available in the right form and at the right time? Is the energy resource being used efficiently? (Boundless, 2014b).

Operational control can be a very big job, requiring substantial overhead for management, data collection, and operational improvement. The idea behind operational control is streamlining the process to minimise costs and work as quickly and efficiently as possible (Boundless, 2014b).

Operations control is a management function aimed at achieving defined goals within an established timetable, and is usually understood to have three components, namely setting standards, measuring actual performance and taking corrective action.

A typical process for operations control, as suggested by Business Dictionary.com (n.d.a), includes the following steps:

1. Compare actual performance with planned performance
2. Measure that difference between actual performance and planned performance
3. Identify the causes that contribute to the difference in actual and planned performance
4. Take corrective action to eliminate or minimise the difference
3.4.2 Why do we need to control operations?
The management process should involve the continual checking of the implementation of the operational plan and exercising control of the institution’s resources to ensure success.

What needs to be checked by the operations manager or management team includes:

- Timelines: Have strategies been commenced and will all tasks be completed by the scheduled timelines?
- Performance measures: Has progress been made according to performance measures? Is it likely that the targets will be met?
- Responsibilities: Is there anyone having difficulty with the tasks allocated to them? Does there need to be any reassignment of responsibilities? (Refer to the Operational Control and Adjustment Toolkit at the end of this chapter for a checklist.)
- Physical resources: The assignment of assets, for example, equipment, vehicles, space in a building or outdoors. Refer to the Operational Control and Adjustment Toolkit at the end of this chapter for a checklist.)
- Budget: The allocation of money, for example, pay salaries, purchase equipment, hire venues, undertake advertising and promotion.

Managers will therefore need to control the above factors on a day-to-day, week-to-week or month-to-month basis. This control by managers will involve:

- Investigating on a regular basis of what has been achieved, and what has not
- Implementing corrective action where tasks are not achieved, or achieved on time
- Checking that resources will be available when needed
- Supervising, supporting and motivating the institution’s people to ensure tasks are undertaken
- Adjusting the operational plan if there is a need
- Reporting problems to superiors, for example, directors, committee personnel, the Board Members of the institution. (Refer to the Using Visuals to Communicate Toolkit in Section 3.3.)

(Isaac, n.d.)

The management process should involve the continual checking of the implementation of the operational plan.
Why measure things?

Operations managers need to measure things to know what the current status of the operation is and to allow them to compare themselves with others to improve operations. Similarly, there is a need for operations managers to measure performance in order to control and/or improve operations (Johnston et. al., 2012:227).

What is operations performance measurement, reporting and management?

Operations performance measurements are the quantification of an input such as official hours or the level of activity such as the number of applications for identity documents processed in a day. Operations performance reporting is the way an operations manager, officials and systems report this information. It usually involves a visual graphic display or a breakdown that evaluates the performance against operational targets (Johnston et. al., 2012:227).

3.4.3 How do we control operations?

Having created a plan for the operation through loading, sequencing and scheduling, each part of the operation has to be monitored to ensure that planned activities are indeed happening. Any deviation from the plans can then be rectified through some kind of intervention in the operation, which itself will probably involve some re-planning. The output from a work centre is monitored and compared with the plan which indicates what the work centre is supposed to be doing. Deviations from this plan are taken into account through a re-planning activity and the necessary interventions made to the work centre which will ensure that the new plan is carried out. Eventually, some further deviation from planned activity will be detected and the cycle is repeated (Pycraft et. al., 2010:291).

Types of control used in an institution:

- Feed-forward controls, also called preliminary controls, are accomplished before a work activity begins; they ensure that directions are clear and that the right resources are available to accomplish them
- Concurrent controls, sometimes called steering controls, monitor ongoing operations and activities to make sure that things are being done correctly; they allow corrective actions to be taken while the work is being done
- Feedback controls, also called post action controls, take place after an action is completed and focus on end results; they address the question: “Now that we are finished, how well did we do?”
- External control is accomplished through personal supervision and the use of formal administrative systems
Internal control occurs through individuals taking responsibility for their work; it allows motivated individuals and groups to exercise self-discipline in fulfilling job expectations and is consistent with many progressive developments in the new workplace.

(Student Wave, n.d.)

Monitoring and control, which involve detecting what is happening in the operation, re-planning if necessary, and intervening in order to impose new plans. Two important types are “pull” and “push” control. Pull control is a system whereby demand is triggered by requests from a work centre’s (internal) customer. Push control is a centralised system whereby decisions are issued to work centres which are then required to perform the task and supply the next workstation (Pycraft et. al., 2010:292).

Effective control requires the following steps: define, measure, compare, evaluate, correct, and monitor. You must define in detail what it is that must be controlled and decide what can and cannot be measured. There must be a level of comparison to use for the different measurements. This should relate to the level of quality being sought. The institution also must establish a definition of what is “out of control”. The main task of quality control is to distinguish random from non-random variability, in which non-random variability means that a process is out of control. When a process is determined to be out of control, corrective action must take place; which includes uncovering the cause of non-random variability. Once corrected, one must monitor the results to confirm that the process has been fixed. A sufficient amount of time must be put into this in order to have solid confirmation. Basically, control is achieved by checking a portion of the goods or services, comparing the results to a predetermined standard, evaluating departures from the standard, taking corrective actions when necessary, and following up to ensure that problems have been corrected (Wikispaces, 2015).

What needs to be measured?

It is generally recognised that institutions need to have a mix or a balance of developmental, operational, external and financial measures. The first two are contributing factors of success and the second two are the outcomes of success, also known as measures of success. The measure should support operational objectives. Those objectives should form part of a cascade of objectives that support the institution’s strategy.

(Johnston et. al., 2012:229)

Figure 36: Key elements in measuring operational performance
3.4.4 What does it mean to control operations performance?

Deciding upon the correct measures for an operation can be a daunting task. Many institutions have many incorrect measures just because it can be measured, does not always mean that it should be measured. When operations managers are measuring, they should have a succinct purpose and governance arrangements in place to support the purpose. The table below provides 10 tests that can be used to review any operational performance measure.

Reliability and consistency are essential for most operations managers and their service beneficiaries. There are three aspects of control:

1. Setting targets
2. Assessing the capability of a process
3. The role of quality systems

<table>
<thead>
<tr>
<th>Tests to measure an operation’s performance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Purpose test</td>
<td>Is there a clear reason for the measure?</td>
</tr>
<tr>
<td>2 System test</td>
<td>Is there a clear system to ensure that the results will be acted upon to achieve the purpose?</td>
</tr>
<tr>
<td>3 Truth test</td>
<td>Does it measure what it is meant to measure?</td>
</tr>
<tr>
<td>4 Focus test</td>
<td>Does it measure only what it is meant to measure?</td>
</tr>
<tr>
<td>5 Consistency test</td>
<td>Is it consistent whenever whoever measures it?</td>
</tr>
<tr>
<td>6 Access test</td>
<td>Are the results available and easily understood?</td>
</tr>
<tr>
<td>7 Clarity test</td>
<td>Is ambiguity possible in the interpretation of results?</td>
</tr>
<tr>
<td>8 Timeliness test</td>
<td>Can and will the data be analysed quickly enough for appropriate action to be taken?</td>
</tr>
<tr>
<td>9 Cost test</td>
<td>Is it worth the cost of collecting and analysing the data?</td>
</tr>
<tr>
<td>10 Gaming test</td>
<td>Will the measure encourage any undesirable behaviours?</td>
</tr>
</tbody>
</table>

(Johnston et. al., 2012:227)
### 3.4.4.1 Setting targets

Targets are often used to assist with the control and enhancement of operations. Operations managers need to determine how targets will be set for their measures to control the process or drive process improvement. There are basically three types of targets, as listed in *Table 24*.

*Table 24: The three types of targets for operational control*

<table>
<thead>
<tr>
<th>Internal Targets</th>
<th>Internal targets may be based upon previous performance of the process under consideration (process-based). The targets may also be based upon the performance of other similar internal processes (other process-based).</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Targets</td>
<td>Similar-based targets are based on the performance of similar institutions. Best-in-field comparisons are based on institutions that may or may not be in the same sector/sphere, but their performance is considered to be outstanding. Service beneficiary-based targets are the level of service that service beneficiaries consider to be appropriate.</td>
</tr>
<tr>
<td>Absolute Targets</td>
<td>Some processes need to operate with zero defects or 100% adherence to standard. It is unacceptable for life support machines to fail, these operational targets are absolute.</td>
</tr>
</tbody>
</table>

*(Johnston et al., 2012:232)*
3.4.4.2 Capable processes

The quality management concept of building capable processes is important. As part of the Deming philosophy, one must ensure that quality is built into processes. Various techniques can be used to assess the extent to which a process is capable or not. An example of such a technique is the Statistical Process Control (SPC) methodology. SPC is based on the production of process control charts. Processes can be plotted on a control chart to give a visual picture of the state of health of the process.

William Edwards Deming was a highly regarded American engineer, professor, lecturer and management consultant. He suggested that the quality and productivity of an institution increases as the unpredictability of processes decreased; a belief that was later dubbed as the Deming Philosophy.
3.4.4.3 Quality systems

High volume services lend themselves to the quality systems approach because processes can be documented. Service standards can be developed and concise Standard Operating Procedures (SOPs) can be documented. SOPs can easily be audited for compliance and thus contribute to the monitoring of quality. Quality systems should not only provide process definition, but should also be the catalyst for quality improvement. The advantages of using quality management systems such as those related to ISO 9000 are as follows:

- It incorporates critical elements of service delivery in a process that has been mapped and measured in such a way that it can then be audited and develops a discipline that may have been absent previously.
- External auditing and recognition of this success is good for internal morale and external reputation of an institution.
- The better quality management systems include a formal review process, which prompts the institution to consider what needs to be done differently in order to improve.
- The process requires institutions to map its processes which should be used as an opportunity for process redesign or re-engineering before application.

3.4.5 What factors are to be included as operations performance measures?

The five generic operations performance objectives of quality, speed, dependability, flexibility and cost can be broken down into detailed measures or aggregated into composite measures (Pycraft et al., 2010:546). The aggregate operations performance measures have greater strategic relevance in that they help to draw a picture of the complete performance of the business. The more detailed operations performance measures are scrutinised more carefully and more frequently, although they provide a more restricted view of the operation’s performance.
Table 25: The typical measures of operational performance

<table>
<thead>
<tr>
<th>Performance Objective</th>
<th>Some Typical Measures</th>
</tr>
</thead>
</table>
| Quality               | - Number of defects per unit/service  
|                       | - Level of service beneficiary complaints  
|                       | - Scrap level  
|                       | - Reissue of product or re-render of service  
|                       | - Average time between failures  
|                       | - Service beneficiary satisfaction score  
| Speed                 | - Service beneficiary query time  
|                       | - Service lead time  
|                       | - Frequency of service  
|                       | - Actual versus theoretical throughput time  
|                       | - Cycle time  
| Dependability         | - Percentage of services delivered late  
|                       | - Average lateness of services  
|                       | - Mean deviation from promised delivery time  
|                       | - Schedule adherence  
| Flexibility           | - Time needed to develop new products/services  
|                       | - Range of products/services  
|                       | - Time to increase activity rate  
|                       | - Average capacity/maximum capacity  
|                       | - Time to change schedules  
| Cost                  | - Minimum delivery time/average delivery time  
|                       | - Variance against budget  
|                       | - Utilisation of resources  
|                       | - Labour productivity  
|                       | - Added value  
|                       | - Efficiency  
|                       | - Cost per operation hour  

(Pycraft et al., 2010:546)

3.4.6 Adjustment
One of the many challenges of operations planning and scheduling is following up with changes to variables. Changes happen continuously. Institutions may lack materials, delivery time is moved up or work parameters have to be adapted. The plan will need to be adjusted in line with these changes. There is a need to follow up with various institutions involved in order to rectify any problems.

Dealing with change is not always easy and may take as much effort as creating the original production plan.
3.4.6.1 How do we adjust operational plans?
The operations manager should use reports against its annual operational plans to review progress towards meeting the strategic aims and objectives. Therefore, they must ensure that whoever is doing the work is keeping appropriate records so that progress can be assessed. This will involve, at the implementation stage of the plan, being clear about what systems and structures are required. The things that need to be measured will give an indication of how well the institution is doing, hence, the name indication or performance measures (DIY Committee, n.d.).

Before completing the plan, agreement is required on how and when it will be monitored and reviewed and what information the operations manager needs to receive in order to review progress.

When reviewing progress towards achieving the strategic aims and objectives, the operations manager should:

- Ensure that activities are kept within the parameters of the agreed strategic aims and objectives
- Ensure that activities are consistent with the institution’s vision, mission and values
- Keep under review internal and external changes which may require changes to the institution’s strategy or affect their ability to achieve their objectives

(DIY Committee, n.d.)

The Operational Control and Adjustment Toolkit includes a series of checklist tools that operations managers should make use of on a daily basis.
**TEMPLATE**

**DAILY OPERATIONAL MANAGEMENT CHECKLISTS**

**Date:**

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<tr>
<th>Yes</th>
<th>No</th>
<th>Personnel</th>
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<td></td>
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<td>Are all officials in attendance?</td>
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<td>Is the annual, sick, special leave registers accurate and properly maintained?</td>
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<td>If not, do officials need to be redeployed?</td>
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<td>Have all officials been assigned their function?</td>
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<td>Have all officials received training in correct preparation of forms, reports and other admin duties?</td>
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<td>Are there any labour or management problems? (For example: lateness, absenteeism, non-availability of managers?)</td>
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<td>Is there a timekeeping record of working hours in place?</td>
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<td>Are time and attendance records accurate, timeously and properly maintained?</td>
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<td>Is the official morale high or low?</td>
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<td>If morale is low, is it addressed?</td>
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<td>Do supervisors properly plan and schedule work? (For example: is workload evenly distributed?)</td>
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<td>Are daily team sessions held with key officials to discuss operational challenges and overall planning of operational activities?</td>
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<td>Are there periodic checks to determine lagging or idling on the job?</td>
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**Actions to take:**

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### Product/Inventory/Orders

<table>
<thead>
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<tbody>
<tr>
<td>Are stock records accurate and properly maintained?</td>
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<td>Do the stock records provide an indication of stock replenishment levels?</td>
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<td>Are supervisors notified of stock replenishment?</td>
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<tr>
<td>Are periodic checks on inventories being made to verify quantity and condition of stock?</td>
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<td>Is there a proper procedure used for when discrepancies exist?</td>
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<td>Are orders being handled promptly?</td>
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<td>Does a backlog of orders exist?</td>
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<td>What percentage of orders meet the promised delivery date?</td>
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</table>

**Actions to take:**


### Material and Equipment

<table>
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<tr>
<th>Yes</th>
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<tbody>
<tr>
<td>Is all the required equipment in working order (printers, computers and telephones)?</td>
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<td>Is the equipment adequate for a balanced operation?</td>
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<td>Is inadequate maintenance of equipment interfering with operations?</td>
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<tr>
<td>Could operations be made more effective by exchanging the size, number and type of equipment for another?</td>
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</tr>
<tr>
<td>Is there additional equipment available as a contingency measure?</td>
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</tr>
<tr>
<td>Is all equipment maintained and in good operating condition?</td>
<td></td>
</tr>
<tr>
<td>Are routine adjustments and minor repairs being made promptly?</td>
<td></td>
</tr>
<tr>
<td>Is equipment being misused or abused?</td>
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</tbody>
</table>

**Actions to take:**


<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Safety</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td>Is there a safety and accident prevention programme in place?</td>
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<td>Are combustible and flammable materials segregated from the rest?</td>
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<td></td>
<td>Are there no smoking, no trespassing and other safety signs displayed?</td>
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<td>Are safety devices provided? (For example fire extinguishers, a first aid box?)</td>
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<tr>
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<td></td>
<td>Is all firefighting equipment conspicuously marked and readily accessible?</td>
</tr>
</tbody>
</table>

**Actions to take:**

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<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Is there sufficient float available?</td>
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<tr>
<td></td>
<td></td>
<td>Is daily balancing done?</td>
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<tr>
<td></td>
<td></td>
<td>Do any discrepancies exist?</td>
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<td></td>
<td></td>
<td>If yes, are discrepancies recorded?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Is cash properly secured and banked?</td>
</tr>
</tbody>
</table>

**Actions to take:**

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<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Housekeeping</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Are structures, grounds and reception areas properly maintained?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Are periodic inspections made of the facility to determine any major repairs or construction needed?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Are reports made to management of existing facilities that may require additional construction, repairs or possible changes in operating procedure?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Are the floors swept and general maintenance performed?</td>
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<tr>
<td></td>
<td></td>
<td>Are there enough chairs available in the public reception area?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Are the toilets and washroom maintained in a neat and sanitary condition?</td>
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<tr>
<td></td>
<td></td>
<td>Is there security service adequate for proper protection?</td>
</tr>
</tbody>
</table>

**Actions to take:**

- [ ]
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CHAPTER 3

CONCLUDING REMARKS

Operations management is the tool that has been selected to ensure that all national and provincial governmental institutions’ service beneficiaries do indeed receive the best services possible. Operations management refers to the action of providing value adding services to service beneficiaries.

Operations managers may face several challenges in their attempts to manage operations efficiently. They are responsible for the forecasting, planning, controlling and adjusting of operations which ensures that an institution runs smoothly and that all performed activities contribute to the production of goods and services within the institution.

In order for an institution to stay ahead of lead times and any other potential variables, forecasting is required. It also allows operations managers to put actions into place that will deliver the required outputs at the required times. It is imperative that operations managers craft an operations plan as it ensures that an institution has all of the resources required to perform the required work to deliver services to service beneficiaries. In turn, the institution’s work flow should remain uninterrupted. After implementing the new operations plan, managers will be required to control it. In operations management, control refers to the implementation and monitoring of an operations plan. Through in-period monitoring, operations managers will be able to gather the information required to determine whether the plan is in fact performing in the expected manner. In order for operations managers to exert effective control over all variables and processes, which variables and processes need to be measured, why they need to be measured and how they need to be measured must be determined. Setting targets for particular operations is an effective manner in which to control and measure performance as well as proceed with continuous process improvement. The typical measures of operations performance include quality, speed, dependability, flexibility and cost. As things do not always run as expected within the a working environment, operations managers will need to know how to adjust their plans should any unexpected, uncontrollable events arise in order to maintain the levels of production required to meet their set targets.

It is for these reasons that operations management has been seen as the most effective tool for governmental institutions to use in their continuous attempts to provide service beneficiaries with the best possible service and service delivery.
Organisational Functionality Assessment (OFA) is a process used to determine whether all necessary service delivery enablers are available to ensure that service is delivered to beneficiaries in an optimal manner. OFA toolkit elements assess whether the requirements for optimal service delivery is in place and functional as it does not assess the individual.

Productivity refers to how effectively and efficient institutional inputs are translated into outputs. Previously, much of the Government focus was place on performance rather than productivity. Productivity measures the relationship between resource and outputs, whereas performance just measures outputs. Service beneficiaries are more concerned about outcomes that they receive and thus the quality of a service is very important. Public service productivity should be aimed at attaining service beneficiary satisfaction.

The Matrix Approach is thought to be the best method to measure public service productivity as it is most relevant to the factors that need to be acknowledged in managing public service, easy to understand and focuses on both quality and quantity aspects of public service.

Service Delivery Improvement Plans (SDIPs) are largely governed by two major policy instruments, namely the White Paper on the Transformation of the Public Service 1995 and the White Paper on the Transformation of Public Service Delivery 1997 (Batho Pele White Paper). SDIPs are tools used to ensure the continuous and incremental improvement of service delivery. SDIPs is neither an operational plan nor an Service Delivery Model (SDM), but rather helps an institution focus on key services within operational plans.

Through adopting learning and knowledge management, the Government will also reduce the loss on return on investment by reducing the use of consultants. The Knowledge Management Framework (LKM) is meant to help provide institutions with the proper tools to implement knowledge management successfully.
4.1 ORGANISATIONAL FUNCTIONALITY ASSESSMENT

Organisational Functionality Assessment (OFA) is a process to assess and diagnose, based on evidence, whether all the necessary service delivery enablers are in place to support delivery processes in an optimal and accountable manner. It is the systemic analysis of institutional capacity and functionality measured against:

- Capacity to deliver
- Resource utilisation and deployment
- Institutionalised systems, policies and processes.

For more information on the OFA, please contact the DPSA at www.dpsa.gov.za
CHAPTER 4: OPERATIONS ANALYSIS AND IMPROVEMENT

4.2 PRODUCTIVITY MEASUREMENT

“Productivity” is regarded as a key success factor for institutions in both the public and private sector. Traditionally defined as the ratio between output and input, productivity has (in the context of the public service) become an important measure of how effectively and efficiently inputs (labour, finances, and infrastructure) are being translated into high quality outputs (goods and services).

Achieving a high degree of productivity is an important objective of public service institutions across the world given that it is under increasing economic and political pressure to produce a selected/mandated set of goods and services within the limits of ever-increasing resource constraints. The South African public service is no exception to this global phenomenon. Hence, the development of a Public Service Productivity (PSP) Management Framework for the South African public service has become increasingly important. This framework aims to present a suitable approach for measuring PSP.

For more information on productivity measurement, please contact the DPSA at www.dpsa.gov.za

Effectiveness is the extent to which service beneficiary requirements are met, while efficiency is the measure of how the institution’s resources have been used in providing service beneficiary satisfaction (Neely, 1998).
4.3 SERVICE DELIVERY IMPROVEMENT PLAN

Since 1994, the democratic Government has targeted the acceleration of service delivery to communities. This is necessary to eradicate the inequalities of the past. The major policy instrument in this regard has been the White Paper on the Transformation of the Public Service (1995). This policy sets out eight transformation priorities, amongst which transforming service delivery is regarded as key. From this transformation priority the White Paper on the Transformation of Service Delivery (1997), also known as the Batho Pele White Paper, was developed to provide a policy framework and practical implementation strategy for the improvement of service delivery.

The 1996 report of the Public Service Commission (PSC) on the Evaluation of Service Standards in the Public Service found:

- Only 64 out of 131 institutions in the public service had service standards
- Of these, only 44 institutions had service standards that conformed to the concept of Quantity, Quality and Time (QQT)
- Only nine institutions referred to cost as part of their service standards. Since 1997, the ability and capacity to plan for service delivery improvement and to implement those plans has shown minimal progress
This compelled the DPSA to embark on a public service-wide project to advise and assist institutions regarding the development and implementation of service standards as well as strategies to meaningfully improve service delivery in 2006.

The improved development and implementation of Service Delivery Improvement Plans (SDIPs) and service standards would ensure that institutions tasked with policy development, compliance monitoring, and monitoring and evaluation, such as the Department of Public Service and Administration (DPSA), PSC, as well as Offices of the Premier and Provincial Treasuries, would have access to a greater variety of accurate information for purposes of service delivery benchmarking analysis and early warning signal detection. It would also create more and better service delivery improvement learning opportunities for the institutions themselves.

The project has progressed accordingly and has achieved a meaningful level of compliance regarding the submission of SDIPs using the refined template. Out of 33 national institutions, 27 have submitted their SDIPs (82%) and out of 106 provincial institutions 87 have submitted their SDIPs (82%). Overall, of 139 national and provincial institutions, 114 have submitted their SDIPs (82%) to the DPSA by 31 March 2007.

When assessing the submitted SDIPs, it was found that the introduction of the refined template, with goals that are Specific, Measurable, Achievable, Realistic and Time-bound (SMART), and Quantity, Quality, Time and Costs (QQTC) standards, has been well accepted by national and provincial institutions. It proved very successful in clarifying and mainstreming Batho Pele principles and integrating them in the very heart of service delivery. The refined template also proved to be a very useful tool in inculcating the spirit of Batho Pele in all service providers and will play an important role in making continuous service delivery improvement a reality throughout the public service. Furthermore, during the assessment of these SDIPs, the following were observed:

- Some of the institutions still list and confuse a “service” with a “function”
- Some of the SDIPs have more than five key services
- Some of the SDIPs do not reflect the desired standard
- Some of the SDIPs have the same current and desired standards (i.e. there is no service delivery improvement “gap”)

This indicates that some of the SDIPs submitted needed to be fine-tuned for quality purposes and for effective implementation.

Another concern is the rising non-compliance of institutions with the submission of SDIPs since 2007, which is indicative that further research is needed to investigate the cause of this trend.
4.4 LEARNING AND KNOWLEDGE MANAGEMENT

4.4.1 Introduction
The purpose of Learning and Knowledge Management (LKM) is to provide conceptual clarity and leadership that allows public service institutions to implement LKM successfully and develop benchmarks that assist assessment parameters contributing to informed decisions over and around knowledge management for all spheres of the Government. The DPSA is currently developing a framework on learning and knowledge management, called the Knowledge Management Framework, and once developed it will be consulted upon.

4.4.2 Operations management web-enabled system
In order to ensure the efficient and effective rollout of the OMF, it was decided to develop a web-enabled system. This web-enabled system facilitates every institution’s involvement and will make document sharing easier and much more effective. Currently, documentation on the building blocks is sent manually to the DPSA in hard copy or e-mail format.

The web-enabled system currently has four functionalities:
1. An area for easily accessible storage for all the information regarding the OMF including building blocks and relevant toolkits
2. A database for uploading institution-specific information on the building blocks
3. Statistical reports on institution submission rates
4. A forum functionality to promote discussion on various OMF-related topics

The web-enabled system is simple to use and has a built-in tutorial.
In order for governmental institutions to effectively provide the public with the most efficient and effective services possible, a process of operations analysis must take place to determine functionality and productivity levels of the institution.

Institutions are required to engage in OFA in order to ensure that the institution has the prerequisites required for optimal service delivery.

In this light, institutions need to shift their focus from performance to productivity. Productivity measures the relationship between resources and outputs, whereas performance only measures outputs.

Once the operations analysis process has been completed and information of the institution’s functionality and productivity levels has been gathered, institutions must embark on creating or updating their SDIP. The White Paper on Transforming Public Service Delivery, 1997 (Batho Pele White Paper) as well as the Public Service Regulations, 2016 stipulate that all governmental institutions should create and maintain SDIPs. SDIPs are used to ensure that service delivery is continuously improving incrementally within an institution.

For more information on the various building blocks in Chapter 4, please contact the DPSA at www.dpsa.gov.za

In order to address the pressure that is placed on governmental institutions to consistently improve systems, the DPSA has recommended that a knowledge-based approach to public service be adopted. Successful knowledge management will reduce the need for consultants, thereby reducing unnecessary costs.

In order to ensure efficient and effective rollout of the OMF, it was decided to develop a web-enabled system in order to get every institution on board and fully involved. The web-enabled system will make document sharing much more effective.

Institutions will require a complete understanding of their institutional operations if they are to set plans that aim at improving service delivery in a continuous manner.
List of references


Eastern Cape Department of Education. 2009. Service standards.


