Coming Together
Responding to changing service delivery conditions
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To many South Africans, the face of the public service, from safety and security, access to health care, or trying to secure a birth or death certificate, is often associated with sloth and grudgingly provided services. At public service points, would-be beneficiaries of services are often served by stone-faced and unsmiling bureaucratic agents, with timely tea or lunch breaks as the only hint of their clockwork efficiency. In his State of the Nation Address in February 2004, President Thabo Mbeki caricatured typical civil servants as “pen-pushers and guardians of rubber stamps, thieves intent on self-enrichment ... who come to work as late as possible, work as little as possible and knock off as early as possible.”

Caricatures, which admittedly do echo some truth, are by their very nature flat and one-sided exaggerations of reality, without much space for grey areas. Caricatures usually (and deliberately) fail to shed light on pockets of excellence or moments of triumph in the joke they portray. Because the grotesque is their currency, many of the positive and constructive moments in the subject of caricature falls through the cracks. And this year’s 3rd Service Delivery Learning Academy, organised by the DPSA in the coastal city of Port Elizabeth, was a perfect case in point.

What was most striking about the throngs of public servants at the gathering was its stark contrast to the popular caricature. The general mood or atmosphere of the learning academy embodied a sense of belonging, caring and commitment to service delivery — in the true spirit of Batho Pele. More importantly, the learning academy was an indication of the public service as a learning institution. It is not stuck in a single mode of operation but constantly reflects on its mandate through multiple fora such as this year’s learning academy.

The public service has undergone remarkable transformation over the past ten years. As the DPSA Director-General, Richard Levin, points out elsewhere in this publication, the establishment of a unitary and well-oiled public service over the past decade has not been without challenges. As a learning organisation, forums such as the learning academy are essential platforms for both celebrating the achievements of the public service as well as responding to the constantly changing service delivery context.

The challenges of the public service in the next five years were clearly articulated by President Mbeki’s address this year, in which he called upon the sector to fast-track service delivery. Public Service and Administration Minister, Geraldine Fraser-Moleketi, also echoed the President’s call during her keynote address at the learning academy. While the numbers are a consideration, said Minister Fraser-Moleketi, the thrust of the ongoing public service transformation is about the psychological and social reconfiguration of the service, with access, service beneficiary rights and developing more responsive management systems as key components of the change trajectory.

With a progressive legislative framework in place, as well as innovative interventions such as the introduction of a cadre of Community Development Workers, the public service is fairly well prepared to realise the objectives of the post-2004 election’s People’s Contract. But, as Dr Chris Madiba pointed in a paper delivered at the learning academy, angels are in good policies and the devil is in the implementation of the policies.

One of the paradoxes that confronted the public service over the past decade, and to a very large extent the current wave of transformation, is the fact that service delivery cannot be put on hold while the public service is being fixed. As one speaker at the learning academy, Mr Corrie Smit, noted, “Turning around government departments for improved service delivery is like going to heaven — but you have to die to get there.” This is the dilemma the public service finds itself in at the different points of transformation.

The Department of Home Affairs which Mr Corrie Smit was specifically talking about, has been subjected to about 10 critical interventions, yet it somehow managed to process as many as 220 million official documents, including birth and death certificates, passport and identity documents. In other words, the department is an illustration of how the public services manages to deliver services while simultaneously and continually realigning itself. This is one attribute that is usually lost in the popular caricature of the public service, and like the business of the learning academy, it is not funny, but is indicative of how the public service takes its mission seriously.

Dudley Moloi (Acting Editor)
Governments around the world are constantly striving for that next level of sophistication. Whether to improve service delivery, be more open, more responsive or available, the challenge has been, and continues to be, to work around the all-demanding task of streamlining communication channels to citizens, businesses, other governments and its own inter-departmental units.

And this challenge is not an easy one. Shrinking budgets, disparate, legacy network infrastructures, demanding requirements for security, a constantly growing demand for new and improved services as well as the pressure from citizens for transparency and keeping costs in check, all point to an e-government reality that not only leverages the best technology for the job, but also meets the demand for prudent choices, future-proof investments and an overall lower total cost of ownership.

Laying the foundation for change is ultimately what it's all about, says Rick Rogers, country manager of Nortel Networks in South Africa. "E-government solutions resolve many of the issues governments face, by simplifying and speeding the delivery of services and information to citizens, business partners and other government entities. It also makes the most of taxpayer money, and ensures security and privacy at all government levels.

Nortel Networks has already engaged with South Africa's Government in its initiative to put in place a common architecture to facilitate the flow of information between various Government departments. The GCCN (Government Common Core Network) project was the keystone in deploying an e-Government strategy, and key to the GCCN was the integration of different government systems and networks to share information quickly and effectively. This was the initial vision, but the perspective on transformation is far broader.

"And end-to-end, single view of information will go that one step closer to an open, accessible and responsive Government. This would require the facilitation of all types of communication, to, from and between all information entry points. While a common network infrastructure that allows ease of communication and functionality on top of that network would service the ultimate aim of improved services to all citizens, the next step would be to create a common platform for all government entities, offering a panacea in the form of a responsive, always available government," Rogers says.

But, the core building blocks for engaging in an e-enabled government infrastructure are also about ensuring operational efficiencies and cost savings. And consolidation is fundamental to achieving these success metrics, specifically in South Africa where infrastructure provisioning can run into huge bills. "Duplication of back-end systems, databases and infrastructure, while perhaps a consequence of historically having viewed things in isolation, results in duplication of effort and unnecessary costs. By consolidating these components into a singular infrastructure, costs will be drastically reduced while efficiencies improved," he adds.

Network challenge

While governments around the globe are still a fair way off from fully-fledged multi-media type capabilities that will represent that next level of e-government service delivery, technology is rarely the inhibitor. Rogers says that other factors can often delimit the extent of an e-enabled environment, specifically when political realities come into play.

"South Africa, in line with governments around the world, is moving further down the line to maturity with regards its e-strategy, and is leading the race in Africa and very much at the forefront of similar developments globally. "Nortel Networks today is assisting Government in moving toward a more e-enabled environment and, with the requisite technology available, looks forward to embarking on a great path ahead in the e-government space."

Network leadership, Government vision together drive e-reality
If there is any imperative that stands out amongst the rest it is the commitment that this government has shown towards accelerated implementation of policy programme and progress towards building our democracy. We approach development not only in terms of political processes but also the socio-economic conditions characteristic of the citizens. Our President Mr Thabo Mbeki has repeatedly echoed clearly his government’s intention to improving the lives of many of the poor and marginalised in South Africa. Implicit in this is a binding commitment to all of us public servants to the goal of tirelessly and dedicatedly providing services to the citizens of this country.

In his State of the Nation Address, the president outlined a concerted and focussed programme of action for his government, with clear timelines to each programme. These timelines are regularly updated and are there for everyone to see on the government website. The sense of urgency to deliver is palpable both at the political and administrative levels.

We have prioritised the strengthening of our capability to monitor and evaluate our own progress. As government we constantly rely on the cooperation of the political and civil society, the international community and media to assist us in this monitoring task. Although we are fully appreciative of the value that can be added by our social partners, government still remains largely responsible and the people will hold us accountable for any slip — rightfully so.

Over the few years that it has been running, the Learning Academy never ceased to enrich us with a sense of pride that there is indeed so much good happening in the public service. 2004 is an important year for us. It is 10 years since we became a democratic state; we have just had our third democratic elections. This signifies a new dawn for our country at large and the citizenry whose hopes and aspirations of breaking out of the vicious cycle of poverty are at an all-time high.

The Ten Year Review, which is a comprehensive report that was the end-result of an extensive large-scale campaign for all government structures to review themselves, concludes that even though much has been done over the past 10 years, more still remains to be done.

A quick glance backwards: At the beginning of our tenure in office, our concern was about the development agenda in government as a whole. That was manifested in various forms, the Reconstruction and Development Programme (RDP) being one of them. We are all familiar with the circumstances then: rampant squalor, poor access to services, education, health facilities, all these translating into abject poverty. We also are aware of the fragmentation of the public service. A case in point, for instance, is the Eastern Cape.

From the onset, one of the major priorities of government was poverty alleviation, to which government had to mobilise all its resources and, most importantly, a commitment that was shared by all structures in the three spheres. The Integrated Urban Renewal Project in Katorus was one of RDP’s flagship. Together with that, many other programmes were formulated in line with the diverse needs of the society.

Ten years down the line, we see impressive trends that tell of the hard work that government has been doing in distributing vital services to the citizens. More and more people are now having access to proper housing, clean hygienic water and sanitation and electricity. Access to proper health and educational facilities has also increased dramatically and what is more the
long distances that people have been travelling to get to such points have decreased considerably with positive economic spin-offs. Most of these remarkable developments have dramatically changed the social and economic conditions in our rural areas. With the introduction of the Integrated Rural Development Strategy (IRDS) for instance, those sections of our country that were identified as nodal points for development by the president were prioritised in terms of development initiatives such as agricultural projects, housing projects, road reconstruction projects, etc.

Poverty alleviation, which has always formed the crux of government’s service delivery priorities, has once again received renewed commitment, with the stepping up of campaigns about social grants. Through collaborative efforts between the departments of Social Development and Home Affairs, many senior citizens and people with disabilities have been issued with proper ID books. As a result, they can now receive their monthly social grants. Also, our efforts to improve birth registrations have seen swelling numbers of children receiving monthly child grants.

Many of our provinces, even departments, still experience countless challenges in this area of service delivery. Our intervention, in 2003, in the Eastern Cape has opened our eyes to many fundamental realities of service delivery, which up to now were impossible to notice particularly to those of us who operate from Pretoria. Our direct involvement as the Ministry for Public Service and Administration as part of the Interim Management Team to spearhead the massive turnaround intervention of the provincial government in the Eastern Cape has contributed a wealth of intelligence about the numerous challenges that the public sector has to contend with in service delivery.

Amongst many things, what emerged most prominently was the widespread challenge of the lack of integration between the various government systems and processes — particularly as regards planning and implementation across and within spheres.

Service delivery that should be responsive to the diverse needs of the citizenry is contingent upon a well functioning service delivery chain. However, this is often hampered by artificially constructed boundaries, real and imagined, as well as profound communication bottlenecks, less than optimal system support and behavioural pathologies that exist between the various agencies involved. Far from being an inter-governmental problem (occurring between the spheres of government), it is also prominent within departments. In certain service delivery facilities, for instance, there is no teamwork at all.

Government has and will always pull out all the stops to address this issue. At the centre of government we have done much to address both policy as well as administrative co-ordination through the introduction of, amongst others, the Integrated Budgeting and Planning System.

We have just completed a process of organisational restructuring which, if used fully by managers, would result in staffing structures being aligned with policy and programmatic responsibilities. A lot of work is underway around “the single door approach” to make government more accessible to the public. This would involve the use of information and communication technology to overcome some integration and co-ordination challenges.

We need to emphasise that changing structures, introducing systems and using information communication technology will be limited if the behaviour of our people within the organisation does not change.

The issue of ethics in the public service is inevitable, particularly in the light of the high levels of corruption that costs the state huge sums of money. Blame integration between state organs, blame discordant legislations, blame ineffective performance monitoring systems and lack of proper management, but the ultimate culprit is the all-disciplined individual public service employee. Unless we as public servants realise the dire consequences that fraud and other criminal activities have on service delivery no Act or framework, no matter how ingeniously crafted, can succeed.

There is a need in the public service to constantly remind people of basic values and ethos such as Batho Pele, as well as a sense of professionalism in terms of how people do things. Far from being a paper-based set of principles, Batho Pele should be perceived as purely a natural humane way of dealing with fellow human beings — an existential value that we can learn about and share with other African countries.

For public servants to develop professionalism in their work, there need to be frameworks with clear goals, clear vision and context to help them understand policy direction of government, and what it requires from them. Also important is firm exemplary leadership from seasoned managers with a developed understanding of public service issues such as the changing organisational culture and issues of equity. Representivity is non-existent in the public service, with numbers totally skewed both in terms of race and gender, not to mention disability. If we turn a blind eye to the fact that women and the disabled people are seriously underrepresented in the public service leadership we will compromise our ability to continue with the journey of transformation of the public service to the very highest level.

Unlike 10 years ago when we took up office, now we have a wealth of experiences that have been captured, and the onus is on us to put such knowledge to good use. Our reflection has exposed a host of areas that require our immediate attention. We need to improve on matters of governance, of interrelation and coordination, of performance management in view of our capability to plan effectively for a better future.

Remember that our tasks as public servants are urgent. We have an urgent mission of giving effect to the programme of action as adopted by the government. Our tasks have never been ordinary or merely technical. We are all bound by a moral obligation of striving for social justice to create a reality in which we can all thrive and come to our fullest potential.
KwaZulu-Natal anti-corruption learning workshop

On 18 August 2004 approximately 40 delegates from across KwaZulu-Natal attended an anti-fraud and corruption learning workshop in Pietermaritzburg. In her opening address, Integrated Provincial Support Programme (IPSP) provincial coordinator Mrs C Khuzwayo welcomed the delegates, and in her opening remarks he emphasised the need and value of knowledge sharing and showcasing service delivery innovations which the IPSP was pursing.

Mr PJ Mahlaba of KZN Treasury’s Internal Audit Unit gave an audit perspective on anti-fraud, and highlighted the importance of the value for money principle, and what fraud and corruption does to effective service delivery. He emphasised that fraud and corruption have implications and impact on government and society. He also highlighted that various initiatives in the form of supporting legislation and structures within government have been set to deal with the issue.

He also pointed out the fact that research has shown that most fraud was committed by government officials — management and employees — and this needed to be dealt with decisively. On what can be done, he indicated that there needs to be improved accountability, tightening of internal controls, conducting internal and external audits. This should include setting up corruption hotlines, protecting whistleblowers, as well as improving performance management, reporting and monitoring systems.

Mrs AN Zondi of the Department of Health presented two case studies of fraud and corruption, one involving theft of medicines from the medical supply centre, which involved an employee stealing medicines from the medical supply centre and selling them at home. The other case also involved medicine theft syndicates who were colluding with a courier company. Both cases illustrate the sophistication involved in committing fraud, and employee complicity and corruption.

Mr T Ngobo of the Department of Agriculture & Environmental Affairs enthralled the audience with his succinct presentation on the need to pay attention to detail with fraudulent claims and activities that employees commit, and the need to hold officials accountable in the carrying out of their duties as provided for in the legislation. Claims that are submitted must be verified and reconciled to prevent and detect fraud. He demonstrated some examples of fraudulent activities. He also emphasised the need to tighten up detailed reporting and do authentication, carry out regular audits, and proper hands-on supervision.

Mr Zola Tyikwe from the Eastern Cape shared that province’s anti-corruption strategy, its mandate and structures that have been set up at political, strategic management and departmental levels. He emphasised the need for partnerships with other civil society forums in fighting corruption in the province, and the need and value of developing a set of common goals and principles at the highest level throughout the province. He detailed the province’s efforts towards setting up a corruption hotline and a central corruption data-base.

Mr TK Telite from the DG’s Office presented the way forward in terms of what the province will be doing in combating fraud and corruption, structures that have been set up, and the plans underway to get all prominent stakeholders together to sign a provincial pledge in this regard.

This initiative, which would develop a set of concrete indicators, will coordinate all fraud and anti-corruption efforts in the province.

The workshop was a very informative session and the IPSP provincial team commended the presentations made and committed itself to providing more sharing platforms, and supporting current provincial efforts in combating fraud and corruption.

KZN grapples with Batho Pele

KwaZulu-Natal provincial government hosted a Batho Pele change management learning network session for public servants on 21 July 2004. The session was facilitated by the Department of Public Service and Administration (DPSA). In her opening address, provincial Integrated Provincial Support (IPSP) coordinator, Cicilia Khuzwayo, spoke broadly about the enormity of service delivery challenges that confront many provinces, particularly KwaZulu-Natal.

She also noted that training in Batho Pele principles has not sufficiently seeped through the province, which was why the premier initiated the learning session to revive commitment to the Batho Pele principles as part of the overall transformation of the provincial public administration.

Khuzwayo reminded delegates about the President’s State of the Nation Address and its importance in setting the tone for public service delivery. She took the opportunity to reiterate some of the critical areas that are national priorities: poverty eradication and bridging the gap between the two economies in SA.

Service delivery challenges

Discussing some of the critical obstacles to improved service delivery in KwaZulu-Natal, the IPSP coordinator highlighted the importance of changing mind-sets and revisiting the existing approach to service delivery amongst public servants in the province. She also cautioned against the tendency by many public servants to isolate service delivery from other fundamental developmental issues. Service delivery has to contribute to the economic growth and social development of the province, stressed the IPSP coordinator, adding that there is a need for maximum exploitation of fundamental developmental resources such as tourism, patent manufacturing and agriculture.
Citizen’s involvement
Khuzwayo said in order to achieve equity in economic development initiatives, the province also requires an effective Black Economic Empowerment (BEE) forum to provide established entrepreneurs with a valuable platform to strategise on the growth for the sector.

The Provincial Growth and Development Strategy makes provision for all sectors, including local government, to participate in growth and development plans.

Khuzwayo also emphasised the importance of involving the community in all developmental activities. She said the provincial poverty alleviation strategy as well as the growth and development strategy have to primarily be community-based in line with the Citizens’ Charter.

Citizen’s participation, along with social and cultural issues such as the preservation of linguistic traditions, the recognition of the importance of the monarch as a prominent cultural figure, as well respect for the rights of women and youth, are an integral part of the provincial development approach.

Road to change
In another presentation, Kgotsi Bantsi of the DPSA echoed the sentiments of the learning networks gathering. Bantsi likened public servants to travellers on a journey where the destination is to give life to the Batho Pele White Paper and its underlying transformative agenda.

The journey’s point of departure, according to Bantsi, begins with a recognition of the bureaucratic legacy of the apartheid regime. This included the creation of the two disproportionate economies (that of the poor and the super-rich) and inheriting 11 fragmented public services with fundamental structural, organisational and cultural weaknesses.

In addition, the overall orientation of the public service was top-down and corruption rife.

In contrast, said Bantsi, the post-1994 public service transformation is a journey from the dysfunctional institutions of the past, navigated by the Batho Pele change management program.

Bantsi added that Batho Pele is not a side issue

Culture change does not happen over night. Change engineering programmes allow for specific value systems to be embraced.

In addition, there should be a culture of teamwork and empowerment. Empathetic people care for their fellow human beings. They care about the public as well. Through change engagement programmes we recreate awareness and promote buy-in to Batho Pele. This should not be treated as side issue but as an integral part of the work environment.

Every province should appoint a Batho Pele Champion who would roll-out the programme and provide support.

With the help of ten appointed people in each department, the champion would cascade the programme. Departments must customise the change engagement programmes to current programmes of change.

Engagement programmes provide awareness and present a platform for Batho Pele.

Bantsi added that public servants are still battling with the challenge of how to practically give life to the Batho Pele principles. In this context, the public servants have to practically give life to the Batho Pele principles and ensuring that government gets value for its transformation and service delivery enhancement investments.

The following are among some of the corrective projects that the DPSA has or is in the process of implementing:

• The provision of services in line with Batho Pele. These projects cannot be clinically packaged into the front office.

• The directory of public services was established to make sure that people are able to access the government. It lists services in a user-friendly way.

• The United Nations-award winning mobile service centres in Limpopo province provide integrated service delivery to citizens in rural areas and is a model to be replicated.

• Plans to establish a public service TV/radio are afoot. This is aimed at improving the dissemination of information in a more accessible and user-friendly manner to all citizens. It would provide a platform to address the public servant on any chosen subject through a suitable medium.

• The red tape review has given rise to a drive to eradicate red tape. A competition was introduced to encourage public servants to submit proposals on how to reduce red tape.

Batho Pele is not a side issue

Some of the missing links in previous development programmes or the provision of services tended to sideline issues of culture and people, despite the fact that service delivery is about people, who depend on us as public servants. Soft issues are difficult to resolve. But the subj ect of values is not a soft issue.

Culture change does not happen over night. The Batho Pele principles need to be institutionalised and integrated into key performance areas as well as an induction programme.

The lead-up to Batho Pele is essential. It is encouraging to note that the provincial government has taken ownership of the process and has settled in for the long-term process.

Together beating the drum for service delivery, the slogan serves to create excitement. The drum is a symbol of vibrancy and is used to issue a clarion call. To that end the programme is to be revitalised. The practice is a collective effort; and a culture of working together.

By beating the drums we are expressing the triumph of the public service.

As an important aspect of good governance, Batho Pele principles need to be measured on a daily basis. The Public Service Commission will be the body that will be responsible for the monitoring of this process.
What’s on the DG’s mind?

By Dudley Moloi

The long arm of the clock is a notch from the two-o’clock appointment with the public service Director-General (DG), Richard Levin, as one of the office staff furtively casts her eyes around the big office for his whereabouts. But almost on the dot, one of the country’s most high-ranking government officials fills up a large part of the office door frame.

Levin’s brief disappearance went unnoticed by staff at the office of the DG. It’s a question of “now you see him, now you don’t” because meetings are a critical aspect of the DG’s day-to-day job.

Levin, who officially replaced Robinson Ramatse as Department of Public Service and Administration (DPSA) DG this year, attends a monthly average of 100 meetings or about 20 per week. That’s just meetings. Meetings, as most frequent meeting-goers know, are usual-ly forums for throwing stuff onto one’s already unbearable workload.

Lead department

And as the lead institution in the public service, the DPSA has a big workload. It keeps an eye on the activities of the country’s 1.3 million civil servants, who in one way or another, are charged with seeing to the needs (from pension to passports) of 45 million South Africans. If there is a paper-jam in the home affairs printer, DPSA will sooner or later know about that.

“Obviously once you get to this [DG] level meetings become a big issue. There are a lot of meetings, a lot of networking and a lot of submissions, which basically give effect to the various pieces of work that has to be done. So it’s quite busy,” Levin confesses.

De partments of public administration or their equivalents, along with national treasuries or departments of finance), are two of the most central departments in any national government system any-where in the world.

“So DPSA has a broad mandate and it is obviously quite a challenge to ensure that all the different aspects are working effectively to advance the transformation and public service reform programme of the government,” he adds.

With its workload, the size of the department, in terms of staff and budg-et, is rather small in comparison to most departments. DPSA has an annual budget in the region of R120 million to R150 million.

The DG, though, is of the view that weighing his department’s stature in monetary terms “is not necessarily use-ful”, especially when it comes to central coordination departments such as the DPSA. For Levin, the thrill is not in being in charge of loads of money but in the responsibilities vested on the depart-ment’s second in-command.

“It [the budget] might be very small compared to other departments. But I think it is the importance of policy areas where DPSA has responsibility. I think that’s what makes the DPSA more chal-lenging,” says Levin.

Celebrating achievements

Though South Africa’s political maturi-ty is widely celebrated, the radical trans-formation of the public service over the past decade is yet to be fully acknowl-edged. Most significantly, the patch-work of 11 former apartheid adminis-trations which made up the apartheid bureaucracy has been turned into nine provincial administrations, working in tandem with the centre, and bolstered by a range of policy instruments.

“If we look at where we were in 1994, with [the inheritance of] different administrations, past bringing [the disparate apartheid administrations] into one public service in itself is a major achievement,” says Levin.

The newly appointed torch-bearer of the ongoing public service change proj-ect also easily concedes that the service is
far from being a well-oiled machine. While there are “pockets of excellence” in the administration, these exist alongside “pockets of weakness”. Levin warns that the fact that the overall assessment of the performance of the public service over the past decade is affirmative, it need not be cause for “complacency”. Instead, the next five years should see the consolidation and deepening of the public service mandate for efficient service delivery.

Internal renaissance
Part of the consolidation, says the DG, who describes his management style as “inclusive but recognising that decisions have to be taken”, entails turning the public service into “an employer of choice”, which would ensure the retention and easy recruitment of professional and senior management echelons to the service.

“To become an employer of choice means that we need to ensure that we care for our citizens as well as our own people [staff]. We need to instil a sense of professionalism so that people see the public service as a career of choice and not something that is a last resort,” says Levin, in reference to the “brain drain” of senior public service personnel.

Although Levin’s tenure in the office of the DG will be defined by the current ruling party’s policies and objectives, it is not as if he will be a mere cog in the public service machinery. Like his predecessors, the incumbent to the DPSA DG position will have ample space to put his personal touch.

The DG recently launched an internal (DPSA) revitalisation or Imvuselelo programme, which he hopes will ensure that the department practices what it preaches to the rest of the public service. Imvuselelo programme, says Levin, is based on the “notion that before we remake the world let’s remake ourselves”. The wide ranging programme will include increasing the representation of women, particularly Africans, in the higher levels of DPSA’s management structures.

“If you look at our overall [staff representation] statistics, we don’t have a problem at the DPSA. But as we get to the top level then the women begin to fall-off. We need to correct that,” says the DG.

Proactive support
The increasing deployment of management expertise to assist ailing departments is also likely to be among some of the defining features of the character of Levin’s tenure.

While the idea of teams of “trouble shooters” is similar to the Eastern Cape Interim Management Team (IMT) interventions, the DG’s envisaged pool of deployable expertise would anticipate administrative problems, and act accordingly, rather than respond only when departments are bogged down by crisis.

“What we perhaps need to think about, certainly what I am pushing in my new job, is to develop a proactive capability and put in place the kind of early warning systems that would allow us to engage more proactively where we pick up problems. I think the earlier the intervention or support, the more the chances of success,” says Levin. •
Ten years of democracy have brought major changes to the South African state. The apartheid state was driven by a rules-based administrative culture that took little cognisance of the needs of the majority of South Africans. The democratic state is committed to fostering development through a service-oriented culture that places people’s needs at the forefront of state endeavours.

Major constitutional and legislative reforms have seen the state undergo massive transformations leading to the creation of a single public service at national and provincial level, and the consolidation of a strong system of local government.

This address focuses on the challenges of building an integrated developmental state. It argues that the quest for integration is a global challenge faced by all states. It also shows that while structural transformations and reform can lay the basis for integrated service delivery, equal importance must be given to building a professional cadre of civil servants dedicated to the principles of the developmental state.

In the South African context, Batho Pele and the service-oriented culture it promotes are critical conditions for the success of integrated service delivery. The protection institutional turf is a characteristic of state bureaucracies globally. This logic of state bureaucracy must be confronted on both the structural and cultural levels if we are to succeed in building a people-centred developmental state in South Africa.

**The Developmental State and the Challenge of Integration**

The strategic objective of the second decade of freedom is to build and consolidate a developmental state in South Africa. A developmental state excels in the basics of public administration and intervenes strategically in the economy to promote social development.

South African economy and society comprise a developed economy with sound macro economic management, surrounded by a second underdeveloped economy characterised by poverty and unemployment. The challenge for the developmental state is the integration of the two economies while meeting both their needs.

In order to achieve integration, the developmental state must be people-oriented and capable of addressing the...
National planning framework. These needs to be complemented by a coherent assignment framework that supports intergovernmental relations horizontally as well as vertically. Building a developmental state has implications for the institutional architecture that supports intergovernmental relations. The intergovernmental regulatory framework needs to be strengthened based on a shared understanding of a future developmental state and its requirements.

**Strengthening Intergovernmental Relations**

Stabilising the relationship between the three spheres of government and building the intergovernmental system is a strategic priority. This is because development requires the involvement of all spheres, but is largely dependent upon improved service delivery at the local level. State transformation during the democratic government’s first term of office focused on the national and provincial spheres of government, while consolidating strong local government was the focus of the second term.

Integration between the different spheres of government requires a clear policy framework for the assignment of powers and functions by the national and provincial spheres to local government. A coherent assignment framework needs to be complemented by a national planning framework. These will bring greater certainty and predictability to the intergovernmental system as well as addressing the outstanding fiscal issues facing government and promoting innovation between and within levels.

The assignment framework should be complemented by an assessment of the exercising of powers and functions by each sphere and how well they are shared between them. A clearer national planning framework will similarly bring greater clarity and enhance development. The key objective of the assignment framework is improving the performance of the state machinery. It requires:

- The confirmation of intergovernmental principles;
- The clarification and codification of the intergovernmental planning system and coordination of implementation and oversight;
- The establishment of protocols on intergovernmental structures; and
- The elucidation of processes for dispute resolution.

Although some sectors already have intergovernmental legislation (e.g., health and education) others still need to enact it as soon as possible. This legislation must be accompanied by other measures to improve the performance of the state, such as a targeted programme of support to provinces and a review of all legislation at the national and provincial levels that impact on intergovernmental relations.

**Single public service**

The successful delivery of integrated government services requires that a single public service system be established and consolidated. This should incorporate all three spheres of government with uniform conditions of service and operational practices. This will achieve two goals:

- It will promote more efficient coordination between the different spheres of government, eliminating fragmentation and facilitating seamless service delivery.
- Secondly, an integrated public service will enable mobility of staff between the spheres of government, facilitating the optimal deployment of skills and allocation of functions.

Local government in particular, is in need of skilled people to drive the developmental agenda of local government. Mobility between the spheres is not a luxury but a necessity in many cases. The Constitution and legislation in some instances require these transfers. The reasons for this can be found in the Constitution itself. Section 156(4) of the Constitution states that national and provincial governments must assign to a municipality where the matter would be most effectively administered locally, and where the municipality has the capacity to administer it.

So it is very likely that there will be a pattern over the next few years of many services being devolved to local government. But discrepancies in conditions of service complicate these transfers.

It is straightforward to transfer staff within the Public Service, even between the national and provincial spheres. Transferring staff between Local Government and the Public Service, or vice versa, presents challenges.

To work towards harmonisation, the South African Local Government Association (SALGA) is reviewing and rationalising the conditions of service and bargaining arrangement applicable to the Local Government Sector. Legislation is also planned.

At the same time there is a review of government’s public entities underway. For some years now government has been concerned at the proliferation of public entities, and that public entities were not all advancing government’s development goals. The review was undertaken to propose those mechanisms, such as systems of corporate governance, that will assist government to ensure that public entities make an effective contribution to government’s developmental goals.

The outcome of the review will be a common regulatory framework for public entities, thus harmonising the
systems, procedures and norms applicable to those entities. The expected outcome is more focused, coherent delivery from that sector.

It is envisaged that the work on an integrated public service will culminate in framework legislation for the public sector, including the Public Service, Local Government and public entities. This broad regulatory framework for the public sector will be informed by the basic values and principles of public administration contained in section 195(1) of the Constitution. It will establish norms and standards applicable in all sectors and will provide for deviations from the norm in certain instances. Mechanisms for transfers between the sectors will be created.

While the single public service will lay the institutional basis for effective integrated service delivery, transformation of public service culture through building an effective Batho Pele programme is of equal importance.

**Batho Pele and Professionalism for integrated service delivery**

Building a single public service dedicated to improve integrated service delivery will require a commitment to professionalism. In the public service professionalism refers to how work is done, how citizens and colleagues are treated and the adoption of an ethical, constructive and problem-solving approach to working life. Professionalism in the South African public service entails prioritising service users and making sure that public resources are optimally utilised to meet the objectives of the developmental state.

Increased professionalism will lead the public service to being regarded as a career of choice by people with skills and experience to offer. Building professionalism in the public service must involve a range of initiatives. These include strengthening the Batho Pele programme and the promotion of a distinct public service belief set, targeted and sustained human resource development and training, sophisticated, constructive labour relations and vigorous efforts to stamp out corruption with a broad range of partners.

In his State of the Nation Address earlier this year, President Mbeki highlighted the importance of addressing the key issue of public service culture.

He noted that, “We must be impatient with those in the public service who see themselves as pen-pushers and guardians of rubber stamps, thieves intent on self-enrichment, bureaucrats who think they have the right to ignore the vision of Batho Pele, who come to work as late as possible and knock off as early as possible”.

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**Issues**

**SDR Vol 3 No 2 2004**
The infusion of a culture of Batho Pele throughout the ranks of the public service is critical to improving and integrating service delivery. Many lower level public servants continue to operate according to an outdated rules based culture that is citizen-unfriendly and which disregards Batho-Pele. There has been a limited suffusion of the new principles and values at these levels and changing organisational styles and cultures has often proved to be elusive.

It is these staff members who interact most with our citizens and the disadvantaged elements of our society and who should be contributing most to the development of the second economy. Change at this level is therefore a priority and must be central to the effort to build an effective public service geared towards meeting the objectives of the developmental state.

Increasing access through integration

Even if we are able to reorientate public servants to improve their service delivery, many of them work in cities and towns, far away from the townships or rural areas where most of our people live. Research has shown that the poorer segment of the population — some argue as much as 70 percent — are unable to access the full potential benefit of the socio-economic programmes of government. A gap has been identified between government service provision and the effective utilisation of service delivery by members of poor and disadvantaged communities. This does not mean that delivery is not taking place, but rather that it is sometimes inappropriate and often does not reach the intended recipients effectively.

A number of reasons for the existence of this gap have been cited. The question of access, both to information about services and to the services themselves, has been shown to be a major obstacle. Experience during the Presidential Indaba has demonstrated that poor people are often simply unaware of benefits and services to which they are entitled. It is also apparent that people in poor communities lack the skills required to engage with government around services, whether it is a matter of filling out forms, or preparing a business plan.

This gap urgently needs to be addressed, as government risks alienating those whom it is trying to serve. The gap must be bridged by bringing government closer to the people and thereby enabling the people to make better use of government benefits and services, in order to foster community development and improve the quality of their lives.

One way of achieving this is through the intervention of a skilled facilitator to act as a link between government at various levels and the community.

Community development workers

In response to the developmental needs that exist in historically marginalised areas, President Mbeki announced in February 2003 the establishment of a new cadre of public servant, the community development worker. The President said:

The government will create a public service echelon of multi-skilled community development workers who will maintain direct contact with the people where these masses live. We are determined to ensure that government goes to the people so that we sharply improve the quality of the outcomes of public expenditures intended to raise the standard of living of our people.

It is wrong that government should oblige the people to come to government even in circumstances in which the people do not know what services the government offers and have no means to pay for the transport to reach government offices.

It will be particularly important that we attract the right people into this cadre of community development workers, train them properly, and supervise them effectively. These development workers must truly be inspired by the letter and spirit of batho pele! Along other things, these workers will help to increase the effectiveness of our system of local government, strengthening its awareness of and capacity to respond to the needs of the people at local level.

The community development worker is intended to be the integrator of service delivery for poor and marginalised communities: to assist communities in defining and articulating their needs; to identify service delivery blockages in the communities; to source solutions to identified needs and blockages by interacting with national, provincial and local government structures; and to promote development by assisting people to access government services and benefits.

A community development worker learnership has now been created and almost 500 learners have been enrolled. The learner CDWs have been deployed to local government and are undergoing tuition and practical experience as part of their learnerships. Those who successfully complete their learnership may apply for CDW posts in the provincial government. Further funding has been received from the National Skills Fund which will allow more enrolments to take place and more municipalities will be covered in the months and years to come.

Integration of service delivery is not an end in itself; it seeks to improve the quality of service delivery to the people; it strives to provide convenient, one-stop access to government services; and it aims to improve the availability of services to those who live in previously marginalised communities.

e-Government

Another way we have integrated government service delivery to promote development is through electronic government. Access to information is the first step towards empowerment. Information and communication technologies allow us to get a wide range of information on services to a number of different, and sometimes remote locations.

The Batho Pele Gateway is an Internet portal containing information on government services. It is located at www.gov.za. The website brings together information on services offered by the
The information has been organised according to “life events”. It is not structured according to which department is delivering the service, so the citizen does not have to try to work out the intricacies of the bureaucracy in order to locate a service. Citizens do not have to concern themselves with how government is structured. The information is presented in a logical, convenient way.

For each of the services on offer seven questions are answered — for example: what process should be followed to obtain the service and what is the nearest location where it can be obtained.

We are well aware that only three million South Africans have access to the Internet, and an Internet portal though useful does not address the critical developmental challenges facing our poor and marginalised communities — unless we are able to bring the service to the people, with the aid of technology.

Our challenge is to make the Gateway portal available at conveniently located service delivery sites.

Part of the Gateway project has therefore been the development of access channels, to ensure that the benefits of the portal were not restricted to the citizens of the first economy. The Government Communication and Information System has in recent years been establishing Multi-Purpose Community Centres or MPCCs in township and rural areas, which provide a range of government services on the doorstep of formerly neglected communities.

Local government services may be offered, along with Home Affairs and Social Development — all under one roof. In terms of the access strategy for the Gateway portal, the portal is to be introduced in MPCCs. Nine MPCCs have been identified as the pilot sites. In these sites a computer and connectivity are provided, and a person who is able to assist the public in accessing the information or forms they need.

Travel is expensive, and can be prohibitive for the poor. To have information on a range of government services just down the road means that people do not have to travel into town to find out about services, they no longer face the “wrong door” effect, of being sent from one office to another, from department to department, in search of a service.

Therefore it is clear that there is potentially great synergy between the Gateway and the MPCCs. Both projects aim to bring government services together in one conveniently located site. In addition to using the MPCCs as access channels, certain Post Offices will have the portal and Post Office officials will be trained to guide citizens on the use of the portal. The access strategy will expand still further as the Gateway project continues, possibly even through retail access points.

In time it is expected that the Batho Pele Gateway will provide more than just information: it will be possible to conduct transactions online, for example to pay your traffic fines or to apply for an ID book from home, or pay her electricity bill.

**Conclusion**

Finally, integration is not merely a theoretical construct, or a policy pursued for its own sake. Integration in government has tangible, practical benefits on the ground.

In the examples of the community development worker, the MPCC and the Batho Pele Gateway, we are expanding access to information and access to services by bringing them closer to the people, especially those people who live in marginalised urban and rural areas. Access to government services and benefits is a key driver for development in disadvantaged areas.

Home Affairs services are the key to a range of other services. Social grants assist the local economy in impoverished areas. We also offer support to those starting small businesses. We should not underestimate the developmental impact of government service delivery.

We must therefore continue build on what we have already achieved. In particular we will continue to integrate the institutions and delivery systems of government to improve service delivery. At the same time we will continue to promote Batho Pele and build a strong cadre of dedicated, ethical public servants. By fostering professionalism and improving service delivery we will create the necessary conditions for integrat- ed and sustainable development and achieve the goals of the developmental state.
The Learning Academy is like a journey in which the main activity is the sharing of transformation experiences. Between the last academy and this one we could justifiably assume that a lot of sharing of lessons and experiences went on. In a sense therefore, this is a continuation of the journey.

The theme of the Learning Academy this year revolves more around the challenges of ensuring integrated service delivery for development.

Three interrelated aspects become particularly important as we pursue this theme, namely: capacity to translate policy objectives into service delivery programmes; building capacity of institutions to implement the programmes; and promoting accountability in general and partnerships with citizens. Together, these three aspects capture the resounding message that is being spread throughout our journey.

From policy to implementation

The challenges that government faces in terms of creating a better life for all do not recognise traditional boundaries that we try to observe when dealing with the challenges.

For instance, poverty and unemployment do not distinguish between municipal, provincial and national boundaries of government. Accordingly, in tackling them we need a collective co-ordinated effort from government as a whole. Unfortunately, lack of integration has
resulted in ineffectiveness and inefficiencies that unfortunately inconvenience the very people we are trying to serve.

One of the things that clearly emerged in this conference is the commendable work that is going on in support of integration in government. This includes work on developing an Intergovernmental Relations Bill, the review of frameworks within which public entities operate, the appointment of Community Development Workers, and the establishment of Multi Purpose Community Centres.

However, the impact of all this work would be compromised if it is not accompanied by a widespread change of culture in the public service. Of great essence is for public servants to have the kind of commitment to professionalism that prioritises the service users or citizens.

The conference also reminded us of the Constitutional imperative of adopting a developmental orientation in our system of public administration. Rather than being only a concept, a developmental orientation is significant practically. A developmental state that we always relate South Africa with is the kind of state that excels in the basics of administration and intervenes strategically in the economy to promote development.

In the South African context, this requires the state to reinforce democracy through the promotion of good governance, achieve broad-based empowerment through job creation, human development and quality social services, and accelerate economic growth. This is clearly a challenging task that inevitably brings up the need for prioritisation.

There may always be many priorities but because resources to address them are limited, careful choices have to be made. The budgeting process tries to strengthen that link between the priorities on the one hand and available resources on the other.

The effective realisation of our development objectives is fundamentally reliant on meaningful co-ordination in
planning, budgeting, monitoring and policy review. Though often seen separately, these processes are part of the chain that can only function properly when integrated. Any disjuncture in the chain and government’s entire effort to achieve its development objectives in any sustained way fails. Therefore, the issue of integrated planning, implementation and monitoring is crucial.

Very often issues about the development state, integration etc. are mentioned as concepts with very little ever mentioned about how they apply to actual service delivery. It is highly critical that these should be viewed within the context of the impact that public servants make in service delivery. The developmental impact of government services should not be undermined.

What also came out quite clearly throughout the conference is the significance of a good back-office arrangement that supports implementation to ensure integration. In presentations that were made, examples were given of support structures, networks of relationships and systems at the back-office level to give support to the front office to enable them to carry out their mandate.

However, what should be borne in mind is that integration is not about putting up structures. It is also about building relationships. Where good relationships underpin the culture of people at work, they also help ensure that integration happens even where structures do not exist or where they fail.

Building institutions for implementation

Apart from integration, we need to make sure that we build capable institutions that can implement policies. However, in our institution building efforts we need to be realistic on what we can achieve over what period. We need to acknowledge that we may need to strive for competence before we can leapfrog and talk about excellence. In the developmental state we have to get the basics of administration right.

Institution building requires a holistic approach because institutions are complex. A number of dimensions should be identified that can be leveraged to build the capacity of institutions in such a manner that they would be sustainable. These dimensions include infrastructure, people and technology.

It is, however, important to note that technology is important as an enabler and should not be used as a panacea for every organisational problem. Throwing IT at problems is not a solution. For example, if there are contestations on what business processes should be followed and the strategic objectives and inter-organisational relationships are not clear, throwing IT at such problems would not solve them.

Throwing structures and frameworks at problems would also not resolve them. Indeed, no White Paper, ACT or framework will in itself lead to sustained institutional capacity, no matter how eloquently crafted. A change in institutional culture is required.

Institution building also requires resources. However, lack of resources should not be used as an excuse for inaction. Our realities are such that many government institutions quite admittedly battle with limited resources. The solution is to try and target zones of opportunity to be able to do much with the few resources available.

Accountability and partnerships with citizens

The Constitution serves as a basis for democracy in South Africa but the essence of democracy is about citizens having a voice. Listening to the voices of citizens should not be an end in itself but should contribute to efficient and effective government and governance. Listening to voices and creating structures to participate are not necessarily the same.

Communication takes place in many ways that cannot be replaced by formal structures. This thus calls for new ways of communicating with citizens. Communication should provide meaningful information about the choices that citizens can make and also enable them to make those choices. Engaging people’s voices authentically informs government’s policies and guides implementation.

Accountability, being responsive to people’s voices, building institutions, integration and coordination — all these are encompassed in the implementation of Batho Pele. Batho Pele should be understood broadly beyond the eight principles. There are many activities and processes that contribute to wards putting people first, although not all of them may necessarily be carrying the Batho Pele tag.

However, all these should nonetheless be understood as part of government’s programme of transforming service delivery. Batho Pele should thus not be measured through smiling faces but through a cluster of actions, cultural practices and methods of working which collectively make the public service citizen centred.

Viewed in that light, Batho Pele awards should not be restricted only to people who interact with the citizens on a daily basis. People who fulfil certain vital back-office functions such as procurement are often overlooked for Batho Pele awards perhaps because what they are doing is not seen as part of Batho Pele. This unfortunately under-mines the fact that back-office operations are an important part of the service delivery chain.

Put differently, Batho Pele is about what we do as public servants to show that we care, we belong and we serve.

Conclusion

The conference served as a platform for sharing lessons and experiences on a range of issues relating to achieving integrated service delivery. This should by no means mark the end of the learning journey. As public servants we need to remember that:

• The hope for a better life for all is greater than ever.
• Progress in this regard is not going to come easy. It requires hard work.
• Actions instead of words will make a difference. We should thus act and not just exchange ideas.
Rand/Dollar effect on investments

The past couple of weeks have seen the rand strengthen against the dollar to levels not seen in five years. Should our currency’s strength, and the dollar’s weakness, affect your investment strategy?

“Coupled with all these factors, astute investors like Warren Buffett are suggesting that even they can find no value in the US market at the moment. Instead Buffett has started accumulating large amounts in foreign currencies and silver (currently over $12 billion),” he says. While Shea advises people to reduce their exposure to US dollar funds, he says instead of realising your losses and reducing their exposure to the US dollar.

Shea says the American market is currently experiencing extreme volatility and no-one really knows which way the market will turn. “A number of alarm bells: the high Price/ Earnings (P/E) ratios for American equities, the performance of the Dow Jones, the likelihood of another increase in US interest rates, high oil prices, high levels of US economy debt, and an upcoming election, are all ringing. 

“Shea says next you should set up an emergency fund. An emergency fund is money. So before you start investing, pay off your expensive, short-term debts such as store accounts and credit cards.

Shea says you don’t need the full amount in place before you start investing, but you should try and build up half the balance in your emergency fund before you make your first investment, then add more as you go along.

Apart from paying off your high interest debts, and setting up an emergency fund, you should — with the help of your personal financial adviser — make sure the fundamentals of your personal financial plan are in place. These fundamentals include, amongst other things, life and disability insurance. You need to make sure you are able to afford these payments each month. “As there are so many factors to take into consideration when investing, it is best to consult a personal financial adviser or certified financial planner to guide you.” A financial adviser will look at your financial goals, take you through a comprehensive needs analysis, make appropriate recommendations based on this and help you to formulate a long-term financial plan.

For instance, there is no point in investing if you still have expensive debts to pay off. Your investment may give you a 9 percent return, while your debts are incurring interest charges in excess of 20 percent. This doesn’t make financial sense as you will be losing money.

Shea says you don’t need the full amount in place before you start investing, but you should try and build up half the balance in your emergency fund before you make your first investment, then add more as you go along. Apart from paying off your high interest debts, and setting up an emergency fund, you should — with the help of your personal financial adviser — make sure the fundamentals of your personal financial plan are in place. These fundamentals include, amongst other things, life and disability insurance. You need to make sure you are able to afford these payments each month. “An adviser will take a look at your investment goals (for example investing for your children’s education) and your risk tolerance (which includes factors such as your age and how much time you have to invest),” says Shea. Risk is not the same for everyone. Generally speaking, the older you are and the less money you have to invest, the less risk you can take.

Once you have determined your investment goals, risk tolerance, and how much money you have to invest, your financial adviser will help you decide on the best investment vehicle to suit your needs.

Shea says there are many different types of investment vehicles to choose from, for example unit trusts or managed funds such as endowments and retirement annuities. The type of investment vehicles that are appropriate for you will depend on your personal circumstances.
This paper provides an overview of the whole EPWP, with a focus on the infrastructure sector (which is coordinated by the Department of Public Works). The paper begins by briefly sketching the rationale for an EPWP, in the context of high unemployment, low skills, and large backlogs of public services.

The evolution of public works programmes (PWPs) in South Africa since 1994 is then outlined, and two provincially-initiated PWPs are introduced in order to provide an indication of the rich diversity of existing local PWP initiatives. A short summary of some of the lessons from the international experience of PWPs is provided to complete the background to the EPWP.

The conceptual framework for the EPWP is described in some detail, with an emphasis on how and why it differs to previous initiatives. This is followed by a short description of progress to date, focusing on two examples in the infrastructure sector, with the aim of illustrating some of the ways in which the programme can be expanded. The paper concludes with a description of some of the implementation challenges of the programme.

Background

The need for PWPs

The magnitude of South Africa's structural unemployment crisis is such that in September 2003, 4.6 million people were unemployed in terms of the strict definition and 8.3 million in terms of the broad definition. In the 16-34 age group, 70% of the unemployed have never worked, while 59% of all unemployed people have never worked. To reach government's target of halving unemployment by 2014, 546,000 new jobs would have to be created each year (Statistics South Africa, 2003).

The government's strategy to reduce unemployment involves increasing economic growth so that the number of new jobs being created starts to exceed the number of new entrants into the labour market, and improving the qualifications and skills of the workforce so that it is able to take up the largely

The Expanded Public Works Programme

Issues

Sean Phillips; Chief Operations Officer, National Department of Public Works
skilled work opportunities which economic growth is likely to generate. PWPs will not solve the unemployment problem in South Africa. They should rather be viewed as one of an array of short to medium-term interventions aimed at alleviating the poverty associated with unemployment, with a particular focus on able-bodied but unskilled adults. PWPs should be viewed as complementary to social grants, and not as an alternative to social grants, because they cannot provide for all of those who are in need.

PWPs are often criticised for being “make-work” programmes, involving fruitless activities such as digging holes and filling them again. In this regard, it is important to distinguish between economically efficient and inefficient PWPs.

In the apartheid years South Africa witnessed a number of programmes of the latter type which, although they provided some temporary employment, were wasteful and did not lead to the provision of quality services. In contrast, in an economically efficient PWP, the objective of providing good quality needed services in a cost-effective manner must be as important as the social objectives of the programme. PWPs can only be sustainable in a resource-constrained environment if they are economically efficient.

If PWPs do not result in the cost-effective delivery of quality public services, then pressures on the focus are likely to eventually result in PWPs being abandoned in favour of other more efficient means of delivering services.

Economically efficient PWPs can therefore be used to simultaneously achieve the following objectives: providing public services; temporarily increasing incomes; increasing dignity, reducing alienation, and giving people valuable experience of the workplace; and making a modest contribution to increasing skills levels.

As with any development initiative, PWPs need to be designed to minimise unintended consequences. For example, one of the unintended consequences commonly associated with PWPs are the displacement of long-term employment with short-term, lower paid employment. This can be avoided by carrying out PWPs in sectors of the economy which are growing.

Local and international experience

Local experience

The Framework Agreement and the Code of Good Practice

During the early 1990s, engagements took place between organised labour, the construction industry and government over the use of labour-intensive construction methods. These engagements resulted in the signing of a temporary Framework Agreement for labour intensive construction. The principles in this Framework Agreement were later written into a Code of Good Practice for Special Public Works Programmes (and a related Ministerial Determination), which was formally gazetted by the Department of Labour in 2002, after further discussions at NEDLAC.

The Code of Good Practice sets targets for the employment of youth, women and people living with disabilities on PWPs. It requires that relevant community-based organisations be consulted regarding the selection of workers to be employed on projects. The Code also allows for special conditions of employment for workers employed by contractors on labour intensive projects, including the use of task-based payment systems, and the setting of payments for tasks based on consideration of the local going rate for unskilled labour.

It limits the duration of employment under these special conditions and provides PWP workers with an entitlement to training. The Code of Good Practice therefore establishes a PWP employment framework based on a concept of PWPs as a mechanism for providing unemployed people with a combination of work experience and training.

The National Public Works Programme (NPWP) and the Community Based Public Works Programme (CBPWP)

Commitment to labour-intensive PWPs is not a new feature of development policy in South Africa. In the run-up to the first democratic election in 1994, a major pre-investment investigation into their feasibility was conducted under the auspices of the National Economic Forum. PWPs were included in the Reconstitution and Development Programme under the name “National Public Works Programme” (NPWP), as a critical element of job-creation efforts.

The NPWP had two strategic thrusts. The first was a community-based public works programme (CBPWP) intended to provide rapid and visible relief for the poor, and to build the capacity of communities for development. At its peak, the CBPWP was allocated approximately R130 million per annum, and the programme resulted in the creation of approximately 130,000 work opportunities between 1998 and 2004.

Initially the CBPWP involved allocating funds to community-based organisations (CBOs) to carry out projects, but after the democratic local government elections, the funds were allocated to municipalities to carry out projects. A wide variety of projects were funded under the CBPWP, ranging from basic infrastructure such as roads to income generating projects such as communal agricultural undertakings. The reasons why funding for the CBPWP was stopped in 2004 will be discussed in section 3 below.

The second strategic thrust of the NPWP was the reorientation of mainstream public expenditure on infrastructure towards labour-intensive techniques. Unfortunately the NPWP’s goal of achieving a major reorientation of public expenditure was not realised. In a context of major political restructuring, multiple demands on a new government, and an uncertain legal framework for labour-intensive construction, this thrust of the programme failed to gather momentum.

The national government has also ini-
tiated a range of environmental PWPs since 1994, including, for example, Working for Water and the Land Care and Coastal Care programmes. A number of provinces and municipalities have also initiated their own PWPs. In order to provide an indication of the rich diversity and innovativeness of these local initiatives, two provincially-initiate
d infrastructure PWPs are introduced briefly below.

The Gundo Lashu Programme in Limpopo
Few of the local PWPs involving the substitution of labour for machines have had a strong emphasis on developing the management and supervision capacity that is required in order for high labour intensive methods to be cost-effective and to result in good quality products. A notable exception has been the Gundo Lashu programme which was initiated by the Limpopo provincial government in 2001.

Under the Gundo Lashu programme, 24 aspirant small contractors (of whom 13 are women), each with two higher level supervisors, were selected through an open competitive process to go onto a three-year full-time training programme in labour intensive construction. The contractors and their supervisors were sent to the Ministry of Works Labour Construction Unit training school in Lesotho, and were then provided with a series of practical training projects (on the basis of negotiated prices), involving the upgrading of district roads.

The provincial government facilitated access to finance from ABSA Bank for the trainee contractors. The contractors are currently completing their final training projects and will soon be graduat
ating to compete on the open market for tenders specifying the use of labour intensive construction methods, which will be issued by the Limpopo provincial government and municipalities in the province.

The 2003/4 budget for the programme was R50 million. It is achieving a 600% increase in employment creation compared to similar conventional machine-intensive road works, without increasing the overall cost per kilometre of road upgraded. The contractors move from project to project with their supervisory staff. For each project, the contractors employ between 60 and 100 local work
ers on a task-based payment system. The contractors are contractually required to employ the workers in terms of the Code of Good Practice for Special Public Works Programmes described above.

The workers are paid R30 per task. On average 51% of workers have been women, 58% youth and 1% disabled. All the workers are provided with both on-the-job training and formal training funded by the Department of Labour. The formal training covers topics ranging from life skills to basic agriculture. Due to the occasional nature of road upgrading projects, the duration of employment of the workers is approxi
mately four months.

A system of project steering committees and community liaison officers has been developed which plays a key role in community mobilisation and monitoring of the projects.

The Zibambele Programme in KwaZulu Natal
A very different approach to PWPs was taken by the KwaZulu Natal Depart
ment of Transport when it initiated the Zibambele programme in 2000. Its objectives are to carry out routine main
tenance on the province’s rural access road network and to provide poor rural households which have no other source of income with a regular income.

The programme is based on the “lengthperson” contract system which has been used extensively in Europe and Southern Africa. In 2002/3 there were approximately 10 000 Zibambele con
tractors carrying out routine maintenance on approximately one-third of the KwaZulu Natal rural access road network. The Department planned to extend the number of contractors to 14000 by the end of the 2002/3 financial year and, ultimately, to a maximum of 40 000 poor households. The budget for Zibambele in 2002/3 was R56 million.

In return for eight days of work a month spent carrying out maintenance work to an agreed standard on an agreed length of road, households received a transfer of R34 per month. The part-time nature of the work, which may be carried out flexibly within the month, is designed to accommodate engagement in household tasks and other wage or subsistence opportunities should they arise. The work is allocated on a house
hold basis, so that if the participating household member falls sick or dies, another household member may take up the activity, and thus retain the monthly income.

Households are selected for participa
tion at a district level by representatives of the local community and by the elect
ed Rural Road Transport Fora using cri
teria of poverty, unemployment and female-headed households. A recent study has concluded that the programme is cost-effective in terms of transferring resources from the state to recipients, the proportion of programme costs spent on labour and the cost of the creation of a day’s work (McCord, 2002).

Due to the continuous nature of rou
tine road maintenance work, it is possible to create longer term work opportu
nities in this type of infrastructure work. In Zibambele each household is a con
tractor, and there is therefore no employer-employee relationship, and the Code of Good Practice for Special Public Works Programmes does not apply.

International experience
There is vast international experience of PWPs, ranging from small programmes to very large-scale initiatives such as the Maharashtra Employment Guarantee Scheme in India and the New Deal pro
gramme during the Great Depression in the USA, both of which absorbed up to 30% of the unemployed (McCord, 2003:8). One of the lessons from the international experience is that the impact of a PWP on unemployment lev
els depends on the scale of the PWP. The issue of the scale of the EPWP will be addressed later in this paper.
On the basis of the international experience, it is possible to identify mistakes to be avoided and best practices to be emulated in order for EPWPs to be successfully implemented, regardless of their scale. Mistakes to be avoided include:

- attempting to achieve too much too quickly (this usually leads to sacrificing at least one of the goals of the EPWP, such as providing quality services, or using labour-intensive methods);
- not allowing time to plan properly and to build the required institutional and management capacity for effective and efficient implementation;
- many small projects without a common programme, resulting in loss of economies of scale, duplication of learning and training costs, and inconsistencies in performance;
- overloading the programme with too many objectives, with the result that the programme fails to achieve any of them; and
- lack of consistent political support.

Best practices to be emulated include:

- consistent political support and multi-year budgeting for the programme;
- resources and time allocated to planning the programme, and to developing the capacity to implement it;
- planning of programmes to ensure that the pace of implementation is linked to the pace of development of the required implementation capacity;
- strong institutions put in place to manage or coordinate the implementation of the programme; and
- high priority given to effective systems of monitoring and evaluation.

Initiation of the Expanded Public Works Programme

At its policy conference in late 2002, the African National Congress resolved that there should be a large-scale expansion of the use of labour-intensive construction methods to alleviate unemployment and to address the backlog of infrastructure in previously disadvantaged areas. In June 2003, the Growth and Development Summit (GDS) resulted in agreement on a number of interventions aimed at reducing household poverty and vulnerability, including public investment initiatives, sector partnerships and strategies, local procurement, small enterprise promotion, support for cooperatives, and expanded public works programmes.

The GDS agreement stated that “EPWPs can provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities. These EPWPs will be designed to equip participants with a medium of training and work experience, which should enhance their ability to earn a living in future.”

In his State of the Nation speech in February 2003, the President stated that: “...the government has decided that we should launch an expanded public works programme. This will ensure that we draw significant numbers of the unemployed into productive work, and that these workers gain skills while they work, and thus take an important step to get out of the pool of those who are marginalised...”

In February 2004 the President announced in his State of the Nation Address that the programme would create at least one million work opportunities in its first five years.

The EPWP

Design of the Programme

The EPWP has been designed as a broad framework in order to allow for the diverse range of existing programmes as illustrated by the examples described in section 2.2 above. The challenge is not to reinvent the wheel, but to develop and promote existing best practices and to expand their application more widely.

The broad framework attempts to find a balance between clearly defining the programme (so that it can be differentiated from other programmes) on the one hand, and creating sufficient flexibility to allow for diversity on the other hand.

The EPWP is a programme of the whole of government — it is not just a Public Works Department programme.

Definition

The EPWP is a cross-cutting programme to be implemented by all spheres of government and state-owned enterprises. It is defined as a nation-wide programme which will draw significant numbers of the unemployed into productive work, so that workers gain skills while they work, and increase their capacity to earn an income. The objective of the EPWP is to utilise public sector budgets to alleviate unemployment by creating temporary productive employment opportunities coupled with training.

EPWP Sectors

The following sectors were identified as having potential for creating EPWP employment opportunities:

- infrastructure (increasing the labour intensity of government-funded infrastructure projects);
- environment (creating work opportunities in public environmental improvement programmes);
- social (creating work opportunities in public social programmes (e.g. home-based care workers and early childhood development workers)); and
- economic (e.g. income generating projects and programmes to utilise government expenditure on goods and services to provide the work experience component of small enterprise learnerships/ incubation programmes).

Existing programmes in these four sectors were included under the umbrella of the EPWP.

The EPWP has the following common characteristics across these sectors:

- workers are usually employed on a temporary basis (either by government, by contractors, or by other non-governmental organisations), under employment conditions governed by the Code of Good Practice for Special Public Works Programmes, or by the Learnership Determination for Unemployed Learners;
- workers are provided with a combination of work experience and training;
• there is a deliberate attempt by the public sector body to use its expenditure on goods and services to create additional work opportunities for the unemployed (usually unskilled);
• the public sector body attempts to identify and develop exit strategies for workers when they leave the programme.

**Funding of the programme**

During 2003, the Government decided to fund poverty relief through the normal budgeting process, rather than through a separate special fund with its own budgeting process. This decision was based on a review of poverty relief programmes which found that the separate budgeting processes for these programmes resulted in a number of problems, such as:
• tensions in inter-government fiscal relationships (e.g. a school being built through a national poverty alleviation programme, but the recurrent costs of the school having to be met through the provincial government’s budget); and
• departments and spheres of government becoming involved in work which is not part of their constitution-al core function (e.g. municipalities using poverty relief funds to build schools, which is a provincial function).

It was also decided that departments should only carry out poverty relief programmes in their core functional areas. For this reason the funds which had been allocated to DPW for the CBPWP were reallocated to the Department of Provincial and Local Government (dplg) to form part of the Municipal Infrastructure Grant allocations to municipalities.

The EPWP is very different to previous initiatives in the way in which it is funded. As a result of the decision to have a single budgeting process, the EPWP does not have its own special budget for projects — it is funded by earmarking funds on the budgets of line-function departments, provinces and municipalities.

In the infrastructure sector, R15 billion of the conditional infrastructure grants which will be allocated to provinces and municipalities over the next five years has been earmarked for the EPWP. In addition, R4 billion has been earmarked on the environmental sector departments’ budgets for environmental EPWP programmes over the next five years, and at least R600 million will be allocated to social sector EPWP programmes over the next five years. Assuming that it will take three years for the programme to reach full-scale implementation, this funding will result in approximately one million work opportunities of varying duration, or approximately 500 000 person-years of employment.

Whilst this decentralised approach to funding poses challenges for coordination and implementation, it also enables the programme to have access to much greater resources and to be taken to a greater scale. It also increases the sustainability of the programme, because:
• special poverty relief funds tend to be managed with a short-term perspective;
• there is a tendency for issues of effectiveness, efficiency and quality to be given less emphasis in special poverty-relief programmes than in mainstream budget programmes; and
• it starts to address the perception that labour-intensive technology is a peripheral technology which is not part of the mainstream activities of government organisations.

The fact that the infrastructure sector of the EPWP is supported by funds which have been designated for the delivery of infrastructure means that a substantial amount of additional employment can be created without putting additional demands on the fiscus.

**Coordination arrangements**

The EPWP is led by a sector coordinating department in each of these sectors. The Department of Public Works (DPW) is both the overall EPWP coor-
The objective of the EPWP is to utilise public sector budgets to alleviate unemployment by creating temporary productive employment opportunities coupled with training.

Progress with implementation

Monitoring and Evaluation
EPWP monitoring indicators have been integrated into existing reporting systems of the various sectors.

For example, the existing National Treasury monitoring system is being used to monitor EPWP projects funded through the Provincial Infrastructure Grant (PIG), and EPWP indicators have been included in the single monitoring system which is being established for the Municipal Infrastructure Grant (MIG).

It has been agreed with Stats SA that EPWP indicators will be included in both the Labour Force Survey and the General Household Survey.

A draft evaluation framework has been developed with the assistance of the HSRC, and evaluation work will commence during the current financial year.

The 2004/5 financial year report indicates that the programme is slowly gathering momentum, but that much more work remains to be done to obtain accurate and comprehensive monitoring reports from all the sectors.

Sectors' progress

Sector plans have been produced for the infrastructure, environmental and social sectors. Many of the environmental sector programmes are already up and running. Activities in the sector have therefore focused on how these programmes can be expanded, coordinated, integrated and improved in order to ensure increased employment creation and improved outcomes.

The sector is exploring new opportunities to maximise the benefits of the EPWP, e.g. to establish urban greening programmes integrated with the housing programme in which the focus will be on the involvement of the youth.

The social sector is focusing on the expansion of Home Community Base Care (HCBC) programmes in the health/social areas and on Early Childhood Development (ECD) programmes in the social/education areas. Both of these areas are highly labour-intensive and provide enormous opportunities for the creation of work opportunities, given the large needs for these services.

The departments in this sector are working on putting in place a common system of remuneration for people employed on these programmes; improving programme management and reporting systems; and putting in place the required NQF unit standards, qualifications and learnerships. The intention is to motivate for increased funding for these programmes once it can be shown that adequate management systems are in place to absorb increased funding.

EPWP work opportunities in the social sector will consist of learnerships during which workers will undergo formal training while also doing practical work. Upon completion of these learnerships workers will have obtained a formal qualification in HCBC or ECD, thus enabling them to exit from the EPWP and to enter into formal employment in these sectors. There is a need to plan for growth in these sectors in order to generate these formal employment opportunities.

In the infrastructure sector, the addi-
The EPWP programme is 10%, whereas the average increase in employment creation on the Gundo Lashu roads programme in Limpopo is 600%.

There is local and international evidence that machines can be replaced with labour in many of the construction activities associated with civil infrastructure such as low-volume roads and municipal water and sanitation pipelines and stormwater drains, without sacrificing quality or cost (McCutcheon, 2001).

There is less potential in building work because it is already highly labour-intensive and involves less machinery.

DPW has therefore been focusing on putting in place various mechanisms aimed at expanding the use of labour-intensive methods for those types of infrastructure which offer the most potential for additional employment creation.

Two of such mechanisms are described in more detail below in order to illustrate how this is taking place.

Although the focus of the initiatives described below is on low-volume roads and municipal infrastructure, other types of infrastructure are not excluded from the EPWP, and DPW is encouraging all public bodies responsible for infrastructure to use more labour-intensive construction methods whenever possible.

**Division of Revenue Act**

EPWP conditions have been placed on the Provincial Infrastructure Grant (PIG) and the Municipal Infrastructure Grant (MIG) via the 2004 Division of Revenue Act (DORA). The DORA requires provinces and municipalities to execute all low-volume roads, stormwater drains, and trenching work (funded through PIG and MIG) in a labour-intensive way, in accordance with guidelines produced by DPW, and approved by SALGA and National Treasury.

The guidelines provide implementing bodies with the contractual tools that they need to ensure that contractors carry out certain work activities by hand, and to ensure that the minimum requirements in for employment conditions in the Code of Good Practice for Special Public Works Programmes are adhered to. In order to ensure the EPWP Guidelines are well understood and used properly, DPW is providing customised training to provincial and municipal officials on the use of the guidelines.

The guidelines stipulate that, for these projects to be carried out labour intensively, provinces and municipalities may only appoint contractors and consulting engineers who undergo training in the design, supervision and management of labour intensive works.

The intention is for these special conditions to create demand for this training, which in turn will stimulate the training providers to train their trainers and get themselves accredited to supply the training.

The Construction SETA (CETA) has put in place the required NQF unit standards and skills programmes, and has trained training providers to enable them to meet this demand.

**Labour Intensive Contractor Learnership Programme**

DPW and the CETA have put in place a labour intensive contractor and supervisor learnership programme, with the aim of expanding the application of the approach adopted in the Gundo Lashu programme to other provinces. The CETA has allocated a large number of funded learnerships to the programme, and to date, twenty-five provincial and municipal bodies have applied for over 1000 of these learnerships, and fourteen Memoranda of Understanding (MOU) have been signed with provinces and municipalities.

Each signing of an MOU is effectively an “expansion” of the Gundo Lashu programme to another part of the country. As illustrated in Figure 1, a range of measures have been put in place to support participating provinces and municipi-
Conclusions
The point that the EPWP is not a solution to the unemployment problem has been stressed in this paper. The employment creation which will result from the EPWP is small in comparison to the scale of the unemployment problem. The EPWP has been designed within the budgetary constraints of the medium term expenditure framework (MTEF). Within these constraints, the EPWP will create approximately 500 000 person-years of employment in its first five years, based on approximately R4 billion worth of expenditure per annum (which is more than ten times bigger that the CBWP at its peak).

However, as mentioned in the introduction, 4.6 million people were unemployed in terms of the strict definition and 8.3 million in terms of the broad definition in 2003. In order for the EPWP to reduce unemployment by 10%, it would need to create at least eight million person-years of employment over its first five years. Assuming that funds were allocated to the various sectors in the same proportions, this would require expenditure of R64 billion per annum.

The above analysis does not take into account capacity constraints in the various sectors, which would limit their ability to absorb increased funding. Nevertheless, some labour-intensive infrastructure programmes in some locations do currently have the capacity to absorb increased funding. Some of the environment sector programmes also have capacity to absorb increased funding.

The main challenge facing the programme at present is to mobilise all the relevant national, provincial and local government bodies to implement the programme. There are a number of implementation challenges which need to be overcome. Mobilisation is required to overcome the tendency for the EPWP to be seen as a Department of Public Works programme rather than as a programme of the whole of government. It is also required to overcome the tendency for people to view the unemployment problem as somebody else’s problem. For example, some people involved in infrastructure programmes argue that their task is to deliver infrastructure projects, not to alleviate unemployment. It is also necessary to address the widely-held perception that labour-intensive methods are more difficult to manage, take longer, are more costly, and result in inferior quality products.

In the infrastructure sector, DPW’s approach to these challenges is to focus on working with departments, provinces and municipalities which are enthusiastic about the programme, so that they can be held up as models of what can be achieved. The example of the labour intensive contractor learnership programme described above indicates that it is possible to develop and expand the programme by integrating the work of different departments, different spheres of government, the private sector, and the SETAs. In this regard, the Business Trust is putting in place a support programme to facilitate and promote innovative EPWP programmes. DPW will also be seeking ways of expanding other PWP initiatives, such as the Zibambele road maintenance programme.

In conclusion, the EPWP has the potential to make a modest contribution to employment creation, poverty alleviation and skills development. The immediate challenge is to ensure that the programme’s current targets are met. Once the programme is established and is shown to be economically effective, then motivations may be made for increased funding levels to take the programme to a larger scale.

References

1 Acknowledgements: This document includes excerpts from the first EPWP business plan which was drawn up with the assistance of Peter Delius and Caswell Mthombeni, with support from the International Labour Organisation (ILO). It also includes excerpts from the EPWP Logical Framework, which was drawn up with the assistance of Brian Whitaker and Sagnia Gordhan of the Business Trust and Jacqui Boullie, with support from the UK Department for International Development (DFID). This document also draws on the sector plans drawn up by the Department of Social Development and the Department of Environmental Affairs and Tourism, and the EPWP training plan drawn up by the Department of Labour. These documents are available on the EPWP website: www.epwp.gov.za.

2 One person working for one year is equal to one person-year of employment.

3 DPW estimated that the person-years of employment which would result from each billion rand of expenditure would be as follows:
- approximately 26 000 person-years for the infrastructure sector;
- approximately 22 500 person-years for the environmental sector;
- approximately 40 000 person-years for the social sector.

In order for the EPWP to reduce unemployment by 30%, it would need to create at least eight million person-years of employment over its first five years.
In India we have a rich history of Development Finance Institutions or DFIs for short. The DFIs were visualised in a complimentary role to commercial banks and other private financial agents. Their purpose was to make up for their failure to provide certain kinds of credit to certain kinds of clients. They were to fill the gaps in performing activities not catered for by the commercial banks. Fundamentally, development banking is required because social returns exceed private returns.

For many years, the chief areas that the DFIs and commercial banks looked after were distinctly different. DFIs mainly ventured into projects of long gestation and "were expected not to compete with the normal channels of finance.”

Each DFI had very definite objectives that contrasted with those of the commercial banks. Firstly, DFIs were not meant to be profit making bodies. Secondly, the pattern of resource raising of DFIs and commercial banks differed completely. Multiple credit creations were the mainstay of resources for the traditional commercial banks while traditional DFIs did not have access to deposits from the public.

The operations of the special institutions were restricted to the provision of developmental finance, i.e. finance for the new real investment, generally investment in fixed assets. For this reason the term development bank often used to describe them in current economic literature seems very appropriate. Although they were required to act on business principles, special institutions were also charged with the duty to pay due regard to public interest. Thus broad economic and social considerations influenced their decisions. Also, they were expected to work according to official plans while their criteria for selecting projects for assistance were supposed to reflect the broad objectives of national development.

In short, DFIs and commercial banks differed according to the type, use and cost of resources.

A short history of the development of DFIs in India

From 1948 many DFIs were established in India.

- The Industrial Finance Corporation of India (IFCI), the first DFI, was set up in 1948 marking the beginning of the
era of development banking in India.

- The Industrial Credit and Investment Corporation of India (ICICI) Ltd was set up in 1955 and it provides long- and medium-term assistance in the form of loans or equity participation for the creation, expansion and modernisation of individual enterprises. The ICICI also serves to encourage and promote the participation of private capital, both internal and external, in ownership of industrial investment and the expansion of investment markets in particular by:
  a) providing finance in the form of medium term loans or equity participations;
  b) sponsoring and underwriting new issues of securities;
  c) guaranteeing loans from other private investment sources;
  d) making funds available for reinvestment;
  e) furnishing managerial, technical and administrative advice and assisting in obtaining managerial, technical and administrative services to Indian industry.

The primary activity of the ICICIs is providing project financing to private industrial enterprises in the form of rupee and foreign currency loans, underwriting and direct subscription to issues of shares and debentures as well as to supply of equipment and foreign lenders. In response to the liberalisation of the Indian economy in the early 1990s, the ICICI has entered into new areas of business through its subsidiaries such as commercial banking and asset management, and expanded its existing business, among which is investment banking. In addition the ICICI has diversified its own range of activities into several fee- and commission-based services such as debenture trusteeship, custodial services, advisory services and corporate risk management services. Other DFIs are:

- Life Insurance Corporation of India, which was set up in 1956;
- Unit Trust of India in 1964;
- Industrial Development Bank of India in 1964;
- General Insurance Corporation of India in 1971; and
- The State Financial Corporations (SFCs):

Presently there are 18 SFCs that have been set up by the respective state governments as regional institutions. SFCs play an effective role in the development of small and medium enterprises and in bringing about regionally balanced economic growth. They aim wider dispersal of small and medium units within each state and meet term credit needs of such units.

SFCs provide financial assistance to industrial units in the form of term loans, direct subscription to equity/debentures, guarantees, discounting of bills of exchange and seed/special capital. SFCs operate a number of schemes of refinance and equity-type assistance on behalf of IDBI/SIDBI. These include schemes for artisans, special target groups like SC/ST, women, ex-service men, physically disabled people etc. SFCs also grant assistance for small road transport operators, tourism related activities, hospitals and nursing homes.

The Infrastructure Development Finance Company (IDFC) was set up by the government of India and the Reserve Bank of India with the State bank and some other development finance institutions as co-promoters. Other foreign financial institutions were also involved.

The export-import bank of India (EXIM Bank) was set up in January 1982 as a co-ordinating agency in the field of international finance responsible for the development of merchant banking activities in relation to export oriented industries. Over the years, EXIM Bank has diversified its products and services. Today it offers a range of products at various stages in the export cycle viz. export product development, export production, export marketing, pre-shipment and post shipment services covering a variety of customers.

Apart from finance, EXIM Bank seeks to promote exports through information and advisory services to enable exporters to evaluate international risks, export opportunities and competitiveness. Also EXIM Bank and an institutional working group it constituted evaluates and approves export bills involving deferred payments and/or issues of guarantees in respect of construction, consultancy, technology services and turn-key projects.

The Small Industries Development Bank of India (SIDBI) is the principal financial institution for promotion financing and development of industry in the small, tiny and cottage sectors and for co-ordinating the functions of the other institutions engaged in similar activities. It commenced operations in April 1990. SIDBI pays attention to multidimensional growth and development of industries in the small sector. The SIDBI operates various schemes of assistance that include refinance of term loans granted by SFCs/banks and other eligible financial institutions, discounting and rediscounting the bills arising out of the sale of machinery/capital equipment/components by the manufacturers in small scale sector in deferred credit. Besides rediscounting of trade bills arising out of sale of products in the small-scale sector. The SIDBI also provides equity type support to specific groups viz. women entrepreneurs, ex-service men, and voluntary agencies working for development/equipments of under privileged women.

The Industrial Development Bank of India (IDBI) was set up in July 1964 and is the central or apex institution in the field of industrial finance. It functions as a development finance agency in its own right, in addition to its work of co-coordinating, supplementing and monitoring the operations of other term lending institutions in the country. It provides direct and indirect assistance in the form of discounting and rediscounting long-term bills and promissory notes, refinancing of loans given by State Financial Corporations, commercial banks.

It also takes up various promotional activities such as balanced development of regions, entrepreneurship develop-
tion, technology development and so on.

Besides setting up organisations for technical consultancy and entrepreneurship development, the IDBI has had a major role in establishing the Biotech Consortium of India Ltd. Since capital market is of immense importance in industrial development, IDBI also took a lead role in setting up several other institutions for its healthy development. These include the Stock Holding Corporation of India Ltd, OTC Exchange of India Ltd, Securities and Exchange Board of India, National Stock Exchange of India Ltd, Credit Analysis and Research Ltd and Investor Services of India Ltd.

The National Bank for Agriculture and Rural Development (NABARD) was set up in July 1982 to finance agricultural and rural sectors. It acts as a central or apex institution within the agricultural and rural sectors.

As recommended by its establishers, the Bank deals with credit problems arising out of the integrated approach to rural development. Amongst its functions, it deals with the development of policy, planning and operational matters relating to credit for agriculture, allied activities, rural artisans and industries, and other rural developmental activities. It also offers training, research and consultancy relating to credit for agricultural and rural development. It monitors co-operative and Regional Rural Banks and offers advice and guidance to state governments and federations of co-operatives.

While Development Finance Institutions (DFIs) have played a very important catalytic role in the entire development process, commercial banks too have been instrumental in bringing in the hitherto unbanked areas in the main streams. It all began with the social control phase.

**Developmental initiatives by commercial banks**

The two most significant development initiatives taken by commercial banks were lead bank scheme and priority sector lending.

**The Lead Bank Scheme**

This was introduced in 1969. Each branch of the bank was tasked with surveying the credit needs in the development branch as regards banking and the expansion of credit facilities in the respective district.

Placing districts under the intensive care of different public sector banks was not only a move towards division of responsibility. It was also meant to ensure that regional disparities were reduced and development of backward areas actively fostered.

The main objectives of Lead Bank Scheme included increased credit facilities in neglected areas and sectors of economy, allocating more credit for the identified priority sectors, and providing major elements of development such as infrastructure and credit.

**Priority Sector Lending**

The concept of priority sector evolved in the late 60s. Its main aim was to ensure that certain neglected sectors of the economy, particularly in the rural areas where banks had hardly made their presence felt, also get adequate credit facilities.

The objective was to achieve a widespread bank credit flow and making banking an increasingly effective instrument of economic development.

The involvement of banks in the priority sector as well as the extension of their branch network into the rural or unbanked areas has grown considerably since the early 70s.

Credit to priority sector includes lending to agriculture (both direct and indirect lending), small-scale industries, small road and water transport operators, retail trade and small businesses and professional and self-employed persons.

The target in respect of small-scale industries has always been surpassed. The large volume of credit being extended to the priority sector over a wide geographic area, the considerable variety of activities being financed, the large number of schemes for specific target groups, the number of agencies involved in drawing up programmes to facilitate absorption of credit by the priority sector, the enormous increase in the number of loan accounts; all these are notable features of priority sector lending which have made Indian banking experience in this regard quite unique.

**Conclusion and personal experiences**

Social banking, bank nationalisation and priority sector lending are considered landmarks in the history of Indian banking. They have not only shaped banking developments but also directed the course of events. In the post liberalisation period, i.e. after 1991, the efficacy of the development banking policies were re-examined.

During the course of my work I did a case study of three of national DFIs. They were IDBI, ICICI and NABARD. I looked at the subsidy component and the extent of the DFIs’ dependence on subsidies. I had used an index called subsidy dependence index. It is a modified version of the index propounded by Jacob Yaron. When I fitted this to the portfolios of these three DFIs and conducted a Time Series analysis — the results were startling. The subsidy quotient sometimes went up to 80%. It was lowest in case of ICICI and was highest for NABARD.

The scale for talking about it now is that we have had a long and successful history of development banking. But after liberalisation things have changed and development banking no longer exists in its original form. The ICICI no longer exists. Instead, it is now merged with the ICICI bank creating one of the few instances of a reverse merger in the financial world. Now the ICICI and many of the commercial banks in India are universal banks.

Our model of a universal bank as a future development institution is different from other institutions of similar type in the rest of the world. Though definitionally Indian commercial banks are universal banks which act more like umbrella institutions or financial supermarkets.
The government of South Africa, as reflected in its “e-Government” vision, is committed to using technologies to improve service delivery. This intent is also fully reflected in the Department of Labour’s (DoL) policies and strategies which recognise the contribution that technology can make to improving its services to citizens and organisations. Through electronic processes it will become possible for the department to achieve:

• digital linking of information systems with operational systems;
• self-service digital transactions between DoL and its customers;
• the shifting of human involvement in routine, low-value tasks to high-value personal consultancy on important issues;
• turning staff into knowledge workers and providing them with digital information tools to communicate with clients and manage relationships; and
• providing access to citizens and organisations, appropriate, real-time knowledge and information with a few simple commands.

Why IT is Important to the Labour Department’s PPP

The Department of Labour

Where the Department of Labour comes from in terms of managing information technology

Arising from the Department’s strategic planning process, during 1996/97, information was identified as a strategic resource. Information, and especially information in a digital format, was considered to be vital in delivering a first class service.

The DoL was faced with the challenge of selecting appropriate technologies and to develop solutions that would enable it to achieve its goals in terms of information management. During 1997 the DoL, in collaboration with an Information Technology (IT) solutions company, explored and investigated a number of options with a view to transforming the internal IT function in support of its goal to use information to improve the efficiency of service delivery.

An IT Plan, developed through this process, suggested a total paradigm shift in utilising information systems as a business enabler. A fundamental change was required which is not just about automating business processes.

Deon Haasbroek, Chief Information Officer in the Department of Labour, explains the efficacy of information technology in improving efficiency and a quick turnaround time within the department.
The IT plan proposed, in broad terms, four interventions for consideration in transforming the IT function to better support the DoL’s business processes.

Firstly, the strategic importance of information management needs to be recognised throughout the entire organisation. The principles underpinning information management need to drive the planning and implementation of information systems.

Secondly, the three IT functions, namely that of the Unemployment Insurance Fund, the Compensation Fund and the Department of Labour, which functioned separately from one another at that time, need to be integrated in support of the DoL’s integrated approach to rendering labour market services.

Thirdly, the concept of an electronic one-stop system infrastructure needs to be adopted as the point of departure in designing the DoL’s information systems. Not only will this give effect to DoL’s integrated approach to service delivery but it will further also generate cost savings and make provision for interoperability, compatibility and resource optimisation.

Fourthly, in managing the IT function, the option of a partnership model needs to be explored, in terms of which the IT function is managed in alliance with the private sector.

Information and Communication Technology Vision

The findings and recommendations of the IT Plan eventually assisted the DoL in shaping its Information and Communication Technology (ICT) vision. The vision emphasises three broad concepts:

• Apply ICT to serve as an enabler to achieve business efficiency;
• Create a digital nervous system:— to allow for digital information flow throughout the organisation and between DoL and its customers— to allow for staff of DoL to use digital tools and to function as knowledge workers

— to provide the capability to render labour market services on-line
• Partner with the Private Sector in realising the ICT vision.

Public Private Partnership

Arising from research and consultations prior and subsequent to finalising the IT Plan, the DoL, eventually decided in 1999 to opt for a Public Private Partnership (PPP) arrangement, with the private sector. This would serve as a vehicle to attaining the DoL’s strategic and operational objectives in terms of information technology. The PPP was to serve the purpose of an alternative service delivery model underpinning DoL’s commitment to utilise IT to make provision for accessible, efficient and customer-centric services.

The PPP option is regarded by DoL as an ingenious way of achieving its objectives against the background of budgetary constraints and the requirement of specialised knowledge and expertise needed to develop and manage a modern information technology service. Through the PPP project DoL is convinced that it can find answers to the following challenges:

• A shortage of experienced and suitably qualified IT staff which forces DoL to use expensive contract resources.
• A significant increase in the demand for labour market services, particularly with regard to the services rendered by the Unemployment Insurance Fund and Compensation Fund.
• An integration of labour market services enabling DoL’s clients to benefit from a one-stop service.
• Systems to curb fraud in terms of revenue collected and paid.
• The roll out of its e-government initiatives by capitalising on best practices worldwide amidst financial constraints.

Procurement of the PPP

Following a robust procurement process, during the period 2000 to 2002, which is governed by the Treasury Regulations on PPPs, the DoL, eventually entered into a PPP agreement with Siemens Business Services on 1 December 2002. This groundbreaking deal represented the first PPP entered into by government in the IT sector, and has since provided a benchmark for the implementation of similar projects.

The contract between DoL and SBS provides for a 10-year period during which SBS needs to IT-enable DoL’s business processes and run its IT service in alignment with its strategic priorities and objectives and in close collaboration with business managers.

In terms of the agreement, SBS will design, build, operate and maintain DoL’s information systems in accordance with service level agreements which are linked to a service credit regime. SBS will further also provide, on an ongoing basis, strategic direction on new technologies and international best practices in terms of labour market information systems.

Where DoL is now in terms of managing information technology

With the PPP arrangement between DoL and SBS now 21 months down the line, and the transition activities completed, the emphasis has shifted to transforming DoL’s IT systems. Projects have been initiated to design the business processes on which the architecture that meets the business requirements of DoL, as a whole rather than the separate needs of the different business units.

One of the early achievements that is in line with DoL’s e-government vision, is an on-line registration capability that was developed for the registration of domestic workers in terms of the Unemployment Insurance Act. Another achievement is the implementation of a virtual private network (VPN). This makes the DoL, the first government department to
operate a VPN on the GCCN.

As a means to consolidate its policies and approaches towards improving service delivery, DoL will develop a CRM strategy that will primarily focus on:

• improvement and integration of customer service within the Department;
• allowing greater transparency of, and customer-led, operations and processes;
• improving the internal processes of the DoL; and
• culture change.

The CRM strategy will not only assist in further transforming DoL into a customer-centric organisation that delivers services tailored specifically to the needs of its customers, but will also serve as the foundation on which its e-government model will be based.

Where DoL wants to be

In shaping the way forward the DoL is committed to transform the nature of interaction with its customers — the recipients of its service. By developing the necessary information systems and by creating multiple service delivery channels which will enable citizens and business to experience seamless government, DoL will stretch its capacity to render its services more efficiently and to leverage greater economies of scale.

In an effort to realise its ICT vision in general and, more specifically, to actively pursue its goal to provide on-line access to its services, DoL has as a first step centralised the IT functions of the Unemployment Insurance Fund, the Compensation Fund and that of DoL, and is in the process of standardising the current technology environment. Centralisation and standardisation will form the foundation upon which a comprehensive, flexible and scalable technology platform will be created. This will enable the development of a world-class ICT solution, specific to DoL’s business needs, that can adapt to the dynamic environment in which DoL operates.

E-government model

The ICT solution to be developed as part of the PPP arrangement between DoL and Siemens Business Services (SBS) will provide DoL with the capability to design and implement an e-government model. At the heart of the model is each of the customers of DoL, who must be able to access the services of DoL at any time, from any location and through multiple service delivery channels.

To enable access through multiple channels, use will be made of the full range of technologies available at any given point of time, i.e. cellular phones, information kiosks, direct Internet access, etc. Multiple service delivery channels will enable the reach of DoL’s services to be extended and to provide numerous choices for the varying segments of the population through which DoL can be interacted with.

Below are some of the service delivery channels that will be considered:

Walk-in centres

These will remain the primary avenue of service delivery due to many customers who will still prefer face-to-face contact, and the fact that some of the services will still require customers to physically visit the services delivery points.

Staff at walk-in centres will be empowered with the requisite tools to service a customer efficiently, serving both the interests of the customer as well as those of DoL. The technology that will be applied will support the services related to all business units of DoL, and integrate and inter-relate the information meaningfully.

Customer details necessary to authenticate a customer and other details relating to the employment history of a customer and claims submitted and previous cases related to a customer will be available to the front-line staff at walk-in centres.

Staff will further also be supported through knowledge and information systems to be able to provide advice and guidance when dealing with service requests.

Customer call centre

A customer call centre will enable telephone access to the DoL service. This service delivery channel will provide

Multiple service delivery channels

- Onsite
- Physical
- Walk-in
- Telephone
- Electronic - Remote

For more information on the various delivery channels, refer to the diagram.
different tiers of customer support. Queries of a general nature will be provided by call centre agents on a first-line support basis. More complex cases will be dealt with by more knowledgeable and experienced staff who will fulfill a second-line support role.

The ICT systems will provide call centre agents with the necessary access to the back-end system to be able to deal with a service request right on the spot.

Field service
As part of its integrated service delivery model that was rolled out in the late 90s, DoL adopted an integrated inspection service model which makes provision for a labour inspector to cover the full spectrum of inspection services when inspecting a place of work.

The challenge DoL is currently faced with is the flow of information between the inspectors and a central database. The critical element of this interaction is ensuring that an inspector is equipped with the appropriate information regarding the employers to be inspected on a given day. This includes details such as results of recent inspections, occupational health and safety records, UIF contributions, etc.

Internet
The envisaged service delivery model of DoL is to a large degree premised on the principle of self-service. DoL’s Internet site will act as a gateway to enable customers to obtain secure access to information, such as legislation, advice and job opportunities or submit information to DoL, electronically such as Skills Plans, Employment Equity reports and even submit payments such as employment insurance contributions. Service requests that could not be resolved this way will be channeled to the call centre agents for attention.

The Internet service delivery channel will provide DoL, with the capability to achieve transformation through digital technologies is not, on its own, sufficient to ensure that the DoL’s strategic vision can be achieved. A core part of this transformation activity is information on progress made towards delivering on the selected strategic objectives.

Thus, central to improving strategic communication and feedback, is ensuring that a set of management processes is available that effectively and efficiently communicates strategic goals within the organization and report on performance in the achievement of these goals.

In conjunction with SBS, DoL will be developing a balanced scorecard that will address the key priorities and vision the parties wish to achieve.

The scorecard will be based on what is critical to the success of transformation and the underpinning IT enablement that will enable the transformation process.

This will enable DoL, to determine if it is on the right track and to realign its strategy if there is a deviation from the original vision. DoL recognises that it needs to adopt a more modern approach to the Balanced Scorecard concept and develop a scorecard that will include key result areas that will be meaningful to its transformation exercise.

The following key result areas will be considered: Business Impact Assessment; Value Chain Management; Organisational Learning; Process Improvement and Investment impact. These key result areas will be aligned to the strategic priorities and provide DoL with a set of indicators that will report on progress.
Lessons learnt
If PPPs are actually to bring about real gains in complex service areas such as IT, it will require close forms of cooperation between the partners over the life of the contract. This will require much more than putting in place the right laws and regulations. Strict and “hard” policy levers will not on their own be able to establish the attitudes and working practices that are necessary for partnerships to work. Some lessons learnt necessary for PPPs in general, but more specific in terms of IT PPPs, to deliver real value, are explored in this section.

Strategic objective
DoL never approached the PPP as a goal in itself but approached it as an objective to improve its service levels. The conceptualisation of the PPP was done against the backdrop of DoL’s overall approach to service delivery which was clearly spelt out in its Strategic Plan for 2000 to 2004: “The Department of Labour (needs) to rapidly, transform itself into an organisation with a compelling customer focus at the heart of its service delivery.” The DoL further also implemented a service charter in terms of which management and staff commit themselves to be professional in dealing with customers and to render effective and efficient services. The IT solutions to be developed through the partnership are merely an enabler to achieve business efficiency and not a goal in itself.

True partnership
The outsourcing of IT services to the private sector is not a new concept. PPPs brought, however, a new flavour to the concept. PPPs go one step further in the relationship in the sense that it adds an extra dimension to the legal arrangement that governs conventional outsourcing contracts. In an effort to create a new value equation to improve its operations, DoL, for instance requires that its IT partner be more than an outsourcing vendor, to act as a strategic ally which is capable and willing to work closely with DoL in accomplishing its service delivery and information management objectives.

Flexibility and continuous improvement
Finding ways of dealing with future uncertainty around contractual arrangements is a central challenge in any long-term partnership arrangement. Long-term contracts are always “incomplete” in the sense that they cannot specify how the service provider should behave in every eventuality. Uncertainty will remain even in well-constructed contracts, in which key risks are clearly allocated to the appropriate party. This, however, does not diminish the need for
clear output specifications to form part of the initial contract.

There are two extremes in dealing with this. At one extreme there are those who seek to do everything possible to “future-proof” contracts by writing highly extensive and elaborate provisions that seek to pre-empt all future contingencies. At the other extreme are those that argue that the uncertainty inherent in any long-term service relationship renders traditional approaches to contracting redundant. The approach DoL followed falls somewhere in between these two extremes, possibly leaning more towards the first extreme. DoL spent much time during the planning phase to arrive at its own view of what the partnership should achieve.

To ensure that DoL’s PPP is able to deliver continuous improvements and that it can address the changing needs of DoL, over the life of the partnership, whilst also generating value-for-money, the parties agreed on a change management regime which can accommodate the necessary flexibility.

**Value-for-money and risk transfer**

The most convincing argument for a PPP is that it offers the potential to secure better value-for-money than an in-house service delivery model. At the heart of the value-for-money principle is the allocation of risk to the party that is best capable to manage such risk and a quality assurance regime.

DoL and its IT partner are fully aware that the value-for-money principle will be severely undermined if the quality of the services does not meet expectations. Regular feedback on progress, against set targets, and a robust service level agreement regime provides the parties the opportunity to monitor the quality of the services and to timely take remedial action when and if necessary.

**Governance arrangements**

Governance arrangements are crucial for making a PPP to work in the real world. On the one hand governance arrangements are necessary to ensure that the decision-making process is in accordance with the contractual provisions and that a proper audit trail is created. On the other hand it serves the purpose of involving all the role players, from the executives to the technicians, to actively and purposefully participate in managing the PPP. Well defined governance arrangements becomes more important in terms of long-term contracts which require from the parties to cater for all types of eventualities which may impact on the effectiveness and efficiency of the contract over the life of the contract. Besides the terms and conditions, which provides for the legal framework within which DoL and its IT partner work together, following governance arrangements have been developed and agreed to:

- Governance structures — The PPP contract sets out the key roles and responsibilities of DoL, and SBS necessary to manage the agreement between the two parties. The contract provides for four committees, each with a specific terms of reference, and user groups, catering for users with common needs. The Executive Committee, the highest decision making body, brings together the top echelons of both parties, facilitating the process in terms of which senior management is in a position to articulate the goals and the objectives of the partnership and to facilitate communication how the partnership will benefit the respective organisations.

- Change management — The parties agreed to a change management procedure, which is designed to facilitate the handling of change in a structured manner. This ensures a controlled, effective, low risk and timely resolution.

- Escalation and management of disputes — A dispute escalation procedure has been agreed to, ensuring that potential disputes are handled within a spirit of partnership and are dealt with in a solution-seeking manner prior to any disputes being referred in accordance with an agreed dispute resolution procedure.

- Performance monitoring — Principles are set out in the contract in terms of which service levels will be defined, managed, recorded and reported. Service level agreements, to be drawn up by the parties, in terms of these principles, will serve as a tool to monitor performance. Further to service level agreements the parties also agreed to a service credit regime in terms of which Siemens Business Services will pay a penalty for failing to perform, according to set standards.

- Service improvement — Service improvement is what the PPP agreement is all about. One of the important services Siemens Business Services agreed to render in this regard, is the Opportunity Scanning Service. In terms of this service the parties will routinely scan for new opportunities relating to information technologies and in respect of developments in international labour markets, as it may contribute to the improvement of the DoL business processes.

- Relationship management — Relationship management is vital to the success of a PPP. DoL and its IT partner actively pursue open channels of communication, which are necessary in fostering the partnership and to create a trustworthy environment. It also ensures active participation by everyone involved in the process. The parties also agreed to an open-book policy, which is not only important for financial scrutiny but also to create a sense of trust. On top of this the parties also agreed reasonable margins and that excess profits over these margins be reinvested into the partnership. This paves the way for open debate and contributes to building a trust relationship. The parties are mindful of the importance of creating a sound foundation, which is essential for the partnership to grow over time into a relationship of trust and an understanding of the common ground, and shared vision underpinning the partnership.

**Case Study**

**Opportunity Scanning Service**

In terms of this service the parties will routinely scan for new opportunities relating to information technologies and in respect of developments in international labour markets, as it may contribute to the improvement of the DoL business processes.
project does not go without challenges. A major challenge faced by the public sector partner revolves around the legal and business related obligations it has to meet in order for the PPP to render value for both parties.

Some of the key obligations the public partner need to attend to, prior to engaging the private partner, are the following:

- Political buy-in is of vital importance and should be solicited as early as during the conceptualisation of the PPP project.
- Prior to IT-enabling any business processes the public partner is required to document its business processes and if necessary to re-engineer certain processes in order to capitalise on the benefits that could be derived from IT-enablement.
- Organisational transformation brought about by IT enablement needs to be managed in a constructive manner and on an ongoing basis through a sound change management process.
- Communication with the internal and external stakeholders on the benefits of the PPP is necessary to obtain the required buy-in and to ensure that all role-players support and contribute to the goals the parties envisage to achieve.
- Contract management capacity within the public organisation is one of the key critical success factors for a PPP to succeed. It is advisable that the public partner ensures that the officials who manage the bidding process are retained to manage the partnership thereafter.

Conclusion

In transforming public services governments all over the world are relying more and more on outsourcing as a means to improve the effectiveness and efficiency of their services.

There is growing evidence that governments can, through outsourcing, save money, extend their capabilities and improve their services they provide to citizens and businesses.

The DoL believes that the PPP between DoL and SBS has the potential to lay the foundation for successfully outsourcing government services. The DoL is convinced that the business case, on which the PPP is premised, is sound and that the relationship with Siemens Business Services will enable the Department to improve the efficiency of its business processes through the application of information technologies.

Flexibility and open communication are recognised to be key in building a relationship that can generate value for the partnership and for the parties individually.

Both parties have a vested interest in a successful partnership and have committed themselves, right from the outset, to walk the extra mile, in order to find the value of their relationship that lies beyond what is in the contract.
Public participation, as defined by the African Charter and widely adopted by governments and non-governmental representatives across our continent, is both a means and an end. This quite significantly refers precisely to the core of a democratic system, that of letting the voice of the citizenry be heard. Democracy is essentially about inhabitants being able to decide through their representatives on the choices that affect their lives, i.e. how they would be governed and of course, equally important, public policies.

Public administration should not reduce public participation to merely a Constitutional obligation. Rather, if heeded, the voice of citizens ensures relevance and responsiveness in governance. Two areas stand out in which the absence of inputs from citizens has been proved to result in ineffective governance. First, the type of policies and our way of making them in this country and secondly, of equal importance, how we implement those policies.

Challenges associated with policy making
The biggest problem in policy formulation in the last ten years has been framing policies which serve the needs of the poor people in this country. Government and all those who are in the policy making community and participate in policy making discussion have consistently failed to successfully implement anti-poverty policies and many others. It has been demonstrated time and time again by research and analysis that this stems from their limited understanding of prevailing circumstances and needs at...
the grassroots of our society. To illustrate consider the following three examples:

- Government, together with all concerned formations, political parties, the civil society institutions and trade unions, spent several years trying to find a way to secure mortgage finance for poor people in this country. All this despite the fundings from various research sources that in general poor people do not want mortgage finance because their perception is that mortgaged housing is risky because inability to pay means sudden homelessness.

- The second example is that of social pensions. It is only now that government is trying to recognise, after much evidence from research, that social pensions provide perhaps the most effective current means of poverty reduction in this country. This does not apply only to elderly people of pensionable age but also among young people of working age who are unemployed. In families that receive a pension, it is recycled in the unit for anything from lunch for school children to, in at least one case, in a rural settlement, supplementing the school principal’s salary. The pension money is used as a very effective poverty relief mechanism rather than merely a way of keeping elderly people from destitution.

- Consider also the expectation by policymakers that poor households which received electricity would abandon other forms of energy. But poor households do not readily discard their trusted coal-stoves in favour of the new mode. These households have invested their hard-earned cash to acquire the stoves and there is no reason why they should abandon them. And yet this escaped the notice of policy-makers.

In all of these cases there is a gap between what is being planned and carried out and what is actually needed by poor people. This obviously impairs effective government. To those who believe that governing and governance are purely about technical solutions and setting up proper management formulae these examples would signify a need for more research and better researchers. But all of this evidence is a result of research — the evidence we need already exists. The reason the evidence is not acted upon is that, unfortunately, it is not complemented by actual citizen lobbying — people are clearly not being heard, perhaps because they are not in a position to speak. So policy-making does not reflect the voice of grassroots citizens and this prevents us from governing effectively.

Challenges of policy implementation

Presumably after ten years of democracy we already know enough in this country about policy implementation to recognise that it is not an automatic process, that the fact that a policy has been adopted and a piece of legislation has passed through the National Assembly does not mean that it will be implemented. The process of how or whether intentions are or are not implemented is complicated. Ours is not an ideal world and so, because there is always limited capacity, many implementation priorities and pressures from all angles to address particular implementation needs, the public service has to make decisions and priorities. It will inevitably have to decide that some things need to be done before others.

In any society, it is likely that what will be done first is that which people with a voice want done since it is they to whom implementers are likely to respond. And so, if poor people at the grassroots lack a voice, it is unfortunately not their implementation needs which are likely to be addressed. This is because the voices pushing for certain implementation priorities are not those of the people at the grassroots of our society.

Only those who are able to organise, have access to those who make decisions, and of course have resources are likely to be heard. Consider, for instance, how relatively rare it is to find in the media stories about hardships faced by pensioners at pay-points compared to other implementation priorities. This reflects who are able to make themselves heard and who are not.

What can people involved in public administration do about this?

First, we need to be aware of the difference between voice and public participation. The “voice” of the grassroots is not heard in forums or structures designed to consult civil society. There are at least two major problems which can be linked to relying on these methods of hearing voice.

First, we should talk about “voices” of citizens rather than “the voice” of citizens because in a free society what citizens rather than “the voice” of citizens because in a free society where people are permitted to express themselves, not everybody speaks in the same voice, even though we are all united under the framework of the same Constitution. It will inevitably have to decide that some things need to be done before others.

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This applies to the poor too. People are poor for a variety of reasons — gender discrimination or xenophobia are two specific examples of forms of poverty which affect some and not others — and so not all poor people have the same
needs. The entire nation with all its diverse needs and priorities cannot be represented in an exercise which hears a variety of voices and then distills out one opinion.

A democratic policy process is one in which many voices are heard and compromises are then negotiated between them. The many “voices” in a civil society are a hallmark of democracy and they need to be given expression. This cannot be achieved in a structured forum which does not allow for bargaining between competing interests.

The second problem, which is equally important, is that forums and other structured public participation vehicles tend to include only those who are organised. If you don’t have the resources to organise then it means that you won’t get to be heard. And, even if some way was to be found to get unorganised poor people round the table, they would lack the techniques which are needed to be heard in structured forums.

If structured forums don’t enable us to hear voices, then what does?

To close let us consider two recommendations which might enable us to hear and act on the voices of citizens in general, the grassroots poor in particular. Neither is about structures or organograms — both are about approaches to governing, to how we tackle the task, not about recipes which promise instant solutions and often disappoint us.

First, instead of trying to duplicate the democratic process by creating structures which are meant to enable people to speak, we should try to make that process work by ensuring that citizens have the maximum opportunity to participate in policy-making and implementation. To work towards this, government needs to commit itself to adequately informing citizens on all issues about which they need to choose in a way which allows them to make a choice.

Informing people in this way is not telling them what has been decided upon after the decision has already been made. It is about making them aware of the various available options — an aspect in which government really lags behind. We assume, for instance, that all the 44 million people living in South Africa understand and can read English, hence the prevalence of English and written media: our choice of media for information dissemination shuts out a huge percentage of the society.

People also have to be informed in a way which allows them to make choices. Most people in the public policy community, whether they are in or outside of government, tend to be enthusiastic about what they think works. And so they are likely to explain choices to citizens in ways which put some options in a very good light, others in a bad one. And so ready-made choices are consciously or unconsciously forced on people depriving them of leeway to make their own choices.

There is a need for people in government who want to serve the public to exercise the self-discipline and sense of service needed to explain to people what their choices are without imposing a decision on them by praising a preferred choice over others. All choices have up and down sides and what people choose often depends on how they see their own interests.

Research has shown that whether or not people can read or write, they know their interests and, if choices are adequately explained to them, are capable of making choices which reflect their interests.

Secondly, where the process of informing the people does allow citizens’ voices to be heard, it is very important that people in the public service take those voices seriously. That does not mean that the public service has a duty to simply implement anything that a group of citizens demands. We are a democracy and majority rule is meant to apply. Government remains the only decision-making entity in the society which can be shown to have been chosen by the majority and we cannot be sure that particular citizens’ groups represent majority opinion.

The final policy choice does, therefore, rest with government. But, if government really does want to hear citizens, it cannot impose on them how they should be heard. Paying attention to the “voices” of citizens means that, as long as people stay within the law and don’t violate the Constitution, they are allowed to express themselves in any way they wish and public servants are required to respect the means of being heard which citizens choose.

It is important for public servants to realise that citizens who are toy-toying and may make their lives difficult for a couple of days are the most important resource available to an effective government. Even though you might not want to hear what they are telling you, you need to hear it if you are going to do your job effectively.

In a democratic society, the voices of citizens, while not always convenient to hear, are always an indispensable resource for an effective government. Therefore, for all the uncertainties, for all the difficulties, for all the inconveniences attached, if we are going to have effective governance in this country we need to hear and respond to citizens’ voices.
The Mpumalanga Growth and Development Strategy (PGDS) serves as a fundamental strategic framework covering the economic, social and overall development aspects of Mpumalanga province. The Provincial Cabinet adopted the PGDS by means of Cabinet Resolution 97/96 in 1996. In March 2003, the Office of the Premier commissioned a review of the PGDS so that it takes into account the latest socio-economic developments. These include, among other things, the:

- Alignment of the PGDS with the District Municipalities’ Integrated Development Plans (IDPs);
- Update of the document to include measures to combat the scourge of HIV/AIDS; and
- Provision of a monitoring and evaluation system that will enable regular and meaningful feedback on performance of the strategy.

This article aims to document a case study of the review of the PGDS with special reference to the purpose, background, institutional arrangements and process, current status as well as lessons learned and challenges.

Background

Provincial Growth and Development Strategies (PGDSs) were developed as a result of national Government directive that provinces need to develop their own province-specific strategies in line with national macro socio-economic policies. The Mpumalanga PGDS is meant to set the tone and pace for growth and development in the province. It is under-
pinned by the Reconstruction and Development Programme (RDP), Growth, Employment and Redistribution (GEAR) strategy, National Spatial Development Perspective (NSDP) and all provincial documents that have a bearing on growth and development in Mpumalanga.

The 1996 PGDS had six focal strategic development areas: basic needs; infrastructure development and investment; good governance; socio-economic growth and development; human resources development; and nature conservation and environment. Like the PGDSs of other provinces, Mpumalanga’s document was too detailed. This complicated readability and usability. Dr Gwagwa (2004) aptly captures this fact in the Provincial Planning Consolidated Report: “The current PGDSs are certainly a great improvement from the 1996 ones. There is more of an attempt to pitch them at strategic level.”

The Mpumalanga PGDS, which is currently under review, has six priority areas: economic development, development infrastructure, human resource development, social infrastructure and good governance.

The review process has been an in-house activity mainly, with outside consultancy limited to data collation, analysis and the drafting of the document. The process was expected to take six months but has now dragged to one-and-a-half years due to the need to consult a plethora of stakeholders, 2004 general elections and the Presidential call for harmonisation of the PGDSs with the NSDP and IDPs. According to the latest process plan, the PGDS will be launched on 12 November 2004.

**Institutional arrangements and the PGDS review process**

The PGDS review process began on 30 March 2003 with the expectation that it would end in September of the same year. The Chief Directorate, Macro Policy and Strategy Management (MPSM) in the Office of the Premier was in charge of the review process. The magnitude of the process, coupled with the ingenuity and rapidness demanded, compelled MPSM to solicit the services of a competent facilitator.

This resulted in the setting up of the Steering Committee and six task teams as institutional arrangements to review the PGDS.

On the steering committee were MPSM, the facilitator (Urban-Econ), provincial departments, district municipalities, parastatals, organised labour and business as well as non-governmental organisations (NGOs). The steering committee was responsible for the management of the review process, stakeholders identification, gap identification and conferring of responsibilities including the approval of the work of the task teams and draft documents.

Six task teams were formed in line with the six dominant areas of development: the economic development, development infrastructure, human resource development, social infrastructure, environmental management and good governance. They were formed by representatives from departments, district municipalities, parastatals, organised labour and business as well as NGOs relevant to the development area.

The functions of the task teams included the collection of all documents, reports (departmental and research) and strategic plans pertinent to its development area and the identification of gaps and opportunities for the compilation of the development profile of the province. These were sent to the facilitator to analyse and collate the data. The task teams received the processed data, analysed it and verified if their sector-specific data or information was considered.

Through this process, the development profile of the province was compiled. The profile serves as a base line information from which challenges, opportunities and priorities are identified.

Contrary to popular belief that the process was solely driven by the consultants, their role was to facilitate the process, analyse the data forwarded to them by the task teams, capture and record data during workshops, collate the information and compile drafts of the PGDS. The facilitators were also expected to access additional data and information that was inaccessible to government departments and parastatals. Consequently, the review process depicted in Annexure A was adopted.

The whole process was drawn out and tedious. Post 30 June 2003 was dedicated to road shows and further debates and consultations. These were accomplished through presentations and debates at the IDP forums and special consultation workshop in the Nkangala, Ehlanzeni and Gert Sibande district municipalities.

The inputs and comments obtained were laudable. In the Nkangala District, for instance, a consultant was contracted to assess the extent to which the PGDS is aligned to their IDP. The outcome was 96% alignment.

**The content of the PGDS**

As noted by Dr. Gwagwa in the Provincial Planning Consolidated Report, the current PGDSs are pitched at strategic level. The Mpumalanga PGDS contains the following:

**Provincial Profile**

This is a detailed report documenting the development profile of Mpumalanga Province. It is developed from the departmental annual reports, strategic plans, research conducted on the province and other relevant documents. It will serve as baseline information for endeavors aimed at growth and development in the province.

The profile presents the economic, infrastructural, human resource, environmental, good governance and social development perspective of Mpumalanga. It further lays a broad foundation from which growth and development challenges, opportunities and priorities can be identified.

**Challenges**

The growth and development challenges in the province can be summarised in few distinct but interrelated categories, namely:

- Poverty — Which can broadly be defined in terms of a lack of access to...
opportunities for a sustainable livelihood. The most severe and deep poverty in South Africa has been found in the former homeland areas.

- HIV/Aids — The province has a 29% infection rate which is the second highest in the country.
- Agriculture — Which registers a -0.2% growth rate despite being the second largest employer in the province.
- Manufacturing sector — Which is not fully exploited despite the fact that the province has strong primary sector with a variety of minerals, electricity and agricultural products being exported as raw materials.
- Lack of critical skills and a “brain drain” phenomenon — The rural nature of the province is one of the factors contributing to the lack of appropriate skills and skills flight.

Opportunities
The province is characterised by vast opportunities and potential for development. The exploitation of these would encourage growth in the province making it outperform the national trend and become one of the top three provinces in the country. The following opportunities exist:

- Most agricultural products are exported without further processing to other regions in the country or elsewhere in the world.
- Potential exists for producing non-food agricultural products, e.g. wood, tobacco and cotton.
- Manufacturing of downstream products including tubes and pipes, catering equipment, hollowware, catalytic converters, kitchen sinks and cutlery.
- More than 22% of chemicals and chemical products are manufactured in the province.
- Opportunities include furniture manufacturing, timber frames, processing of timber waste, roof trusses, packaging material, ultra boards/clipboards, wood transmission poles, coffin manufacturing, paper products, and pallet manufacturing, publishing and printing products.
- Tourism opportunities exist in accommodation, entertainment facilities, rural tourism, and agricultural tourism development.
- The ideal spatial location on the Maputo corridor and access to Maputo harbour. The province is characterised by vast opportunities and potential for development.

Strategic response
This section provides a broad strategic response to the foregoing challenges and opportunities. The strategic response highlights the provincial growth and development priorities accompanied by development goals focusing:

- Economic development encompasses promoting and mobilising investment, eradicating poverty and raising standards of living, ensuring economic empowerment through SMME development and Black Economic Empowerment (BEE), improving competitiveness of exports, promoting diversification for the local market and training in skills that will add value to farming, forest products and tourism, and improving the contribution of the agricultural sector to the provincial economy.
- Development infrastructure includes inter alia, providing electricity, water, housing, land, roads and telecommunications.
- Human resource development entails improving the supply of appropriate skills, increasing employee participation in lifelong learning and scarce skill retention.
- Social infrastructure cover programmes regarding eradicating poverty and hunger, combating HIV/AIDS, maintaining an up-to-date database on population development, conserving and revitalising arts, culture and heritage in the province, eliminating gender inequality and child abuse and enhancing access to sport and recreation facilities.
- Environmental development involves developing a co-ordinating structure to manage, integrate and align environmental management issues.
- Good governance deals with accountability and transparency.

The strategic response is presented in tabular form comprising the six priority areas, the development goals identified above, programmes for realising the goals as well as targets for all goals. For purposes of the article, these will not be tabulated here.

Current status
Currently the PGDS is being harmonised with the Vision 2014, IDPs, NSDP as well as suggestions in the President’s State of the Nation Address and the Premier State of the Province Address. This necessitates report back to or consultation with stakeholders again. The process plan for completing the review is depicted in Annexure B.

According to the process plan, the PGDS launch is scheduled for 12 November 2004. It is a tight schedule but everything possible is being done to beat the deadline.

Experiences and challenges
The process of reviewing the PGDS in Mpumalanga has been a great learning curve for Macro Policy and Strategy Management in the Office of the Premier, especially with regard to its management. The congested time frame had to be reconciled with the normal work programme of departments and municipalities which was not always possible. This resulted in the following lessons being learned and challenges being faced:

- Participation in the Steering Committee and task teams being limited to premier managers due to the unavailability of senior managers.
- Consultation being confined to public sector stakeholders in the IDP forums, which are not rich in Private Sector and CBOs representation.
- Political will was not visible during the crucial times of the review, which diminished the significance of the whole process.
- Administrative will and assertiveness that places policy review processes on the daily agenda of politicians and the administration was also not adequate.

Case Study
### Annexes A: PGDS Review Process

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBLE</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data and informational gathering and submission to Urban-Econ</td>
<td>Task teams</td>
<td>11 April 2003</td>
</tr>
<tr>
<td>Draft review document submission and discussion at Steering Committee (SC)</td>
<td>Urban-Econ</td>
<td>12 May 2003</td>
</tr>
<tr>
<td>SC meeting</td>
<td>MPSM</td>
<td>14 May 2003</td>
</tr>
<tr>
<td>Presentation of strategic direction, mission and goals to task teams</td>
<td>Urban-Econ</td>
<td>21 May 2003</td>
</tr>
<tr>
<td>Stakeholders summit</td>
<td>MPSM and Urban-Econ</td>
<td>26 May 2003</td>
</tr>
<tr>
<td>Strategic session (development of strategic goals and programmes) with task teams</td>
<td>MPSM task team convenors</td>
<td>28 May 2003</td>
</tr>
<tr>
<td>Draft PGDS to task teams</td>
<td>Urban-Econ</td>
<td>9 June 2003</td>
</tr>
<tr>
<td>Meeting with task teams</td>
<td>Task team convenors and Urban-Econ</td>
<td>10/11 June 2003</td>
</tr>
<tr>
<td>Draft PGDS to SC</td>
<td>Urban-Econ</td>
<td>12 June 2003</td>
</tr>
<tr>
<td>SC meeting</td>
<td>MPSM</td>
<td>20 June 2003</td>
</tr>
<tr>
<td>PGDS to SC</td>
<td>Urban-Econ</td>
<td>23 June 2003</td>
</tr>
<tr>
<td>SC meeting to approve PGDS draft</td>
<td>MPSM and Urban-Econ</td>
<td>30 June 2003</td>
</tr>
</tbody>
</table>

### Annexes B: PGDS Review Plan

<table>
<thead>
<tr>
<th>ACTION</th>
<th>TARGET DATE</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Presentation to Executive Council</td>
<td>1. 01 September 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>2. Departmental workshops</td>
<td>2. 08 September 2004</td>
<td>MPSM</td>
</tr>
<tr>
<td>3. Alignment (harmonization) of PGDS with State of the Nation and Province Address, Speeches, GDS, NSDP, IDPs, inputs from DCDO etc and updating of statistical information</td>
<td>3. 9&amp;10 September (08h30 – 16h00)</td>
<td>MPSM, Economic Development &amp; Planning, Local Government &amp; Housing, Development Policy Research Unit (DPRU), University of Cape Town and Trade and Industrial Policy Strategies (TIPS)</td>
</tr>
<tr>
<td>4. Regional Workshops (Business, NGOs, CBOs, etc)</td>
<td>14 September 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>5. Profile update and document consolidation</td>
<td>4. 17 September 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>6. Present progress report (final inputs) to MOO forum (DCDO/Technical committees)</td>
<td>5. 20 September 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>7. Presentation to DCDO Committees (acquire support for DCDO approved)</td>
<td>6. 22 September 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>8. Presentation of progress report and draft to ERCC (approved or final input)</td>
<td>7. 06 October 04</td>
<td>MPSM</td>
</tr>
<tr>
<td>10. Strategy approval by DCDO</td>
<td>20 October 04</td>
<td>Cabinet</td>
</tr>
<tr>
<td>11. Editing and printing of final product</td>
<td>30 October 04</td>
<td>External Service Provider</td>
</tr>
<tr>
<td>13. Launch of the PGDS</td>
<td>12 November 2004</td>
<td>MPSM, DPRU and DPEP&amp;D</td>
</tr>
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</table>

- Private sector remains a challenge since it depends on how important they view the process rather than a call of dues as is the case with government institutions.
- Consultants' performance posed a serious cause for concern. It was mainly limited to data gathering with very little interpretation and analysis of the data. It is hoped that the above experiences and challenges provide a good springboard for policy development and strategy review processes.

### Bibliography

1. Address by the President to the First Joint Sitting of the Third Democratic Parliament — 21 May 2004
The Quest for Sustainable Rural Development in Limpopo

Limpopo is a largely rural province (80-90%), with a relatively unskilled population. Added to this is a large number of unemployed graduates. Limpopo has one of the lowest rates of functional urbanisation in the country. Limpopo has among the lowest per capita income levels and has among the lowest human development indexes of the nine provinces. In 2002 however, Limpopo was among those Provinces with the highest growth rate.

The premise
Limpopo province adopted a Growth and Development Strategy in 1999. However, much has taken place since, resulting in the need to revise the PGDS, particularly in view of the necessity to ensure an integrated approach between planning across the various spheres of Government.

An analysis was undertaken with regard to local, regional and international policy documentation. Five common policy objectives manifest themselves in all documents from the WSSD, UN, NEPAD, SADC to the SA Growth Summit of 2003 etc., namely: i) Quality of life improvement; ii) Skills development; iii) Sustainable economic growth; iv) Job-creation; and v) Poverty reduction/eradication.

An analysis of the IDPs of municipalities, as undertaken by the NSDF, in turn, revealed the following:

• The need to strike a balance between needs and growth, i.e. the need to move away from a dependency approach, which further entrenches the contradictions of the past;
• Most economic development proposals neglect the demand side;
• The development process requires more attention to implementation.

Planning is to reflect the doing —
The following objectives of the Strategy of Limpopo Growth and Development

Objectives of the Provincial Growth and Development Strategy of Limpopo

The following objectives of the Provincial Growth and Development Strategy, incorporate the objectives/priorities of the Manifesto of the ruling party within Government:

- Improve the quality of life of the provincial population using spatial rational (and ISRDS) to prioritise;
- Promote economic growth through competitive cluster formation (specific and rising annual targets to 2020);
- Raise the institutional efficiency of government;
- Address unique priorities as they arise, such as BEE, poverty reduction and HIV/AIDS, TB and malaria.

The following practical steps are outlined: a growing economy, sustainable livelihoods; access to services, comprehensive social security; address crime and corruption, Constitutional rights and governance and Africa and the World.

The approach and strategy

The integrated industrial cluster value-chain approach adopted by Limpopo reflects the need to speed up economic development in rural areas with economic potential. It empahsizes channeling resources from the national, provincial local spheres within districts towards greatest impact.

The following three strategies towards ensuring economic growth, job-creation and diversification within Limpopo are proposed:

- Competitive value-chain industrial cluster approach. Note the common purpose between the institutional cluster approach and industrial clusters, i.e. both serve an integration/co-ordination purpose;
- Focus on those sectors with a high employment co-efficient, i.e. agriculture and construction; and
- Expanded public works programme — to form an integral part of the PGDS.

What are competitive value-chain industrial clusters?

Industrial clusters are geographic concentrations of inter-connected companies in a specific field. These clusters include suppliers, customers, complementary business activities, infrastructure, government, training and research institutions.

Their role is to improve competitiveness through increased productivity, innovation and new business formation. Growing clusters signal business opportunities (within the urban and rural environment).

Clusters create opportunities for constructive co-operation between public and private sectors. Cluster formation is essential to accelerate economic growth and development.

They essentially bring about an integrated approach which is paramount in addressing issues of sustainable rural development.

Proposed industrial clusters within Limpopo include the following:

- Platinum Group: Metals/Chrome in Sekhukhune and Waterberg Districts;
- Petrochemical in Waterberg District;
- Horticulture in Bahlala, Mopani and Vhembe;
- Logistics in Capricorn (incorporating Polokwane International Airport);
- (Noting the Soccer World Cup 2010 and various other incentives);
- Red and white meat in all districts;
- Tourism nodes and clusters in all districts;
- Foresty in Bahlala, Mopani and Vhembe; and
- Logistics, R&D etc. cut across all clusters.

This does not preclude the harnessing of other opportunities.

The process of mapping and developing viable value-chain clusters is briefly outlined in the following steps below. Implicit in this is noting the need to ensure that planners/implementers across the various spheres of Government and the various stakeholders are involved throughout the process to ensure implementation:

- Illustrate the cluster value-chain graphically with the main production activity in the centre. Quantify the economic value-chain and impact of the current main activity;
- Illustrate and quantify the existing
links upstream in terms of inputs and services to the main production activity and downstream, in terms of value-adding, e.g. processing.

- Identify opportunities for new production and efficiency improvements along the value-chain. Illustrate links with neighbouring provinces and countries, across the urban and rural divide.
- Ring-fence opportunities for SMME and poverty reduction within the cluster development opportunities identified in step two above. Identify infrastructure and logistical improvements that could increase the competitiveness of the cluster value-chain.
- Identify skills development and industrial improvements that could increase the competitiveness of the cluster value-chain.
- Illustrate the entire value-chain in GIS format (level to be attained towards adoption of the PGDS — level 7-10 to be followed through — ongoing).
- Incorporate the cluster value-chain and its development opportunities (investment, SMME, poverty reduction, infrastructure, as well as skills and institutional development) in the District and Municipality IDPs.
- Reflect the involvement of national and provincial departments/parastatals/municipalities, regarding each cluster value-chain — to reflect in plans and budgets.
- Prepare and implement business plans for each opportunity, as part of the district and municipal LED process.
- Establish a mechanisms to monitor progress and assess the development impact of each cluster value-chain. Emphasising “competitive” industrial clusters should encompass the need for improved co-ordination, integration, networking and relationship-building between industrial clusters across municipalities, districts and provinces. This is essential in ensuring that Limpopo takes its rightful place as a force to be reckoned with in the global economy.

Process towards improved integrated planning and implementation

With regard to integrated planning and implementation within Limpopo much work has been done, with continued support by the leadership of the province. However, much remains to be done.

The following points outline the process towards improved integration and institutional efficiency in reviewing the PGDS, as driven by the Office of the Premier (Policy Co-ordination Unit), in co-operation with the various departments and local government.

During the latter half of 2003, a review of Government programmes over the past ten years was undertaken, including progress with regard to the implementation of priorities, as identified in the 1999 PGDS, (itself an extensive consultative process).

A review of policy, i.e. provincial, national, regional and international policy documentation, as outlined above was undertaken.

An inter-disciplinary, inter-departmental, inter-governmental and inter-institutional approach formed the basis of compiling the draft PGDS. Much consultation took place with individual municipalities, provincial and national departments and various stakeholders, towards development of the draft PGDS. It should be noted that the involvement of consultants complemented the process.

A workshop was held with MECs, HoDs, municipal managers and IDP/PIMMS managers on the initial draft PGDS following deliberations with departmental planners and IDP/PIMMS managers.

A presentation was made to the HoDs meeting, as well as a leadership presentation and discussions facilitated by the Policy Co-ordination Unit (PCU), towards engendering a greater need for closer co-operation between the various spheres of Government and between Government and the broader community. Much emphasis was placed on the relationship between planning and action and on the importance of a shared vision.

Interactive workshops involving various stakeholders were held in all six districts. These were meant to promote a common approach, objectives and priorities with regard to the review of IDPs/PGDS. They featured leadership presentations and discussions towards encouraging the building of relationships, sharing of information and the need for a shared vision, in harnessing the resources of districts (the need to strive towards shared-leadership, as opposed to excessive control and isolated plans that are never implemented).

Various GIS presentations were made within each district towards a greater understanding and insight into the potential and needs of each district, as well as engendering the need for an integrated information management system. This is about ensuring the supply of accurate and accessible information to even the most remote of rural villages that is essential for meaningful planning, as opposed to planning blindly (i.e. thumbsucking approach). The setting up of appropriate and integrated GIS systems and the training of district municipality and departmental planners towards improved GIS capacity and application etc. commenced in earnest.

Debates and discussions towards the formulation of their respective local economic development strategies.

Institutional arrangements towards improved integration/decision-making were initiated, i.e. municipalities, as well as national departments, now form an active part of Exco & HoD “Lekgotla”, as well as Exco cluster committees, i.e. the governance and administration, social sector and economic sector cluster committees, etc.

An HOD “Lekgotla” (including municipal managers, IDP/PIMMS managers and national departments) was held in March 2004, focusing largely on the PGDS and the need for support by departments in the IDP review process.

A document on the Integrated Planning Framework that outlines the
planning process among the three spheres of Government was developed and discussed. (Much work needs to be done to ensure that departmental management plans and the IDPs of municipalities are integrated, both in terms of content and process.)

The much-awaited IGR Bill will assist in the alignment process between departments and spheres of government.

An analysis of departmental budgets per district for the past three to five years is to form part of a broader project analysis (1994 to date). This is currently underway, as it is important to know where one comes from so as not to repeat mistakes of the past and to continue financing unsustainable and futile projects with minimal impact.

Much work has been undertaken towards completion of a development index framework that will enable improved monitoring and evaluations/impact assessment. The need exists for improvement with regard to social sector indicators. The process is near finalisation, to be updated on an ongoing basis.

PGDS workshops were held with the various mines and business organisations, with a focus on the objectives of the PGDS and the industrial cluster approach. A presentation and discussions on leadership also took place towards stressing the need for the building of relationships, information sharing and a shared vision.

Working sessions involving all provincial and national departmental planners, as well as district municipal IDP/PIMMS managers were held on an ongoing basis, facilitated through the office of the premier, towards facilitating shared activity across districts, in developing comprehensive industrial cluster value-chains, as part of the IDP/PGDS review process.

Much work has been done towards following up twinning agreements with surrounding provinces towards regional economic integration (NEPAD) initiatives. Workshops with planners from southern Matabeleland have been held on an ongoing basis towards a regional strategy, in co-operation with the NEPAD secretariat etc.

Co-operation with donors towards facilitating regional linkages with regard to extending the industrial cluster (value-chain) approach e.g. tourism cluster in Mopani and Gaza province linkage, mining, agricultural and transportation linkages etc., is important. It is important that we know what we want through actual implementation/action, when dealing with funders.

Lessons learnt
The following important lessons have been learnt through the process thus far:

• Application of the spatial rationale as the basis for planning;
• Focusing resources towards harnessing the competitive advantages of rural districts;
• Identifying poverty pockets in rural areas, with an awareness of urban bias and an appreciation of the trend towards rapid urbanisation and globalisation;
• Scrutinising departmental projects and the sharing of information with districts, as a basis for understanding the status quo and motivating a closer working relationship between the spheres of Government;
• Involvement of district municipalities and national departments in the provincial Exco clusters/Exco and HoD “Lekgotla”, towards improved planning and implementation, as well as the importance of the premier-mayors forum.
• A vibrant inter-planner working group is essential, involving provincial, national departmental and district municipal planners, parastatals. Actively involving, learning from and empowering implementers and planners across sectors in the formulation and implementation of realistic industrial clusters is an invaluable exercise;
• The role of the Office of the Premier (PCU) in supporting the integration process is essential. It is to play a co-ordination and facilitating role and to ensure the involvement of all departments and institutional clusters in the process. The tendency of seeing industrial clusters as the sole domain of economic-related departments should be resisted at all costs, as an integrated/inter-departmental and inter-cluster approach is important.\nEconomic development is essential but it is not the primary objective. Vast resources reside within the social sector departments, which should contribute constructively towards achieving the overall objectives of the PGDS, thus the need for an integrated approach supported/activated by the Office of the Premier;
• Practical applications on the ground in developing quality business plans, involving appropriate/relevant stakeholders as part of the Industrial cluster value-chain development, is essential towards ensuring implementation:
• Ensure an inter-disciplinary and inter-cluster (institutional and industrial) approach throughout — clusters should not function in isolation, as this defeats the objective;
• Refrain from divorcing planning from implementation as they form part of the same process and are to be integrated. There is no sense in waiting for the perfect plan, for such a plan does not exist.

Challenges
The following challenges are identified:

• The need to let go of the need to control and to rather strive towards order is a challenge. The achievement of this depends upon the appreciation of the simple changes in everyday life and harnessing the inherent opportunities.
• There is a need for an open systems approach. Breaking down barriers between departments, municipalities, spheres of government, government and the private sector is essential in the challenge of giving meaning in today’s rap-
The need to move away from structured environments towards the development of relationships is paramount. To address issues of leadership, one must perceive the importance of how we perceive leadership. The need for an integrated information management system, particularly as regards the rural villages, is the ultimate goal. The need for improved planning and implementation is important to ensure integration between the various stakeholders is essential. The need to link and balance rural and urban development in a manner that ensures sustainability and addresses the divide between the first and second economies is essential. This is important in fostering LED and in bridging the divide between the first and second economies. Appropriate support by Government in the development of the industrial clusters, e.g. social and economic infrastructure and the need to address issues of water, land, energy, skills development are important in ensuring commitment by business and investors. Continued co-operation and improved integration between the various stakeholders is essential, i.e. joint implementation of projects between Government and key stakeholders. The need to ensure integration between the industrial clusters, between districts and across the region is important, in fostering sustainability and new business opportunities within rural communities. The need to ensure the monitoring and evaluation of Government programmes aimed at sustainable rural development.

**Conclusion**

To reiterate:

- Development is about people, not about things. The appreciation and acknowledgement of which, should inform our planning and implementation activities.
- Improved alignment and integration are a leadership challenge i.e. issues of information management and sharing, relationship building and the need for a shared vision are essential.
- The need to channel existing resources towards enhancing the competitive advantages of distinct local municipalities through the development of local industry, should inform planning at a local, provincial and national level. An inter-cluster, inter-departmental approach is vital, i.e. there is a need to ensure integration between the various Institutional and industrial clusters.
- The need to link and balance rural and urban development in a manner that ensures sustainability and addresses the divide between the first and second economies towards improved quality of life.
- The need for improved monitoring and evaluation is important to improved planning and implementation. We learn by doing.
- The planning process should not be separated from implementation.
- Institutional efficiency is paramount.

**Case Study**

Poverty alleviation is a major challenge. There is a need to ensure that poverty alleviation initiatives take place in an integrated manner linked to the sustainable livelihoods approach and to industrial cluster development, as opposed to the “spray and pray” approach of the past. Thus the need for improved institutional efficiency. Poverty alleviation projects should be linked to the broader PGDS. Regional economic integration essential in addressing poverty.

Buy-in from key stakeholders towards building local economies through the industrial cluster/value chain approach is paramount. Viable local economic development is essential, lest we leave behind a province littered with holes (spent mines), surrounded by shacks and dire poverty and this, despite having vast resources.

Commitment by industry towards relocation to Limpopo in support of input/output (processing) opportunities pertaining to the industrial clusters is essential. This is important in fostering LED and in bridging the divide between the first and second economies. Appropriate support by Government in the development of the industrial clusters, e.g. social and economic infrastructure and the need to address issues of water, land, energy, skills development are important in ensuring commitment by business and investors. Continued co-operation and improved integration between the various stakeholders is essential, i.e. joint implementation of projects between Government and key stakeholders.

The need to ensure integration between the industrial clusters, between districts and across the region is important, in fostering sustainability and new business opportunities within rural communities. The need to ensure the monitoring and evaluation of Government programmes aimed at sustainable rural development.

**Case Study**

With modern technology and globalisation, rural and urban communities can no longer be seen in isolation, hence the need for a systematic e-government strategy across Limpopo and the region.

The need to distinguish Information Technology (IT) from Information Management, i.e. the need for development practitioners to manage information and not to leave this important responsibility/resource to the IT specialist — noting that the person, who fixes the typewriter is not the person who writes the minutes of a meeting. It is the development practitioners that should manage and utilise information. Throwing money at IT for the sake of IT will get us nowhere. Consultants should be used to complement/offer support to, not to further entrench dependency and this applies to all sectors within Government.

The need to ensure institutional efficiency. There is a need to ensure that the nature of our decisions talk to where we want to go. Endless meetings for the sake of meetings are fruitless. That which we plan should relate to what we do. (The process of acting and planning is a dialectic relationship.)
Typical of the northern parts of the KwaZulu-Natal province, which boasts some of the world’s most majestic ecological displays such as the St Lucia Wetland Park, Lake Sibaya and the intriguing indigenous kraal fishing in the Kosi Bay estuary, the Bethesda Hospital is also situated on a piece of real estate that turns the realty industry green with envy.

A narrow road sandwiched by hedges of indigenous vegetation, with sparsely populated settlements here and there, winds up to the Bethesda Hospital. Beyond the security formalities at the entrance, the Bethesda Hospital, just 16 kilometres from the town of Mkuze, is a pleasant continuity of its scenic surroundings. In the backdrop of warm mid-morning sunshine, Bethesda Hospital is a perfect poster image of the government’s idealised vision for the public health sector.

Bethesda is a precious “feelgood” experience to savour, especially after travelling through the highly preferred tourist strip from Richard’s Bay, with glorious weather by the side. But away from the alluring veneer of the coastal landscape or the pretty flowers in the hospital yard, a different reality shatters the revelry induced by this enchanting part of the world. It’s an awakening that is much along the lines of President Thabo Mbeki’s two-nations exposition: one “nation” holidaying in 4x4s laden with power-boats, fishing-rods and camping paraphernalia, with the other eking out a living in a sea of poverty.

Unemployment rates estimated as high as 70%, inadequate water and sanitation infrastructure, unyielding patches of land, households headed by children and diseases of poverty such as tuberculosis, fuelled by the high prevalence of the HIV/AIDS pandemic, are among the grim features of secluded villages within the boundaries of the Umkhanyakude district.

Poverty is the biggest health challenge, says Philile Nyawo, the manager of the Bethesda Hospital. “There are diseases associated with poverty … all indications point to the fact that we have serious problems with HIV/AIDS, respiratory disorders, and large numbers of orphans,” says Nyawo.

Founded by the Methodist Church in 1937 but now run by the provincial health department, the 230-bed Bethesda Hospital serves about 120 000 people residing in the 1 500 square kilometres of scattered and mostly inaccessible villages. While the Bethesda
Hospital barely meets the Reconstruction and Development Programme’s (RDP) standards which stipulate that health services (particularly clinics) be sited within a 50km radius from beneficiaries, the sheer size of the demand, coupled with resources and location constraints, “limits the provision of quality services”, says Nyawo.

From the vantage point of the hospital manager’s office, the scenic planes of Northern Maputaland stretch into the horizon. It’s an office to die for, or at least, to lock oneself in and weep, because in Nyawo’s line of work, the temptation to do so is often enormous. But the office is also the kind of space within which one could bask in and ruminate over Bethesda Hospital makeover path nearly two years ago.

Located in what was once the former KwaZulu homeland, with its attendant legacy of underdevelopment, Bethesda Hospital was a deteriorating mess until around 2003, when Nyawo began her tenure as hospital manager. The bright kindergarten colours were a derelict grey mess. Wards and sanitation facilities were in a state unmatched by many a taxi-rank public loo.

A reorganisation process, whose drastic steps included getting rid of about a dozen of senior management staff implicated in acts of maladministration and corruption, saw the gradual transformation of Bethesda Hospital into a place of refuge from ill health rather than the repository of diseases that it had decayed to be.

People’s health needs didn’t stand still as the institution was being turned around. It was like simultaneously sailing a ship while rescuing it from sinking. Acknowledging that scarce resources against rising service delivery demands (in communities that can’t afford to pay for services rendered) are likely to remain a stumbling block to increased access, the hospital’s think-tank adopted a largely primary health-care provider character, though maintaining its role as a district level institution. The approach is primarily premised on the idea that the hospital should “go” to communities, using its network of eight clinics, community volunteers and mobile clinics that service 20 sites at least twice a month.

Nyawo regularly uses the expressions “holistic approach” and “inter-sectoral services delivery approach” to describe another innovative response to the endemic health challenges of the district, which essentially involve dispatching two mobile units of teams of specialist doctors, nurses and social workers who provide some kind of one-stop-shop medical and social services. This prevents a wastage of resources (particularly transportation), ensures that people are not prevented from accessing services for want of cash or because of insurmountable distances. The mobile units, along with the clinics, also play a role in passing on information on preventative and primary health issues.

Bethesda Hospital’s “holistic approach”, with its emphasis on the social aspects of one’s well-being, has been particularly effective in dealing to the HIV/AIDS pandemic, which is reportedly as high as 33% in the district. Through the hospital’s Aids Action Team, 1,578 orphans or households headed by children have been identified and drawn into the social security net in the form of grants, food parcel or self-help projects.

The HIV/AIDS programme won the 2003/4 Innovation Award as an exceptional model of public service delivery. While the “look” of Bethesda Hospital is strong enough testimony of its success, a much stronger testimony is the reduction in the number of people “going” to the hospital. By around 1.30pm, there were less than 30 people waiting to be attended to and, according to Nyawo, the average patient waiting time has been reduced from 24 hours to one hour.
As individuals we are motivated by periodically evaluating and testing our own potential. In some it is a built-in alarm that triggers them to evaluate their own performance and assess it against their expectations and personal potential. Personal attributes combined with life experiences teach us to set our own "snooze" buttons in life. At times we may require prompting and prodding to remind us to be critical of ourselves.

The institutional structures in the Department of Health had not had a critical look at themselves in a long time and had become complacent with inadequate levels of service delivery.

The IMT intervention
In the Eastern Cape Department of Health we were fortunate in that we had highly energetic and competent personnel seconded to the department as part of the Interim Management Team (IMT) intervention. We were able — with some prodding and advice from various role-players, such as the political leadership of the province, trade unions and the IMT — to assess our performance and pitch that against our potential to make a difference.

The MEC and the Superintendent General of the department approved IMT recommendations that institutions be clustered into hospital complexes, and that corporate service centres be established for each complex.

After examining and peeling away at all the smart terminology and typical consultant speak, we realised that the grandest and most sophisticated change processes and turnaround strategies will ultimately hinge on three elements:

- enabling framework;
- honest self-assessment; and
- commitment to change.

Background
The East London Hospital Complex consists of two institutions, Cecilia Makiwane and Frere Hospitals. The current combined staff establishment of

East London Hospital Complex: The Challenges Ahead
the complex is 4 600 employees. But there are 1 600 vacancies. The current non-clinical support staff establishment is 521 posts. The complex services a population of approximately 2,2 million. The expenditure for the complex is R500 million per annum.

There has since 1994 not been a review of clinical service delivery to the community. A critical review of possible duplication of services, ensuring the optimal utilisation of scarce nursing and medical resources, has to date not been possible due to poor support services. The support service environment in terms of human resource management, finance, procurement and IT, has simply been too turbulent and unpredictable in the past. The decision making process was extremely slow, and after centralisation of all human resource, tendering and finance function to Bisho, the administrative lag time increased. Late processing of benefits and long outstanding disputes led to strike action.

The first priority was thus to stabilise the administrative and support environment. The establishment of a Corporate Service Centre was the preferred solution. The application of outdated policies in the Complex for 10 years.

Enabling framework
The public service regulations, the Public Service Act, Treasury regulations and collective agreements are enabling legislation. There are little, if any, restrictions to make an institutional structure in the Public Sector work efficiently.

The expertise from the officials deployed from the DPSA during the BMT initiative was invaluable. It highlighted the fact that a poor knowledge base and/or complacency, rather than the current rules and regulations, restrict progressive transformation. This applies to all role-players, political leadership, trade unions, public managers, and employees.

For anyone who may doubt or underestimate the damage caused by apartheid policy, you need only assess the current profile of our two institutions. The anomalies, disparities, and divides between and within organisational components, culture, and employees are numerous.

Assessment
In general terms the assessment showed an organisational personality that was dark, depressive and defensive. Employees had a pessimistic outlook, with many colleagues immigrating to “perceived” greener pastures in domestic metropolitan areas or foreign shores.

Self-assessment revealed that the organisation spent a large amount of time, resources and energy on internal and self-generated conflict. Clinical services, nursing services and the finance, HR and other support services were constantly at loggerheads and blamed each other for the ever increasing crises.

Ability to deliver mandate
The institutions simply did not have the required skills and capacity to fulfill the service delivery mandate. Basic human resource administration functions, such as salary administration, maintenance of the post establishment, and benefits administration had become ineffective.

There was a below average knowledge base of the basic legislative framework for human resources, finance, and procurement. In 2004, some personnel practitioners still regarded the PAS as the framework for human resource management.

The application of outdated policies and procedures differed between the institutions, resulting in unequal treatment of employees who work for the same Department, but are located 20 kilometres apart.

Skills
The skill level to support the systems (PERSAL/BAS/LOGIS) was, and currently still is, at an elementary level and not sufficient to provide sustainable support or development. The functionality of the systems used is hugely under-utilised.

There has been no PERSAL training in the Complex for 10 years.

Budget planning
There is no budget planning process in the complex. Budget allocation is determined by head office and is based upon a proportional and/or percentage increase of the previous financial year. There is currently no integration between budget and strategic planning in the complex. There is no integrated budget reporting. Expenditure performance against budget and/or strategic objectives is not provided. Personnel and other expenditure are not controlled by pay point or sub-programme/cost centres. BAS and PERSAL responsibility codes did not correspond.

Infrastructure planning
There is no medium or long term infrastructure planning. Planning is done on an annual basis after the budget has been allocated.

HR Planning
There was no human resource planning process in the complex. Posts were filled when they become vacant. There was a six-year freeze on the filling of all “non-critical” posts. With no accurate post and/or employee information there was no means of verifying claims of alarming staff shortages from line managers.

Accountability
There was no element of risk or ownership from within the institutional staff to escalate all administrative tasks to phantom “decision-makers” at head office. There was no element of risk or ownership in terms of:

- Finance;
- Human Resources;
- Systems Maintenance;
- Discipline; and
- Performance Management.

Commitment to change
Some immediate interventions had to be implemented to create an environment where change can be implemented in the support services. Amongst these were:

Key appointments
To stabilise the administration a few key
appointments were made in terms of a generic organisational model.

New appointments were made in the HR, finance, procurement, administration and IT fields. As the new appointments commenced duty, the reporting lines of officials based at the institutions were changed. They now reported directly to the new complex personnel. This had a direct result on the role and functions of the superintendent of the institutions. With less administrative functions, they now had the opportunity to concentrate on clinical service delivery and quality control. The practice of trade unions participating in every facet of the appointment and selection process was suspended, pending the agreement by parties in the Provincial Bargaining Chamber.

Proliferation of trade unions
An unmanaged and unregulated workplace led to a situation whereby trade unions, whether recognised or not were afforded full organisational rights, despite clear collective bargaining agreements at national level. Instead of proactively planning and engaging in the transformation of service delivery, 6 different trade unions squabbled amongst themselves, with the only common factor being to oppose management. This in turn allowed management to shy away from difficult transformation issues that needed to be implemented.

The intervention to regulate trade union relations in the complex was urgent. A Complex Transformation Forum (CTF) was established and included only participation from trade unions that are recognised in the national and provincial collective bargaining structures. Three trade unions, NEHAWU, HOSPERSA, and DENOSA are the representative unions in the complex. Participation by other unions is via these unions in line with cooperation agreements.

Delegations
The Superintendent General and the MEC had to assess the ability of the Corporate Service Centre to assume some of the delegations. This was done by compiling a detailed readiness assessment report, with an implementation plan.

Some human resource functions have been devolved, but the procurement and tender procedures are still managed at central level.

**Executive support**
In change processes like these there will always be detractors, those that feel aggrieved, or those that fear exposure to the fact that they have accepted mediocre service delivery as good enough. The message from the political leadership was however clear — the service delivery standards must improve. The mandate was thus clear to all role-players, and was accepted as the common goal for both complex management and trade unions.

Despite appeals from individuals and groups of employees to both the MEC and the Superintendent General, the support to drive the process has been unwavering.

**Emotional maturity**
Too often, the technical (or structural) solutions trump when it comes to resource allocation. The old adage, that “you can take a horse to the water — but you cannot make it drink” is appropriate. The design of an organisational structure, drawing process maps, and concluding service level agreements, sets in place the fundamentals. To really transform and commit to a new work ethos, the emotional growth and development of the organisation requires attention. A critical mass within the organisation must want to change. Once the change process was underway, this critical mass with shared goals soon set into motion the intensity, pace and magnitude of the change.

**Conclusion**
Despite numerous threats, and some vociferous personal attacks against managers, and trade union leaders within the complex, the change process continues. Organised labour, complex management, and the executive leadership of the department share the vision of a better and healthier future for all. We move towards our next objective, that of the long awaited review of clinical services.

We would like to interact and establish relationships with health institutions and/or departments that have completed a clinical review process.
Managing Knowledge

The Public Service Commission was created by South Africa's Constitution to monitor and evaluate the public service and to promote a high standard of professional ethics. It was created in its current form in 1998 and has over the years built up a reputation for undertaking rigorous and constructive research, and operating ethically and with a high level of integrity.

The Commission is made up of 14 Commissioners led by its Chairperson, Professor Stan Sangweni. The Commission is supported by the Office of the Public Service Commission, with nine provincial offices, a national office in Pretoria and a staff of around 160 people. The Commission formally reports to the National Assembly (Parliament) through the Portfolio Committee on Public Service and Administration.

The Commission’s work is structured as separately defined projects. These projects are usually developed in response to requests from the Presidency, provincial premiers or from political or administrative heads of particular government departments. The Commission also undertakes research and investigations into matters it identifies as being of strategic importance.

The Commission only has a mandate to investigate matters in the public service as defined by the Public Service Act. This includes national and provincial government departments but excludes local governments and state owned enterprises. The Commission has working agreements with other oversight agencies such as the Public Protector clarifying which agency should take up which issues.

Knowledge management need

Data is any fact or figure, while information is data presented in a context. Information becomes knowledge when connections and links are made. Good use of knowledge supports critical thinking, analysis and reasoning. Knowledge should create better understanding, allow useful predictions to be made and enable strategic actions to be undertaken.

Managing knowledge involves its generation, capture, sharing, and dissemination. Knowledge management is essential in a world characterised by rapid change, especially in institutions committed to social equity and human development.

The Commission is a knowledge-based institution that undertakes sensitive investigations and a wide range of discrete and ongoing research projects. Its analytical work is used to develop recommendations for addressing problems and generally for improving the performance of the public service.

The Commission undertakes an enormous volume of work covering a wide

Dugan Fraser, consultant advisor to the Public Service Commission (PSC), provides a background to the work of PSC as a knowledge institution and also shares ideas on how to develop a Knowledge Management System.
Issues

be laid out and progress tracked as the various activities required for each project are completed. This component should allow managers to quickly and easily update themselves on the progress of each project undertaken in their units and thereby ensure that delays and problems receive the appropriate attention.

- A financial management component through which all expenditure on projects can be linked to project activities and results, allowing for better resource utilisation based on clearer costing and better, more detailed budgeting. It was also agreed that the proposed Knowledge Management System (KMS) should be simple to use and should be sensitive to the specific needs of the PSC and the processes it follows to complete its projects.

The PSC had already started to implement a Monitoring and Evaluation (M&E) Project that undertakes standardised research into each government department and it was agreed that the development of the KMS would be undertaken as part of the M&E project.

Establishing the KMS

As part of its support to the PSC, the German government’s development agency, GTZ, agreed to finance the development of the system, and has played an active role in the process throughout. Their support in ensuring a high standard of work has been invaluable and has contributed enormously to the process. They have been remarkably proactive and innovative and have ensured that the financial and technological resources needed have been available as required without delays or difficult procurement processes. Their assistance is greatly appreciated.

An initial Terms of Reference was finalised and a notice was published inviting interested software firms and developers to submit proposals for the provision or development of the system. The Terms of Reference noted that what was required was not simply the provision of a service, but the appointment of a technology partner who could support the PSC in the process of developing and installing the system.

It was noted that while adequate, the Terms of Reference was not very detailed and only provided a high level overview of what was required of the proposed system. It was agreed that the best way to address this problem would be through the hosting of an interactive briefing session at which the background and objectives of the system could be properly explained in detail and companies interested in submitting proposals would be able to ask questions and get greater clarity on specific issues.

The briefing session was held at the GTZ offices late in 2003 and was well attended by a large number of interested service providers. This led to the submission of a large number of proposals that were initially screened with the support of the State Information Technology Agency (SITA).

As specialists in the procurement of information technology services, SITA helped with the formulation of clear criteria by which to assess the proposals. A number of specialists assessed each proposal separately, scoring each of them on a particular criterion. The scores were then added up to provide a clear ranking of all the proposals received.

With SITA’s support, a shortlist of four prospective service providers was drawn up and they were invited to make presentations to a selection committee. The committee chose E.Com Institute, a Johannesburg-based software company, to develop the system, based on their technical competence and their experience in developing similar systems for other public and private sector institutions. E.Com’s proposal is to develop a web-based portal using their Homebase product as a foundation that will be integrated with the PSC’s intranet. Their proposal showed that they understood the PSC’s needs and had a good overall strategic approach that would have good chance of success in the longer term.

Part of the successful proposal was an agreement that E.Com would start by assessing the existing network and assist
with the necessary upgrade to ensure that it would be able to cope with the demands of the new system once it was operational.

A project steering committee was appointed to oversee the implementation of the project. The committee comprises representatives of different PSC components, including information services, financial management, monitoring and evaluation as well as a number of senior managers. The committee has met regularly throughout the process and has ensured that the development of the system has been appropriate and meets the PSC’s needs. Each phase of the project has been signed off by the Steering Committee, ensuring that there has been a consistently high standard of work by the service providers.

The service providers started by assessing the existing PSC network and identified the need for an additional server and improvements in cabling and switches. At the same time, a knowledge management strategy was developed, providing a broader strategic framework and approach into which the KMS will fit. The Commission’s knowledge management strategy developed with E.Com is based on an understanding that the system is simply an enabler and that the most important element of effective knowledge management is the underlying business processes and the people involved.

The strategy includes the creation of a Knowledge Manager post, to be located in the Information and Communication Directorate within the Corporate Services branch. It also identifies the need for the existing resource centre to play a greater, more central role in knowledge management.

Subsequent phases in the project have included signing off on detailed system specifications, system development and testing, the development and piloting of standard reporting formats and templates, working with resource centre staff and installing and stabilising the system. An important component of the project was skills and capacity development and has included training a small number of knowledge champions who will over time encourage and promote knowledge management as a practice throughout the organisation. Another element of the skills development component has been providing basic user training to around one fifth of the staff at the PSC. Once the system is live, these staff members will be able to assist their colleagues to use the system.

Learning from experience

The Commission’s KMS is not yet fully operational. There have been a number of unexpected technical problems including getting full compatibility between the new system and the existing network, despite our earlier efforts in this regard. Creating a link between the KMS and government’s basic account system has also taken time and dedication, although the assistance of National Treasury has now made this possible. Ensuring that the system fully meets all the PSC’s needs has also required further developments in certain areas that have taken time not originally planned for.

The PSC has learnt and continues to learn many lessons from this process and will be in a better position to share these with other actors in the public service as the KMS has been formally launched. We wish to highlight just a few lessons at this point:

Realistic timeframes

Perhaps the first lesson relates to time: developing tailored, needs-driven systems is a lengthy and sensitive process that cannot be rushed. The original project plan proved to be unrealistically optimistic and has had to be reworked several times. Implementing an effective knowledge management system should be seen as a long-term project linked to the overall growth of an institution and must not be seen simply as a technical intervention. Staff need to be drawn along with the process and should be kept informed throughout. At the same time, they should also not be bombarded with irrelevant or unnecessary information as this can create resistance and irritation.

Choosing the right service provider

A second lesson is to exercise great care in choosing a service provider. The public service is a very distinctive operational context with very specific ways of doing things and producing results. Service providers need to have enormous sensitivity to these issues and should be chosen partly on their ability to show how they will accommodate public service idiosyncrasies and peculiarities. There needs to be a determined effort to ensure that both parties understand the vocabulary and terminology used by the other, in case jargon and technical language leads to misunderstandings, tensions and subsequent difficulties. We were fortunate in that our service provider partner in this project has been patient and tolerant, sympathetic and considerate.

Knowledge management is about people

The final lesson we wish to share relates specifically to the practice of knowledge management. Good knowledge management does not necessarily require software or systems. It is about how people at the workplace share what they know and make their wisdom available to others. This can be achieved in many ways that are more about organisational culture, institutional set-up, business processes and a genuine desire to see learning used productively. Technology should simply be a tool to support this way of operating, rather than being a driver of this process. There is much to be said for addressing organisational and practical matters first, and attending to technology later.

If any public service institutions would like to know more about the PSC’s KMS or would simply like to discuss their own initiatives in this area, please do not hesitate to contact the author of this article at the email address provided above. It is part of our role to share our knowledge and experience with our public service colleagues and would be delighted to have an opportunity to do so.
Public Administration conceptual reflection, theory construction and research have, in many respects, not reflected sufficient responses to the actual practice and experience of public administration. Whilst this pattern might be shared across the world, it is particularly evident within Africa, where economic and resource realities militate against investments into building substantive reflective and research capacities in public administration.

A critical step in responding to this reality is to begin a process of enhancing debate and understanding on the 'knowledge' leadership challenge that confronts African public administrations and developing a modest and initial framework for building a research and reflection agenda.

Inapt managerial templates

The minimal conceptual, theory and research work that emanates from African institutions in public administration reflects a preoccupation with imported “generic” managerial templates. This preoccupation often translates into a fixation with managerial jargon and optimal internal operational practice.

The obsession is reflected in the overt focus on issues such as strategic planning, performance management, leadership, customer focus and e-government. It is often, understandably, driven by the need to find immediate solutions to make the institutions of government work for their intended purpose. However, in most instances this managerial fixation brings about various problematic consequences.

First, it often removes the willingness...
of academics and practitioners to move beyond the use of consultant templates and normative best and better practice approaches to complex and dynamic real world challenges.

Secondly, it overcomes the point where academics and practitioners lose sight of the initial rationale for introducing certain frameworks or tools for improving public administration. As a result, these frameworks and tools become ends in themselves and concurrently result in a failure to recognize the intended or unintended consequences of their introduction.

Out of touch
At another level, the African development challenge, the anti-globalisation mass movement and anti-neoliberal contestations have given rise to some critical analysis of African public administration delivery realities. These contestations often take place outside of mainstream engagements on public administration and the ongoing efforts to enhance the capacity of the state as a vehicle for collective coexistence and development within African countries. In this terrain, the role of the state is recognized, but the institutional operations of the public administration systems tend to be relegated to insignificance.

The consequence is that those involved in the actual delivery of public administration fail to derive any benefit from the rich analysis of development and service delivery realities within communities. Having made the policy point, the reflections and theory process often fails to engage with the matters that tend to preoccupy those involved in actual institutional processes and the actual practice of service delivery.

In view of the above threads, there is generally an absence of critical and engaging reflections and research on African public administrations. What we have is normative and un-substantive reactions to reality and critical and empathetic disengagements with public administration.

The central problem with this is the absence of reflection, research and theory that looks at the critical relationship between public institutions and their operations, as experienced by the institutional actors and the realities of services and state action, as experienced by nations and communities. The challenge is to find ways to interact with this relationship and close the gap between research, reflection and reality.

Accessible and appropriate "language"
Given the variety of reflection, research and practice in public administration, any response needs to be located both in process and in content. Within the terrain of content, the focus needs to be located in a "language" that appeals to those involved in reflections on public administration institutional practice and those involved in reflections on public administration as experienced in the delivery coalface.

Constructing the common language will take some time and much of the content will emanate from facilitative dialogues and actual research. A critical starting point would be to recognize, in broad terms, the language currency that broadly typifies the two reflective traditions. A broad initial caricature of these is attempted below:

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<tr>
<th>Managerial</th>
<th>Critical External</th>
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<td>Policy Making</td>
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<td>Accountability</td>
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<td>e-government</td>
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<td>Customer Service</td>
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<td>Decentralisation</td>
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<td>Innovation</td>
<td>Simplicity</td>
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<td>Efficiency</td>
<td>Freedom</td>
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Closing conceptual gaps
Whilst the existence of the different traditions may be good for open debate and contestation, its value is lost because of the absence of a critical dialogue that has meaning when choices are made on the allocation and utilization of resources. Building the content bridge would go a long way in building a common coalition of societal actors supporting efforts directed at enhancing the capacity of the public administration institutional system.

That is, on the institutions established to enhance collective coexistence and development. A critical element in building this bridge is further deepening research on the gap articulated and on seeking and establishing a framework for reflection and research.

In the absence of a collective frames of understanding institutional realities and the critical linkage between these realities and service delivery experiences or lack thereof, the ability to transform and enhance public administration will be limited because of conceptual limitations, rather than the administrative or political will to transform and change.

In building and generating substantive knowledge and research in public administration, it is necessary to focus both on the process of building research and knowledge engagements and on activities that would enhance the content agenda through active knowledge infusion.

At the level of process, this requires a broader and feasible strategy of ensuring that academics and practitioners from the divergent traditions are brought together.

At the level of activities directed at infusing new knowledge, it would require building the initial bridges by investing in some initial research that further explores the gap as a strategy for building a common language and discourse on public administration
Bringing Humanity to Prisons

The bustle of nearly 500 public servants attending the third annual public service learning academy at the monumental Feather-market hall in Port Elizabeth provided welcome neutrality, as opposed to conducting the interview behind the confines of steel bars, or inside a forbidding office.

It also eventually turned out that Jansen was not the stern and steely chief-prison-warder type one had imagined. Aged 50, he exuded both the physique and clout characteristic of his line of work, even without a gun or baton in sight.

His priestly figure and easy manner seemed to suggest confession rather than condemnation. The fierce look of prison authority, along with militaristic uniforms, was discarded with the gradual move towards a more humane penal regime. Jansen seemed to personify the post-1994 correctional services vision. But is being “humane”, like Jansen, or the penal or correctional approach he represents, not being too “soft” on deviants? In other words, is the country’s penal system about inmate comfort or due punishment meted out for criminal behaviour?

Some people, especially the actual victims of crime, often argue that it is only sensible that prisons are made as uncomfortable as possible. Bedbugs, bullying inmates and warders should be part of society’s punitive arsenal against the offender.

It is usually a natural reaction to advocate for harsher sentences or tougher prison conditions for offenders. However, as Jansen painstakingly inferred, crude punishment for criminal behaviour, like primitive public lashings tends to appeal to the vindictive streak in humanity. It panders to the rule of “an eye for an eye”, which, as someone...
once pointed out, leaves both parties blind to justice. The approach blurs the lines that distinguish between victims and victimisers, or prison officials and inmates, as was the case in Pollsmoor Prison, just before Jansen became prison head in 1997.

“Violence was widespread. Inmates used violence to resolve conflicts between them. Staff assaulted inmates as a matter of course,” Jansen reflected.

 Echoing some of the findings of the Jali Commission, Jansen said the overall effect of past prison policies and mal-practices, translated into a “chaotic” prison environment, in which the “management structure and [administrative] systems had collapsed.”

 According to Jansen, the deterioration and the near collapse of the pre-1994 prisons system was to be expected. Like everything else that defined life prior to the momentous changes brought about by the Mandela administration, prisons were nothing short of concentration camps, and were mainly repositories for legitimate dissent against many of apartheid’s policies. People, especially blacks, were routinely hurled into jails for breaking apartheid’s most mundane laws. Hundreds of activists, including Nelson Mandela, were herded to jails for voicing political dissent.

 An understanding of the “apartheid prison”, in the literal and figurative sense of the phrase, should underpin the penal reform challenges of the new South Africa, said Jansen, dwelling on the word “context”.

 “The apartheid [penal] system was one of the most punitive systems in the world. Like apartheid, it was meant to destroy people. You have to see this [penal reform] in the context of where we come from, without being soft on crime,” he concluded.

 Perhaps not surprisingly, at least for most South Africans born long before 1994, Jansen’s strong emphasis on the word “context” has strong parallels with his personal experiences under apartheid. Born in the rural town of Mossel Bay half a century ago, Jansen was appointed as the first black prison head in 1997. Jansen found himself on the other (decision-making side) of the penal system. Pollsmoor, like everything else at time, was a mess, except that this time the mess was squarely put on Jansen’s shoulders.

 “It [Pollsmoor Prison] was difficult to manage. It was clear that in order to create a decent prison I needed to take drastic action. One response would have been to increase physical security in order to solve the problem. This would have been the traditional response at the time. But I decided to do it the other way around,” Jansen said of the first days at work.

 According to Jansen, the thrust of doing things “the other way around” meant that both Pollsmoor inmates and officials had to go through a psychological and behavioural “migration” from the apartheid prison to an inmate rehabilitation approach that reflects the values of post apartheid South Africa.

 “People are still suffering from the legacy of the past and this makes it difficult for people to deal with the new South Africa. We have to deal with the psychological scars of the old South Africa,” he noted.

 “Because [officials are] are working in the prison all the time, it is really important that they develop skills to work with inmates in a humane way. And to be successful, one only needs a ratio of 15% technical skills to 85% people skills,” Jansen advised.

 A reduction in prison violence, less prison escapes, and large numbers of inmates enrolling in skills development and educational projects, are some of the outcomes of the Pollsmoor Prison transformation project. The success of the project became a subject of an award winning BBC television documentary, which provided much-needed positive feedback in what is often the dreary world of prison.

 “The purpose of apartheid was largely to dehumanise people and so our task is to rehumanise them,” said Jansen, who is now head of Goodwood Prison, in the Western Cape province.
Some time back, round about 1995/96, the national Cabinet took a major policy decision to remove Correctional Services from under the Department of Justice to be a department on its own. Most importantly, the Cabinet took a decision to move away from the prison service model to a correctional service in accordance with international best practice. Terms such as prisons, warders, prisoners etc. were discarded in favour of more sensible and constructive ones such as correctional centres and correctional officials. Also, a clear qualitative difference exists between a prison and a correctional centre as well as between a warder and a correctional official.

A prison is a place of hopelessness, of bitterness, of vengeance and human distraction. A correctional centre on the other hand is a place of new beginnings, of hope and rehabilitation where an individual is given another opportunity to mend his/her ways. A warder is more concerned about security while a correctional official understands that while security is important, he has to also embrace the principle and philosophy of rehabilitation and correction.

However, along with this change of names and terminology, there was very little work done in terms of transformation of policies, systems, procedures and processes to support this new policy direction.

Factors that contributed to the change

The anticipated shift from prisons to correctional centres was influenced by a number of developments both within the country and internationally.

In South Africa, the adoption of the 1996 Constitution brought about a new human rights culture, a culture that embraces every person, including the so-called prisoners. In addition there was a worldwide recognition or acknowledgement based on empirical research and studies that clearly showed that imprisonment on its own, particularly a punitive approach to it, does not produce the kind of results envisaged by the architects of the prison system. Instead of changing behaviours of those incarcerated, it turns them into hardened criminals.

This is the context within which the Cabinet took this progressive stance.
Transformational of correctional services since 1993

The 1993 Interim Constitution introduced a human rights culture to the correctional system. The Department consequently had to ensure that incarceration entailed safe and secure custody in humane conditions. On 21 October 1994, a White Paper on the Policy of the Department of Correctional Services was introduced, aligning the correctional system with the legislative requirements appropriate to a constitutional state. Other significant changes in the Department included:

- The passing of the Constitution in 1996 (enshrining the Bill of Rights);
- The 1996 Constitution of South Africa (incorporating the Bill of Rights);
- The National Crime Prevention Strategy (NCPS) by Cabinet in 1996, based on an Integrated Justice System (IJS) approach. One objective of the NCPS is to make the criminal justice system more efficient and effective and provide a sure and clear deterrent for offenders.
- The White Paper on Corrections in South Africa, which provided the overall framework for governance in democratic South Africa. It compelled DCS to align its core business with the Constitution and its modus operandi with the framework of governance.
- The passing of the Correctional Services Act (Act No 111 of 1998) by Parliament that represented a total departure from the 1959 Act. This propelled the DCS to achieve its vision of becoming a modern, internationally acceptable correctional system, designed within the framework of the 1996 Constitution and is able to deliver correctional services with integrity and commitment.

Amongst other things, the Act places a number of obligations that fundamentally constitute the mandate of the Department. Accordingly the DCS has to contribute to maintaining and protecting a just, peaceful and safe society by:

- enforcing sentences of the courts as passed by the courts themselves;
- detaining all prisoners in safe custody while ensuring their human dignity; and
- promoting social responsibility and human development of all prisoners subjected to community corrections.

The mandate of the department is drawn from:

- The 1996 Constitution of South Africa (incorporating the Bill of Rights);
- The National Crime Prevention Strategy; and
- The White Paper on Corrections in South Africa.

In partnership with some important external stakeholders DCS places rehabilitation at the centre of all its activities through:

- integrated application and direction of all resources to focus on correction of offending behaviour;
- promotion of social responsibility and overall development of persons under correction;
- cost-effective provision of correctional facilities that will promote security, care and development services within an enabling human rights environment; and
- progressive and ethical management and staff practices with which every correctional official performs.

DCS has adopted a set of core values that are necessary for rehabilitation orientation. These are:

- Development;
- Integrity;
- Recognition of human dignity;
- Efficiency;
- Accountability;
- Justice;
- Security; and
- Equity.

Strategic milestones in revitalising DCS since 2000

This period was marked by consistent engagement with the strategic direction of the Department. The Department has striven to interpret the purpose of the correctional system and unpack the policy direction necessary for successful delivery on rehabilitation and the prevention of recidivism.

The National Symposium on Correctional Services on 1 and 2 August 2000 (attended by approximately 160 participants representing approximately 70 stakeholder organisations), recognised the need to promote a collective social responsibility for the rehabilitation and the reintegration of offenders into the community. It also recommend the establishment of a “Partnership Forum for Correctional Services”.

In terms of the priority programmes of the Justice, Crime Prevention and Security Cluster, the DCS at the Cabinet Lekgotla held on the 22 and 23 January 2003 committed itself to step up its campaign to put rehabilitation at the centre of all its activities, by identifying the enhancement of rehabilitation services as a key departmental objective for the Medium Term Expenditure Framework (MTEF) period.

The Department identified the enhancement of rehabilitation services as a key starting point in contributing towards a crime-free society and developed different strategies to realise this objective, which are:

- development of individualised need-based rehabilitation programmes;
- marketing of rehabilitation services to increase offender participation;
• establishment of formal partnerships with the community to strengthen the rehabilitation programmes and to create a common understanding;
• promotion of a restorative approach to justice to create a platform for dialogue for the victim, the offender and the community, facilitating the healing process;
• combating of illiteracy in correctional centres by providing ABET to offenders;
• increase of production to enhance self-sufficiency and to contribute to the Integrated Sustainable Rural Development Strategy; and
• increase of training facilities for the development of skills.

The internal 2001 strategic planning session in October 2002 resulted in the adoption of the Mvelaphanda Strategic Plan for 2002-2005. The main thrust of the Mvelaphanda plan was to steer DCS to put rehabilitation at the centre of all its activities.

The 2001 Strategic Planning processes further recognised that the DCS was inappropriately structured and engineered for delivery on rehabilitation. Expected outcomes of the “Gearing DCS for Rehabilitation” project include:
• designing a clearly defined organisational structure with identified key functions;
• alignment of the organisational structure to the core business;
• analysis of business processes;
• alignment of budget with core business;
• determination of the skills and competencies required to perform; and
• designing information systems appropriate to the new structure.

In 2002, the Department developed a concept document called “Conceptualising Rehabilitation” for internal discussion. This was to promote a common understanding of the meaning of rehabilitation across the entire Department.

By 2003, all of these processes had consolidated into an understanding that correction is not merely the prevention of crime. It is rather a holistic phenomenon which incorporates and encourages social responsibility, social justice, active participation in democratic activities and a contribution towards making South Africa a better place to live in. Such correction within the DCS environment should be achieved through the delivery of key services to offenders, and through interventions to change attitudes, behaviour and social circumstances in order to achieve the desired outcome of rehabilitation and social responsibility.

For the DCS, operating in an integrated governance framework, it is required that its policy processes should be aligned with the overall Government strategy — specifically with the policy of the departments in the Justice, Peace and Security Cluster, the Social Sector and the Governance and Administration Clusters.

Organisational structure

The DCS is organised in six regions with a total of 48 management areas.

<table>
<thead>
<tr>
<th>Category</th>
<th>Filled</th>
<th>Vacant</th>
<th>Total</th>
</tr>
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<td>182</td>
</tr>
<tr>
<td>Middle/junior management</td>
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<td>355</td>
<td>2258</td>
</tr>
<tr>
<td>Correctional officials lo/</td>
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</tr>
<tr>
<td>Professionals</td>
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<td>1147</td>
<td>3219</td>
</tr>
<tr>
<td>Total</td>
<td>32 719</td>
<td>2947</td>
<td>35666</td>
</tr>
</tbody>
</table>

Offender population

South Africa has a high rate of incarceration with the total number of inmates in the DCS correctional facilities of 187 065. With a capacity of about 113 551 in the correctional facilities the DCS is facing a huge challenge of overcrowding. Of those that are in prison, about 29.3% are awaiting trial prisoners who, under normal circumstances should only stay for one month before trial. See the graph below.

Of the 187 065 inmates that are presently in the correctional facilities, youth aged under 21 years account for about 16% (29 000) while about 4 000 (2.1%) are female.

Employees in the Department

The Department of Correctional Services currently employs about 32 719 employees. Figure 2 below shows the staff complement of the department as well as vacancies that need to be filled.

Correctional officials account for the largest proportion (about four in every five or 85%) followed by professionals (6%), middle management (5%) and senior management (0.4%).

A total of 2 947 vacancies next to be filled in the department, a great proportion of which (59%) is in the correctional staff category.

Case Study

SDR Vol 3 No 2 2004
Budget

Figure 3 at right shows the budget of the DCS for capital works.

Project 2004/05 2005/06 2006/07

New correctional centres 250 046 834 598 344 491 611 122 841
Centre upgrading 255 673 197 13 339 627 133 399 148
Ramp: 33 & 146 centres 406 550 372 279 091 452 207 454 876
New head office 1 587 597 91 274 430 56 978 135
Total 913 838 000 982 070 000 1 008 953 000

Figure 4: Allocations per revised programme structure 2004/2005

New White Paper on corrections

A need has developed for a new white paper, as the previous 1994 White Paper were not aligned with various fundamental developments, inter alia, legislation like the 1996 Constitution, incorporating the Bill of Rights, the 1998 Correctional Services Act, etc.

The history of the department clearly depicts an overemphasis on the custodial function, with a lesser focus on correction and rehabilitation.

The purpose of the new White Paper was to create a platform for debate around correctional issues. It signals a historic development recognising and promoting the premise that Correction is a societal responsibility. The Department of Correctional Services is but one (yet critical) role-player in forging partnerships with communities, NGOs, other state departments, etc. in the effort to make Corrections the responsibility of each and every citizen of our country.

Objectives of the correctional system:

• Implementation of sentence of the courts;
• Breaking the cycle of crime;
• Security risk management;
• Providing an environment for controlled and phased rehabilitation interventions;
• Providing guidance and support to probationers and parolees within the community;
• Provision of corrective and development measures to the offender;
• Reconciliation of the offender with the community;
• Enhancement of the productive capacity of offenders;
• Promotion of healthy familial relations; and
• Assertion of discipline within the correctional environment.

The new White Paper promotes an approach to correctional administration and management that is based on the practice of Unit Management and providing a safe, secure and dignified correctional environment for inmates. Within this environment inmates can be assisted in correcting offending behaviour, develop societal friendly values and become a nation builder.

In advancing the Department’s core business of rehabilitation and correction, it will require working together effectively within the a framework of Integrated governance. The new White Paper acknowledges that South Africa’s unique socio-political history had a significant impact on the present day composition of offenders and nature of crimes.

One of its critical chapters, the White Paper deals with correction as a societal responsibility. It emphasises the importance of an integrated approach to correction as a solution to ensure the effectiveness of the criminal justice cluster. Most importantly also, it attempts to profile the characteristics of the typical
South African offenders. Who are they? Where do they come from? It seeks to answer questions about the demographics of crime, e.g. whether it is a historical coincidence that 99% of the people within correctional facilities are black and mostly drawn from the poverty stricken parts of the country.

The White Paper also attempts to understand the underlying behavioural aspects that drive offenders to engage in criminal behaviour. In general it tries to probe into these vital issues in order to formulate what could potentially be the future solution of the challenges that continuously plague the South African criminal system.

Other important elements contained in the new White Paper, are:

- Needs-based intervention plans (correctional sentence plans) and parole for all offenders;
- Safety, security and human dignity as part of rehabilitation;
- Recognition of special categories of offenders (children, youth, females, aged, handicapped) requiring special interventions;
- Appropriate and cost effective facilities based on a new design prototypes and incorporating a multi-purpose physical design; and
- The critical role of forging, and harvesting, effective external partnerships locally, on the African continent and internationally.

**Implementation of the ideals of the new White Paper**

The first step was to develop a phased White Paper implementation plan. The second step will focus on aligning the strategic and operational plans of the department with this White Paper Implementation Plan. The third step is to develop institutional capacity for delivery on White Paper, that will require, inter alia:

- A paradigm shift involving 34 000 members;
- Alignment of the work of relevant government departments and strategic partners with the White Paper;
- Transformation from a prison service to correctional service;
- Institutional practices directed at offenders;
- Institutional practices to reflect best practice administration — focusing specifically on management practices, processes and systems and employee profiles;
- Management of external relations — other government departments and service providers;
- Reduction of new offenders from society. As a social responsibility, crime can only be effectively addressed through the involvement of the community. Accordingly, communities, particularly families must address causes of crime and take correcting initiatives much earlier in life prior to involvement of criminal justice system;
- Active support of DCS internal programmes for parolees and people serving community service sentences, as accredited service providers (jointly with DSD);
- Family support/visits as a form of support is also fundamental; and
- Active support for re-entry or restoration of released people into society by families, employers, community structures

**Strategic priorities of the Department**

- Policy implementation;
- Improve compliance with internal control policies;
- Implement intervention programmes;
- Implement HRD strategy;
- Improve correction administration;
- Improve departmental administrative capacity;
- Improve communication and build relations with external stakeholders; and
- Improve innovation and decision management support.

The Department’s stakeholders include: CBOs, NGOs, FBOs, communities, families, educational institutions; the Criminal Justice cluster; Social sector cluster; private sector; Parliamentary legislative structures; and international relations.

**Challenge to build institutional capacity for delivery on White Paper**

Budget programmes are aimed to align budget allocations with service delivery range:

- Administration;
- Corrections;
- Security;
- Facilities;
- After care;
- Development; and
- Care.

**Departmental responsibilities to members**

Over the past years, there was no coherent human resource strategy in the Department of Correctional Services. This was merely due to the absence of a broader policy and strategic direction that clearly highlighted the core business of the Department. In accordance with the new White Paper, the Department has identified a number of areas in which it intends to develop its employees: training and development; management information flow; maintenance and benefits; exit management; and recruitment and induction.

**Challenges facing the Department in implementing the White Paper**

An improved human resource capacity

- Retraining of members;
- Recruitment of appropriate human resources and orientation — proposed Cabinet memo on appropriate resourcing of DCS;
- Compliance with policy and corruption prevention;
- Corruption investigation and sanction; and
- Management of employee stress and morale.

An effective DCS anti-corruption strategy

- Corruption as inherent in correctional systems — nature of inmates, levels of remuneration of officials, value of cor-
rectional system;
• Cabinet approved three-pronged anti-corruption strategy in 2002 focusing on corruption prevention, corruption investigation and disciplinary sanction of members found to be involved in corruption or serious mismanage-
ment;
• Will need sustainable programme over at least METF to impact on cor-
rupption; and
• Key challenge to build anti-corrup-
tion internal capacity and to liaise with various external agencies involved in anti-corruption work with and in DCS.

Improved administration and institutional capacity
• Managing information as strategic resource;
• Effective, efficient and systematic approach to creating, using and preserving information;
• Integrated information management system to support all DCS processes;
• Compliance with policy and procedures; and
• Ensuring evidence-based (research driven) programmes & interventions.

Needs-based correction, development and care services
• Rehabilitation — correction and develop-
ment — of prisoners;
• Community involvement — social restoration and reintegration;
• Needs of special categories of offend-
ers;
• Management of HIV/Aids and other health issues;

Improved management of security and facilities
• Reduction of escapes;
• Improvement of safety of offenders;
• Renovation of DCS facilities to be appropriate for rehabilitation services;
• Appropriate use of technology — inmate tracking, security equipment;
• Transformation of institutional “prison culture” and prison violence.

Implementing the White Paper: centres of excellence
The delivery on White Paper is being tested in centres of excellence. The establishment of centres of excellence is a process of aspiring to achieve excel-
lence in provision of correctional services, maintaining set standards, piloting best practice, and benchmarking with similar systems guided by provisions of the White Paper.

The implementation implications of the centres of excellence are that it will result in:
• Compliance with legal mandate;
• Measurable objectives;
• Value for money; and
• Clear performance indicators.

Definition of centres of excellence
Establishment of sustainable service delivery point, by creating environment for integrated holistic service delivery to offender as required by mandate, to ensure that offender leaves as productive, law abiding, socially responsible person, adequate to task of good citizen-
ship.

Methodology
• Creation of centres of excellence;
• Implementation of White Paper in selected centres;
• Resource provisioning;
• Service range — offender service, DCS personnel, external role players; and
• Provide a frame for roll-out through-
out DCS.

Characteristics
The main elements of the centres of excellence approach are:
• Test practical options for implement-
ing White Paper approach to rehabili-
tation in context of safe, secure and humane environment;
• Implementing principles of unit man-
agement;
• Employ mechanisms to improve com-
plicity with legislation, policies and procedures;
• Put measures in place to create cor-
rupption free environment;
• Involvement and effective manage-
ment of external service providers as partners in rehabilitation of offenders;
• Improve competencies of personnel through retraining, re-orientation, in-
service training, staff development and effective performance manage-
ment;
• Align programmes with provision of White Paper and ensure that they are informed by needs of offenders;
• Put monitoring and evaluation mech-
anisms to enable management to have early warning signs;
• Set service level standards with clear performance indicators; and
• Improve information management systems.

Implementation
• Selecting sites in each region (36 in total);
• Establishment of institutional struc-
tures at three levels (national, regional and management area);
• Appointment of technical team;
• Auditing of selected centres of excel-
lence;
• Resource provisioning;
• Development of business plan; and
• Launch.

Conclusions
It is envisaged that Centres of Excellence will serve as:
• A barometer for performance in DCS;
• Places of best practice;
• Afford offenders optimal opportuni-
ties; and
• Allow optimal utilisation of limited resources.
T

he public sector and academics in the public management field throughout South Africa, join the world in paying tribute to Gordon Michael Draper, whose contribution has left an indelible mark. Draper, a former government minister, died of a brain aneurysm at the age of 55 on Thursday 12 August 2004, at a London hospital.

Draper was a seasoned politician, businessman, academic, and most of all a remarkable human being, and a true friend to many people worldwide. Despite his achievements and status, Draper never lost the common touch and as Member of Parliament for Port-of-Spain North/St Ann’s West, he accomplished many great deeds with humility. Draper’s work was indeed a labour of love.

As the first Executive Director of the Institute of Business (IOB), he laid the foundation for what is today regarded as the leading business school in the region. He was the architect of the Executive MBA programme, which is now internationally accredited and has produced over 250 graduates.

The IOB became a self-sustained unit under Draper’s leadership. Draper was not just a son of Trinidad and Tobago, but also a son of the Caribbean. His contribution to the field of Management Education and Development has had a tremendous impact on the lives of individuals and organisations throughout the region. He was an invaluable resource to the IOB, his country and the region.

Speaking at Gordon’s funeral, Neville Ying, a colleague at the Mona campus of UWI in Jamaica, described the former minister’s contribution as “immeasurable and beyond simple definition”. Dignitaries present at the service included acting Jamaican Prime Minister, Joan Vuyelile-Williams, past and present government ministers, members of that country’s opposition parties and diplomats.

International influence
Following an approval by the Heads of Government of the Commonwealth in 1993 for the establishment of an independent professional association to provide advice on government reform, Draper worked tirelessly towards the founding of Commonwealth Association for Public Administration and Management (CAPAM).

He became CAPAM’s inaugural president in 1994 and a tower of strength in building an organisation that currently has memberships in 70 countries and provides a range of programmes. As the organisation’s director of International Development from 1997, Draper delivered programmes on government reform in more than 35 countries.

An astute and seasoned master craftsman, he had countless skills, including being an educator, organiser, politician, public speaker, and a researcher. He assumed all these roles with excellence, public management programmes and helped in streamlining and rationalising the work of this institution to be geared towards efficiency and relevance to contemporary global realities.

Draper’s contribution to public sector reform was widely recognised globally and his strategies had been adopted by at least 25 countries around the world.

Art Stevenson, the Executive Director of CAPAM, announced the introduction of the Gordon Draper Award as an acknowledgement and recognition of Draper’s legacy. The award is for CAPAM employees who provide dedicated service to the institution.

To Chela, his wife and the family, whom he so dearly loved and stood by as a warm-hearted father, and friend at all times, South Africans say thank you for letting us share Gordon for the last 10 years.

Eulogy

Tribute to Gordon Draper
The 21st century heralded fundamental changes impacting on various aspects of human life. Individuals, private organisations and government institutions are now using information and communication technologies to conduct their businesses in ways totally different from the past times. This is so much demonstrated in the nomenclatures with the prefix “e” that developed with the dawn of the digital or communication and information technology revolution.

In public administration and related disciplines the concepts government, governance and democracy have been with us for a long while. But now, with the dawn of the digital revolution, “e” is prefixed on these concepts to exemplify the nature and extent of changes taking place in the business of government.

A review of the contemporary discourses and debates on digital technology and public administration reveals, however, that the concepts e-government, e-governance and e-democracy are used interchangeably, as if they mean the same thing. Consequently, ICT related policies are often developed from conceptual inexactness. This is clearer in South Africa where, in most ICT-related policy documents reviewed, the concept e-governance is incorrectly used instead of e-government. E-governance and e-democracy are also often treated as being synonymous in some of the available theoretical literature examined.

The confusion between e-government, e-governance and e-democracy also manifests itself in a variety of ICT initiatives pursued by government with the intention to enhance the welfare of the citizens. As Pauw (1999:465;469)
In its simplest sense, e-governance can be said to be about the use of emerging information and communication technologies to facilitate the processes of government and public administration. In reality, though, e-governance is really about choice. It is about providing citizens with the ability to choose the manner in which they wish to interact with their governments. And it is about the choices governments make about how information and communication technologies will be deployed to support citizen choices.

With regard to the above, Okot-Uma (2003:06) explains that “e-governance seeks to realise processes and structures for harnessing the potentialities of information and communication technologies (ICTs) at various levels of government and the public sector and beyond, for the purpose of enhancing good governance”. It can, according to Riley (2003:online), evolve into participatory governance, which is the fundamental imperative of democracy. For e-governance to achieve the foregoing, it must, however, be “well supported with appropriate principles, objectives, programs and architecture” (Riley 2003:online).

A closer look at the above definitional and explanatory perspectives indicates that e-governance, as Brynard (2002:53) aptly put it, is “beyond the scope of e-government”. This means that e-governance, in contrast with e-government, is not only about the processes and structures regarding the electronic delivery of government services and public information. It is much more than that. E-governance is also about, more importantly, the interaction between the government and its broader environment in the networking economy.

As Clift (2003:online) correctly ob-
e-democracy is associated with efforts to democracy, explains the concept as follows: “... the use of information and communication technologies and strategies by ‘democratic sectors’ within the political processes of local communities, states/regions, nations and on the global stage”. The “democratic sectors” Clift referred to in the foregoing are: governments, elected officials, media and major on-line portals, political parties, interest groups, civil society organizations, international governmental organizations and citizens/voters.

In reflecting on the meaning of e-democracy, Moore (1999:55) considered two perspectives, namely commonly-used and radical definitions of the concept. Commonly the concept e-democracy is used to refer to everything from the use of information and communication technologies (ICTs) to enhance and promote democratic practices in a country’s systems of governance. The technological applications referred to in the foregoing could include, among others, televised people’s parliaments or citizens juries, e-mail access to electronic discussion groups, public information kiosks and internet (Hague and Loader 1999:03-04).

From the above exposition, it is clear that the definitions of e-democracy as provided above resemble a high degree of sameness with those of e-governance. Some authors in their writings even treat these two concepts, namely e-democracy and e-governance, as the same (see Clift 2003:online). But, the question is: Are they really the same? This article contends that e-democracy is not per se synonymous to e-governance. E-democracy should rather be understood as the natural extension of e-governance (see Riley 2003:online). In debating e-governance, however, reference would inevitably often be made to aspects of e-democracy.

Conclusion

The clarification of concepts is a very important intellectual exercise that needs to be seriously inculcated among policy-makers. It must precede any policy development initiative so as to ensure that the objectives intended to be achieved are properly captured and clearly understood using appropriate concepts as they are important tools we use in thinking.

If we use concepts incorrectly, our thinking, particularly in developing policies, would be inexact in dealing with issues of public administration. If we use concepts incorrectly, our thinking, particularly in developing policies, would be inexact in dealing with issues of public administration. Inexact thinking would result in policies that are flawed; and faulty policies would culminate in the implementation of faulty programmes and projects. In this context, therefore, the importance of conceptual lucidity in the development of policies cannot be overemphasised.

Indeed, effective implementation of policies is largely dependent on the proper use of concepts in debating and developing such policies. This underlines the gist of this article in making the distinction between e-government, e-governance and e-democracy as they are relatively new concepts that, with the dawn of the digital or information and communication technology revolution, permeated the realm and parlance of public administration.
Towards a Development Communication Approach to Government Communication

Development communication is a method of providing communities with information in a manner that enables people to use that information to improve their lives. The approach is aimed at making public programmes and policies real, meaningful and sustainable.

The information must be applied as part of community development efforts and must address information needs identified by communities. The intended outcome is to make a difference in the quality of life of individuals and communities.

Elements of development communication

Development communication is responsive. This means that communication between Government and the community must be responsive to the needs of the community. There must be a balance between what Government wants the community to know, e.g. Constitutional rights, and how to attain them, and what the community feels they want to know.

It relies on feedback. It is a two-way communication process that involves consultation with the recipients of information and provides them with answers to their queries. This process similarly gives Government an opportunity to listen to the ideas and experiences of communities especially about programmes and services aimed at bettering their lives.

It must be creative and innovative. The message must clearly show how information received can better the lives of recipients. The message must promote hope and trust within its recipients to encourage its recipient to be interest-

Michael Currin, of the Government Communication and Information System, outlines a broad-based communication strategy meant to ensure a continued understanding between all stakeholders – from government to the citizenry – in the communication machinery aimed at enhancing development the country
ed in its content and to become “a part thereof”.

It is about continuity and sustainability. It is not about government dumping material on communities and not making sure that they understand its content. Follow-up workshops can be arranged to emphasise the importance and necessity of the information. The community must therefore use it continually and in a sustained way to enrich their lives. It must be available continuously when there is a need. It relies on community participation. It is about planning with communities and identifying their information needs. It is also about working with communities in disseminating information, and inviting Government officials to explain how programmes work and how they can be accessed.

It promotes bringing government closer to the people so that people do not have to travel long distances to access government services. Through the Imbizo outreach programme, for instance, Government goes to the people to make itself visible and to listen to the community’s concerns and issues about programmes, services etc.

It is about the use of relevant language. Concepts must be developed in the language of the community served, and the community must participate in the development of that material.

Example: Arranging a pre-testing exercise at an MPCC where the community is able to see the material before it is produced. This gives them the opportunity to comment on the language used and its relevance as well as the accessibility of content.

**Methods of development communication**

Community liaison programme. It is linked to district and community events where the communication officer becomes well-known and respected by all major stakeholders and community representatives within the district. This approach assumes that Government should have a person at local level who works as a developmental worker.

Networks can be developed to assist especially those departments which do not have grassroots capacity to work with those which do.

**Video.** Communication officers should obtain the necessary training on video recording so that they can record important community events, play them at MPCC waiting rooms, community halls, and also send issues of importance to local, provincial and national government. The community could also video their response for review by the Cabinet. Such issues could include: A better life for all; Unity in action for change; Lending a hand and Vukaamizelo/volunteering. A video on youth issues and activities and their problems, fears, excitement, suggestions, concrete recommendations, etc. on such issues could be part of a campaign leading to a public meeting or even a youth day event. The video should not only dwell on problems but also on community and government solutions.

**Discussion circles.** Discussion groups are structured along the lines of quality circles where representatives from different communities or ward groups discuss important issues pertaining to information needs and queries about service delivery. It is an open discussion based on small group dynamics where specific issues on delivery, products, questions and programmes are brainstormed.

**Radio.** This entails live broadcasts of outdoor programmes or studio panels discussing relevant topics. Community members can use the tele-centres at Multi-Purpose Community Centres (MPCCs) to access the programmes. Studio guests can specialise in issues such as domestic violence, child protection, women and child abuse, crime prevention etc. GCIS communication officers must arrange for the panelists and the programme itself. He/she must also advise the tele-centre manager to seek government or community sponsors for the costs of the phone-in programme. Local government should feature prominently as partners in this venture as they are closest to the callers and can respond most effectively. Government communicators can play a major role in creating this enabling platform for their counterparts, especially as a small budgetary contribution from a few participants makes this medium a viable option.

**Community participation**

- Panel discussions at MPCCs;
- Panel discussions at each ward or a group of wards together;
- The senior communication officer (SCO), district municipality or provincial communicator should arrange with the school principal, regional education inspector and expert from a non-governmental organisation (NGO) to talk to the communities about impending changes to the education system. At such an event Home Affairs could also speak to prospective applicants about what is needed to get an ID; Department of Labour could outline how Learnerships work etc.

**Television.** Television may, if possible, be used for national developmental programmes to educate and entertain the community, e.g. Edufocus which is a national programme done by SABC together with the Department of Education to educate young people about life skills, health issues etc. These programmes can be used successfully in other local platforms and government communicators can work effectively together to create networks to enhance the distribution channels of these products.

**Drama.** Folk-drama may be used to tell stories or events in a dramatic way. It is an objective way of addressing sensitive issues that communities may not talk about openly. In this way, the characters do the talking. Stop-start drama is simple and real. It presents problems and tries out different solutions.

**Other.** Participatory observation — attending projects to observe. By having effective local government communication structures in place, this form of on-the-job learning will be more easily facilitated.

Exchanges including staff members...
MPCCs should be developed. Having community notice boards at a particular message. The culture of offices, local business, etc. to disseminate places such as schools, clinics, post offices, community halls and public spaces. Information is spread through friends, the "each-person-teach-another" principle, whereby information is spread through friends, families, neighbours etc. Example in deep rural areas were everyone knows everybody.

Posters that are well-designed can be put on community halls and public places such as schools, clinics, post offices, local business, etc. to disseminate a particular message. The culture of having community notice boards at MDCs should be developed.

Flyer with a small and simplified version of the key concepts and messages, that is quick to read and understand.

Zards: a pocket booklet with key messages that is easy to handle.

Other promotional material: These include T-shirts, caps, key-holders, etc.

Cost implications
The debate around cost implications needs to be taken further. While the use of development communication methods and especially existing local networks and structures can be effective in ensuring cost reductions, it is agreed that the development communication approach involves significant logistical and management co-ordination and attention. Some of the salient issues involved include:

- Use of development practitioners or the establishment of solid relationships with intermediaries including NGOs, community-based organisations, consultants, etc.
- Transport, especially if intermediaries such as drama groups are involved.
- Reach — how to ensure that the message spreads, even to those people who did not participate in an event. This is a trade-off with the assumed reach of media and advertising.
- Catering and subsistence and travelling issues feature prominently in this approach as it is very “people-centred” and this area of public administration is complex and often prone to “red tape”.
- Managing human relations — some regard it as far easier to procure a media or advertising service through an agency as opposed to the intensive and sometimes difficult process of managing a network of practitioners and stakeholders.

Given the participatory approach which is proposed for monitoring and evaluation of development communication and information projects and activities, it will be very important to cultivate relationships with important community stakeholders.

Practical development communication methods and actual examples
Face-to-face communication through imbizo
Imbizo is part of government’s commitment to get closer to the people and promote accountability and transparency. It is a campaign taken up by all spheres of government whereby government is afforded an opportunity to have an insight into people’s concerns over the delivery of services and the betterment of their lives. The campaign promotes partnership between the government and the people and fosters participatory democracy whereby ordinary citizens are encouraged to be active participants in the transformation of the South African society and be part of the process of building a better life for all.

 examples: The Presidential Imbizo in Bekkersdal in October 2002 assured the people of Bekkersdal and the nearby areas that government was concerned and wanted to hear about people’s needs in order to address them. Frequently asked questions about water, electricity, sanitation, housing, jobs, etc. were referred to the relevant departments.

The National Imbizo project team co-ordinates all the national Imbizos around the country, compiles a detailed report after the National Imbizo Focus Week together with the Presidential Imbizo and circulates it to relevant departments for their attention and response.

Tracker research is also conducted to ensure that people are aware of Imbizo, and that they understand its necessity. The results of the research confirm people’s needs and concerns in terms of fast-track service delivery in solving some of the priority issues.

Workshops
Workshops are valuable ways of disseminating information to the community but also soliciting their views and feedback. Presentations and discussions can be arranged to elaborate and clarify important service delivery issues.

Example: A two-day workshop was held in Makhuvha in Limpopo Province in October 2002 between the GCIS and the Department of Trade and Industry as a pilot project to make people aware of economic opportunities available to them at MPCCs, and how they can use these opportunities to better their lives. The workshop was also intended to illustrate how these opportunities together with training and education will be brought closer to them at the MPCC, and how access will be enhanced.

This means that the local community
itself needs to be creative and use local resources available to them to start their small businesses. A group session was formed on the last day of the workshop during which the community compiled business plans for small enterprises which were related to the local infrastructure/resources. Examples ranged from the brewing of marula beer, fruit growing, woodwork and art made from local timber. A funeral parlour was also proposed.

Road shows
Road shows are also part of unmediated communication, because of their mobile nature, reaching a large number of villages within a short space of time. This is where officials meet with communities, combining information with entertainment. This encourages mass attendance, especially among the youth.

Mobile vehicles can significantly enhance the success of road shows by extending the reach of government. It will make this type of communication even more visible as its technical nature, the use of sound systems, an attractive performance stage, big screens, etc. all contribute in enhancing the allure of the event. They lend themselves well to outdoor activities of a mass character and are important in addressing facility shortages in some areas.

Example: A project initiated through partnership between the Film Resource Unit (FRU) and the GCIS has used two mobile units to show films in rural and peri-urban areas. Though this is still a pilot project in Sebokeng and Lebowa, the idea seems to work successfully in both communities.

Two fully equipped mobile trucks and film are used to educate and entertain the community. Follow-up focused workshops are conducted to reinforce information and to address important issues which may have been raised by participants in the preliminary film festivals. Issue specialists from government and civil society with relevant information on the topics are invited to address areas of concern.

The project will be extended to other provinces as and when the resources are available to purchase other mobile trucks to cater for communities in deep rural areas. The value of such an access strategy can, however, already be seen for other theme months following an intensive pilot held during the Youth Month 2003.

Another example: Mobile trucks used by the South African Police Service (SAPS) in Limpopo are a further example of good unmediated communication where the police renders services to rural communities that do not have police stations nearby, thereby giving them the opportunity to access services at the mobile units.

The Cricket World Cup preparations made use of drama and road shows in creative synergy.

Case studies on some of these initiatives are still being documented.

Print products
This method remains one of the most popular although problematic within government communication. Communicators regularly develop print products for local distribution. Issues to consider in designing relevant print products include:

- Language both in terms of the balance between English and African languages as well as the level of language used in the product — the idea is to use less technical and complex language.
- Design and layout — while the use of graphics, colour, large fonts etc. are widely understood, many government print products labour under the weight of lengthy blocks of text which makes it difficult for people to read and jeopardises the value of such products for local consumption.
- Distribution — very often intricate budgeting is done to develop a product but very little emphasis is placed on strategically and relevantly distributing the product. Similarly, language profiles of districts are not considered carefully when distribution is taken. Access is not simply about ensuring the successful delivery of the product into a remote village, a big enough exercise on its own; access is about whether the communities have been able to understand and use the information contained in the product.

Example: The Department of Communication at the University of Pretoria conducted a study into the use of a plain language leaflet designed for small farmers by the Agricultural Research Council. The researcher, Mpho Chaka, previously an intern student at GCIS’ Provincial and Local Liaison (PLL) Chief Directorate, discovered the value in properly involving communities in the design of material intended for their use.

The study attempted to evaluate the usability and effectiveness of an agricultural information booklet targeted at small-scale rural farmers in a developmental context. The main objective was to establish the target audience’s current knowledge of printed information as well as to examine the elements of the text such as appreciation, comprehension and acceptance. This study also attempted to explore demographics and socio-economic factors as possible barriers to the effectiveness of communication in a developmental context.

The argument was that the viability of and prospects for effective communication with the small-scale rural farmers depend on two factors: the method of communication and appreciation, accessibility, correctness and effectiveness. Firstly, usability is the extent to which a communication “product” such as an information booklet can be used by specific users to achieve specific goals with regard to effectiveness, efficiency and satisfaction in a specified context such as agricultural development. Secondly, effectiveness is the completeness and the accuracy with which users achieve specified goals. It often relies on the presentation of information in a way that is understandable to the users.

In spite of overwhelming evidence that top-down communication is ineffective, these practices prevail. It is in this context that it is necessary to generate print products with a better idea embedded in integrated communication.
as a new way of looking at developing and empowering people via the light of knowledge.

The crucial element of the prospect of usability and effectiveness is the question “which development communication methods or media are applicable to reach the target audience so that understanding and development occur”? Without communication no society can exist, develop or survive. Does the answer lie in integrated communication practice? Is there an argument to be made for the dissemination of information in an integrated manner?

Drama
Drama is an artistic and performance mechanism of disseminating information. It can effectively be used in events which target the youth. Example: The Tswelopele drama group performed during the launch of both Ipelegeng and Mamelodi MPCCs. The group was dramatising the importance of an MPCC to the community, with a focus on what services it will offer and how the community could access those services. The idea was to popularise the MPCC and to mobilise the community to come and use it. It also conveyed the message that government cared, and this was why it brought services closer to the people so that they no longer had to spend money on transport to access such services.

Monitoring and evaluation systems for the development communication approach

Why do we need this monitoring and evaluation system?
• To ensure appropriate distribution of information at the local level and promoting the culture of responsive government.
• To motivate project teams through effective feedback and measurement of outcomes. We cannot improve or develop what we cannot evaluate.
• To ensure credibility and accessibility of government information at local level.

• To identify shortcomings in project implementation and recommend improvements.
• To assist in developing a PLL Learning Network towards a learning organisation.

Approach to monitoring and evaluation
• Participatory approach, joint planning and implementation, monitoring and evaluation.
• Each project should design an evaluation tool appropriate to that particular event.
• Partnership-based — not just GCIS as we do not always implement projects on our own.

Method
While individual projects may have their own unique evaluation instrument, the following methods can be considered:
• focus groups;
• information champions — a local stakeholder/community figure who assists in assessing the impact of the project;
• face-to-face interviews;
• telephone interviews;
• panel questions;
• participatory observations;
• Imbizo discussions;
• media analysis;
• surveys; and
• monitoring demand for services.

How do we strengthen our stakeholder relationships?
This, however, should not imply that such local partners should provide anything but a frank and objective assessment of the particular project or information activity. The identification of such stakeholders who can play a role should emanate from community development processes which are open and transparent, and the community can nominate appropriate individuals/groups to play the role of assessor/evaluator. This should, however, not exclude the identification of important stakeholders including the following who can also play a role in monitoring and providing assessment of the impact of the activity:
• Ward councillor;
• Traditional leader;
• Religious leaders;
• Leaders of NGOs and CBOs;
• Disabled groups, etc.

The following systems can play a role in promoting the development of sound stakeholder relationships:
• A memorandum of agreement, wherein an agreement is signed for and relationship and the terms of references toward effective evaluation partnerships with an individual or a group are clarified.
• A volunteer agreement form similar to the one used by the Department of Safety and Security for volunteers at local police stations.
• Training to equip partners with monitoring and evaluation skills.

Who will be part of focus groups?
If a focus group has been identified as a method of conducting and monitoring and evaluation exercise the following participants can effectively form part of such groups, perhaps based on their areas of interest/specialisation:
• traditional leaders;
• youth clubs;
• women’s clubs;
• the disabled community;
• Community Policing Forums;
• local government councillors;
• ward committee members; and
• local business.

What value will it add?
• instil confidence in communities about government’s commitment to improve service delivery;
• accountability and transparency;
• promote public participation through partnerships;
• improve the quality of life by being very focused and relevant in our communication;
• speed up the dissemination of information to the public — make sure our programmes reach every corner of the district; and
• enhance Batho Pele principles.
Fraud and Corruption in the Public Sector: An Audit Perspective

Fraud is a concept that is generally understood but its characteristics often not recognised until it is too late. It is often thought of wrongly as a victimless crime. In fact we are all victims, whether directly through our businesses or indirectly as members of the general public suffering as a result of poor service delivery or price inefficiency. Fraud costs public sector organisations hundreds of millions of rands each year.

Measures to fight fraud and corruption in the Public Sector are no longer a legislative imperative but should emanate from the basis of commitment to serve the interests of a stakeholder who is an ordinary citizen who pays taxes and levies with a view of receiving specific services from government. We have been put in the positions that we hold on the basis of trust and we should not only just take responsibility but should be seen to be responsible and displaying a strong sense of accountability within our spheres of operation.

Are we effective and efficient in preventing and combating fraud and corruption? In order to support this claim I look critically at public perceptions and then conclude by laying a foundation for a systematic approach which could help improve fight against this evil wherever it raises its ugly head in the Public Service.

Value for money principle and some basic economics

Before the democratically elected government we often took advantage of the poor understanding by the ordinary citizens that we were employed to serve. Since the birth of democracy, South Africa citizens have a fair understanding of what the government must do to create a better life for all. The public have expectations for service delivery in many areas, e.g. health, education, housing, safety, social development, job creation, etc.

The government derives its budget largely from taxes that are paid by the ordinary citizens who do not have a choice. A citizen paying taxes does not have that sophistication to effectively judge the delivery by government. He feels government is a force above him, dictating how much he must pay and then determining how "his money" will be spent. His income earned attracts PAYE & SITE; his purchases attract VAT; fuel purchases attract fuel levy; Property attract Rates, and even his donations attract donations tax. More taxes from gross income that the government uses to provide basic services give citizens little freedom to investment at his convenience due to shrinkage of the disposable income. An ordinary citizen has only a third of disposable income to spend on necessities and savings that has an impact on the economic activity of the country.

Fraud survey and statistics

Studies have shown the following statistical information:

• Twenty five percent of all adults lie,
steal or cheat, practically all the time whilst the other 25% would never ever do anything dishonest. The remaining balance of 50% can go either way:

- More than 90% of fraud goes undetected.
- More than 80% of convicted criminals admit to serious previous crimes that had not been detected by the victims.
- The South African perspective shows that 85% of fraud is by insiders (80% is by staff and 55% by management).
- The global average loss resulting from fraud per organisation is R16.5 million. Fraud Survey by Ernst and Young in 2003 gave the following results:
  - Fifty five percent of fraud is committed by management and 30% by employees.
  - Eighty five percent of managers committing fraud have less than one year’s service.
  - Weaknesses in internal controls system contribute mostly to fraud.
  - Organisations that have embarked on fraud awareness have recorded a significant drop in fraud.
  - The amount recovered has risen from 29% to 50%.

Occurrences of employee fraud and corruption as per the survey report by South African Institute of Government Auditors take place in areas listed in order of prevalence below:

- Reimbursing travel expenses;
- Inventory stock;
- Fruitless expenditure;
- Procurement;
- Irregular expenditure;
- Asset theft;
- Unauthorised expenditure;
- Leave;
- Cheques;
- Claims; and
- Payroll.

Impact of fraud and corruption
The effect of fraud does not only prejudice the government but also citizens. It is noticeable in its non-delivery of essential services, increase in taxes, poverty, crime, rate of diseases, employment, disposable income, dysfunctional households and decline in economic activity. It is felt by all citizens and mostly by the poor in their fight to survive. It severely affects only law-abiding citizens and benefits only the criminals.

- By taking bold steps to root out rampant fraud in the public institutions it is also true that such steps are not adequate as they are only reactive and therefore not preventative. Recently forensic investigation findings within provincial departments alone indicated that cost of fraud was in excess of R40 million excluding the cost of investigating such fraud and cost of resources used in misconduct enquiries and criminal prosecution.

This gives a picture of how monies that could be used for poverty and creation of jobs and infrastructural development initiatives end up in the pockets of criminals. These investigations alone are not adequate but preventative measures are more critical as fraud and corruption impact on the public institutions’ capacity to meet their constitutional obligations regarding delivery basic services and the right to just administrative action to the community that we serve.

What does this mean?
As public servants we need to ensure effective administration and management of public funds entrusted upon us. We need to ensure value for money when we spend public funds; avoid fruitless, wasteful and irregular expenditure; reduce misappropriation of these funds and eradicate fraud and corruption. Responsibility for fraud and corruption prevention does not only sit with the Cabinet. The potential damage, both financial and to reputation, together with ever-tightening corporate governance requirements, means that we cannot afford to ignore the risks and assume fraud and corruption will not happen to us.

KZN Internal Audit Unit Perspective
My experience has told me that the perpetrators of fraud and corruption are amongst the following:

- Government officials (mostly in positions of trust);
- Government officials in collusion with other government officials;
- Government officials in collusion with outsiders, including suppliers and bank employees; and
- Outsiders, mainly suppliers.

In my experience in Forensic Investigations the following have strongly emerged to be indicators of fraud or red flags:

- Living beyond one’s means and sudden change of lifestyle from variance with their known sources of income;
- Suppliers/contractors who insist on dealing with only one member of staff working within an area, which is susceptible to fraud and corruption and undue pressure on staff in unreasonably short periods of time.
- Significant and prolonged understaffing within divisions such as procurement, human resource, finance and internal audit.
- High turnover rate of key officials in procurement, human resource, finance and internal audit and low morale.
- Lack of independent checks to ensure that only appropriate employees are recruited by taking references, checking for criminal convictions, disciplinary actions and regulatory bodies.
- Lack of segregation of duties and appropriate to queries from management, suppliers, customers/clients and auditors.
- Undisclosed conflicts of interest and lack of checking for connections with employees of the organisation.
- Work without leave or excessive hours by key staff and/or a lack of delegation of apparent mundane tasks.
- Overly complex corporate and/or reporting structure.

Fraud has been prevalent on procurement, Persal, time, projects, assets and the extensive use of consultants. Psychological Dilemma of a Fraudster is a fraudster is pressure that is brought about by the world around people. Due to financial pressures and pressures to improve our welfare and prosper as persons, we sometimes commit fraud.

Attitude has also presented itself as another psychological dilemma of a fraudster as people think that when they
defraud or steal from the government there is no impact or the government has extra money. It is also central to moral philosophy. Alienation has created a culture of self-enrichment, competition and poor consideration for others. We also as managers create opportunity for fraudsters to defraud government that presents itself as the most prevalent psychological dilemma.

How do we do our budgets? Are we not also budgeting for fraud? What mechanisms have we put in place to manage our budgets? Is our financial reporting adequate and meaningful?

Why is fraud not identified during the financial reporting process. Why the rate of fraud in Persal and Procurement is alarming!

For many reasons, the percentage of reported and investigated cases of fraud and corruption remain low. These include weaknesses in the internal control systems, bad management, and lenient penalties by presiding officers on misconduct of officials and low conviction rate by the courts as well as low social values in our society.

While many criminal incidents go unreported, the general feeling is that crime is on the increase. This is attributed to many secondary factors, chief of which are low salaries, economic pressures and socio-economic imbalances and high workload.

Also to blame are:
- Lack of leadership.
- Behavioural patterns.
- Undue influence.
- Lack of sense of accountability
- Lack of adequate management information systems.
- Poor work ethic.
- Corruption by law enforcement agencies.
- Lack of skills to investigate fraud and corruption by law enforcement agencies and lack of synergy between departmental investigative units, internal audit units and law enforcement agencies.

The following has played a significant role in allowing fraud and corruption to increase drastically:
- Jobs of all officials within our institutions are not adequately defined resulting in officials not knowing what they have to deliver.
- Delivery by officials is not adequately managed and performance management does not balance outputs with given inputs.
- There is general lack of culture of performance in our institutions and adequate action is not taken for poor performance or lack of delivery.

**What can be done?**

Let me get back to my introductory statement that says that we hold our positions because of the trust those who employed us have in us. This in turn means taking responsibility and displaying a strong sense of accountability within our spheres of operation. It is our responsibility to prevent and combat fraud and corruption.

The objectives of Anti-Fraud and Corruption Strategy are as follows:
- Improving efficiency, effectiveness and accountability.
- Improving the application of systems and policies.
- Supporting a good corporate culture.
- Facilitating the reporting and monitoring of cases of fraud.
- Ensuring the deterrence, prevention and detection of fraud.

**Developing an effective Anti-Fraud and Corruption Strategy**

If we are to fight fraud and corruption successfully the following are the critical focus areas for the development of an Anti-Fraud and Corruption Strategy:
- What are the vulnerability areas within our operations that are susceptible to fraud and corruption and how it happens? This means thorough understanding of all business processes.
- Factors which cause fraud and corruption and why it happens.
- Indicators of fraud that require all of us to understand more about risk of fraud, to recognise the warning signs.
- Who are the perpetrators of fraud?
- What types of incidences of fraud and corruption are prevalent in our environment and ways in which it can be mastered?
- It requires a review of organisational and structural characteristics, management characteristics, employee characteristics, operating environment and financial characteristics.
- It also requires the effort of, and cooperation between, individuals, businesses, investigators and law enforcement agencies.
- What measures could assist in dealing with attitude and pressures as a psychological dilemma for fraudsters?
- How do we deal with the opportunity created by our own leadership weaknesses and lack of accountability?
- What are the agreed procedures for handling suspected fraud and corruption activities?
- How do we co-ordinate and align activities, structures, systems and mechanisms put in place to fight fraud and corruption?
- What are key performance indicators that are measureable to ensure effectiveness of the strategy?
- Do we have a monitoring and evaluation mechanism that will give indications early whether we are moving towards the right direction or are we losing the battle?
- What capacities are available to deal with fraud and corruption and how can we facilitate continuous training and development and match the best practice?

The development of meaningful strategic plans and performance management systems that take into account risks of fraud, particularly those faced by our institutions is pivotal in fighting fraud and corruption. We need to move away from developing strategic plans purely for compliance with legislative framework.

Strategic plans should be developed out of necessity guided by the environment in which we operate to ensure that we have outputs and outcomes that talk to anti-fraud and corruption. Our budgeting and financial reporting process has
to be thoroughly reviewed and corrected.

Measures to prevent and detect fraud and corruption are simpler than measures to investigate fraud and corruption. In addition, most of the resources to combat fraud and corruption exist within our institutions:

- Systems of internal control in the form of built-in control within our computerised systems, segregation of incompatible duties and management reviews.
- Independent reviews of computerised and manual systems and processes at development stage before implementation and reviews during operation by internal auditors.
- Independent reviews by external auditors.
- Hot line that is effective when there are mechanisms in place where reports of fraud and corruption could be made and whistle-blowers receive adequate protection in terms of legislation governing whistle-blowers.

What the Government has done to fight fraud and corruption

The impact of fraud has over the last few years led to the promulgation of special legislation and improvement in existing legislation that led to the creation, amongst others, of:

- The Directorate of Special Operations, commonly known as the Scorpions;
- Asset Forfeiture Unit;
- Public Protector;
- Special Investigation Unit;
- Commercial Crime Units;
- Internal Audit Units;
- Special Investigation Units within departments; and
- The Appointment of Forensic Consultants.

In support of the above structures the government embarked on the following legislative reforms:

- Special Investigating and Special Tribunals Act, 74 of 1996 (as amended);
- Proceeds of Crime Act, 76 of 1996;
- Prevention of Organised Crime Act, 1221 of 1998;
- National Prosecuting Authority Amendment Act, 61 of 2000;
- KwaZulu-Natal Internal Audit Act, 2 of 2001;
- Prevention and Combating of Corrupt Activities Act, 12 of 2004; and
- Criminal Procedure Act, 51 of 1977 (as amended).

All these happen at a very high cost to Government as all these services came into being as a result of an increase in fraud.

The basic principles of an Anti-Fraud and Corruption Strategy

We need to safeguard our assets not because Public Finance Management Act, No. 1 of 1999 (as amended) compels us to do so but because it is the correct thing to do. We also want to be proactive and not reactive. It will strengthen corporate governance and benefit the poor communities. It supports the National Anti-Corruption Resolutions on stamping out fraud, zero tolerance, educating towards higher moral ground, recognising the consequential effects of fraud and corruption and detecting, reporting, investigating and punishing those who defrauding and corrupting within the government structures.

The Anti-Fraud and Corruption Strategy must be detailed, comprehensive and be measurable and supported by, amongst others, the following:

- Underpinning principles of the strategy;
- Code of conduct and business ethics supported by adequate mechanism to oversee compliance.
- Adequate, effective and efficient disciplinary code and procedures.
- Publication of results emanating from investigations of fraud and corruption and sanctions by courts of law and internal tribunals.
- Setting-up procedures of blacklisting of corrupt suppliers and employees, and implementation.
- Policy on fraud and corruption and response plan.
- Whistle blowing policy and reporting procedures.
- Fraud indicators.
- Education awareness campaigns.
- Matrix of tasks and responsibilities with distinctive outputs and outcomes, timeframes, accountability and author-

Why hotlines are critical?

Employees and third parties should be encouraged to report suspicions of fraud or corruption or other irregular activities without fear of reprisal. Indeed, where the report is made in good faith and in a legitimate manner and process, the employee making the report is now protected by law (Protected Disclosure Act 2000, Act 26 of 2000).

To encourage reporting, whether anonymous or not, a fraud hotline can be implemented and well publicised, and its role in detecting or detecting fraud and corrupt activities be made known to all stakeholders.

- It costs less but is a strong deterrent against fraud and corruption.
- It protects the institutions from negative publicity through direct, adverse disclosures to the media.
- It is an easy way of promoting a culture of honesty and integrity at the same time protecting whistle-blowers from victimisation.
- A tangible corporate governance initiative.
- A high rate of fraud is discovered through anonymous calls.

Conclusion

An anti-fraud and corruption strategy can only work if heads of departments and senior managers are committed to it. Adequate structures and mechanisms must be put in place. Communication of the strategy is also vital in order to get buy-in and creating awareness in all spheres. Implementation should be championed by top leadership but involve all stakeholders in order for the strategy to gain impetus. Development and implementation of the monitoring and evaluation mechanisms will be a key to the success of the strategy.
This Anti-Corruption Strategy is a result of the provincial government’s commitment to the fight against corruption. It takes into consideration the Provincial Anti-Corruption Summit resolutions and how they should be taken forward, monitored and evaluated. This is an all-inclusive strategy in the province as various processes such as risk assessment and fraud prevention plans have been considered. The strategy takes forward resolutions of the executive council following the Public Service Commission anti-corruption study in the province.

Problem statement
Corruption is likely to continue to be a major challenge to the Public Service. Dedicated, proactive efforts to address new forms of corruption as they emerge will be needed.

It is important that the Provincial Anti-Corruption Strategy be more systematically implemented and co-ordinated with other efforts such as research and networking to build an ethical society.

Background
The national Government initiated a campaign against corruption during 1997 and this led to the National Anti-Corruption Summit held in 1998. This process further cascaded down to provinces and as a result the Eastern Cape Provincial Anti-Corruption Summit was held in November 1999. This led to the establishment of the Provincial Anti-Corruption Forum which consisted of members from the Public Service Commission, religious fraternity, organised business and labour, criminal investigation agencies, provincial administration and non-governmental organisations.

Apart from the political commitment by the provincial political office bearers, the province as a part of the country is using the legislative, regulatory and institutional framework put in place since 1994.

These legislative frameworks include the Public Finance Management Act, 2000; Prevention and Combating of Corrupt Act, No 12 of 2004, which is being reviewed; Preferential Procurement Policy Framework Act (PPPFA); and other regulatory frameworks like the Public Service Act, 1999, Members Code of Ethics, Public Service Code of Conduct, Financial & Public Service Regulations.

A brief evaluation of the Provincial Anti-corruption Strategic Plan Report
The Provincial Anti-corruption Strategic Plan report was compiled by the Office of the Public Service Commission (OPSC), Department of Public Service and Administration and National Treasury.

On 15 February 2001, the Premier of the Eastern Cape addressed a letter to the Chairperson of the Commission, requesting an investigation into the allegations of rampant corruption and mismanagement in the Eastern Cape Government. In the letter it was noted that since the Government of the Eastern Cape had exposed the existence
of “ghost” employees and schools in 1996, the province has consistently been associated with rampant corruption.

A meeting was subsequently held between the Director-General of the Province, Dr M Tom and representatives of the Commission on 23 April 2001. In the meeting, it was agreed that the province needed an authentic information baseline to help highlight the existence and extent of corruption in the province. The terms of reference for the Eastern Cape Anti-Corruption Evaluation were thus conceived.

A multi-disciplinary and multi-skilled task team led by the Office of the Public Service Commission, the Department of Public Service and Administration as well as the office of the Accountant General.

The Task Team noted that the implementation of the resolutions, adopted by the Provincial Executive Council, has in general been poor due to the following reasons:

- There was serious lack of capacity within the Office of the Premier and/or Provincial Director-General (Chair of the Forum) to ensure that the Anti-Corruption Forum functions and implements the Provincial Anti-Corruption Strategy.
- Lack of effective baseline and M&E systems for recording, tracking and evaluation of corruption cases (whether criminal, civil or disciplinary cases);
- Inability of the Provincial Administration to communicate on successful resolution (whether criminal, civil or disciplinary) of corruption cases;
- An Anti-Corruption communication strategy was drafted, submitted to the Forum, but not publicised or implemented resulting in stakeholders having a poor knowledge of its content.
- Only head office staff and senior regional officials were trained in the Code of Conduct and Ethics, leaving out the regions where the majority of employees are deployed. (An inter-departmental Ethics Unit does not exist).
- Lack of a centralised information database on appointments, performance agreements, job descriptions and financial disclosure and security vetting practices;
- Absence of a clear protocol for co-operation and co-ordination between SIU, AG and Public Protector often leading to duplication of investigations;
- Provincial Administration has not commenced with implementation of the Protected Disclosures Act, departmental whistle-blowing and mechanisms.
- General implementation of resolutions has been poor.

More findings of the evaluation report

Considering the multi-departmental and cross-cutting nature of the Provincial anti-corruption strategy, the earlier absence of formal mechanisms at the level of heads of departments and Provincial Director-General to co-ordinate, integrate and monitor the implementation presented a weakness.

The key tool for implementation of the strategy was envisaged to be the forum.

It was to be the mechanism to bring stakeholders together, to distribute tasks and responsibilities, to adopt the communication campaigns and strategy, and to provide an M&E function. When the forum failed, most other initiatives ceased.

The responsibility to chair the Forum and to drive the strategy was vested in the Provincial Director-General. However, no form of organisational capacity, be it dedicated human or financial resources, was allocated to support the Director-General, especially with regards to document preparation, secretarial functions, development of operational plans, collation of reports, ongoing liaison and other activities.

The major deficiency of the Provincial Anti-Corruption Strategy is the manner in which the action plan was formulated — there is a great deal of duplication of objectives and activities that present problems for application. The document does not identify a single implementing agency for activities.

Areas of strength

All the correct structures regarding audit function are in place and the province is therefore compliant with requirements.

An anti-corruption communication strategy is drafted.

An analysis of the public speeches and statements of the Premier, Members of the Executive Council and the Director-General shows a high incidence of commentary on corruption.

The Provincial Treasury has established a unit to monitor compliance with the Public Finance Management Act. This unit meets on a two-weekly basis.

Recommendations

1. That a structure be created under the auspices of the Provincial Executive and chaired by the Provincial Director-General, to assist the executive to formulate policy on anti-corruption, ensure and monitor implementation of such policies, co-ordinate and integrate the anti-corruption work of public sector departments and agencies.

2. The structure should include representatives from all departments of the province, the South African Police Service, the Directorate of Special Operations, the Special Investigating Unit, the regional office of the Department of Justice & Constitutional Development and the regional office of the Public Service Commission. This could include the Offices of the Auditor-General and the Public Protector.

3. That a unit be created in the Office of the Premier that can support the Director-General as chairperson of the structure but can also provide ongoing support to the policy process, including co-ordination and integration of the anti-corruption work of departments of the Provincial Administration.

4. That a forum be established where the public sector, civil society and business can engage to address matters of
Case Study

GRAP vs GAAP: Is there a need

Ema Swart, CEO of the Accounting Standards Board, grapples with the two accounting standards open for use in the public sector.

By introducing generally recognised accounting practice (GRAP), the Public Finance Management Act (PFMA) gave effect to the requirement of the Constitution of South Africa that the National Treasury prescribes measures to ensure both transparency and expenditure control in each sphere of government.

In recognition of public sector-specific issues, the drafters of the PFMA deemed it appropriate to distinguish GRAP from generally accepted accounting practice (GAAP).

The question is, however, what are the public sector-specific issues that will give rise to differences between GRAP and GAAP?

The Accounting Standards Board (ASB) has the primary responsibility to determine what GRAP is; the Minister of Finance determines the implementation dates of these standards and the National Treasury has the responsibility to implement the standards.

In order to eliminate potential barriers to the implementation of GRAP, the ASB ensures that differences between the public sector and the private sector are kept minimal through enforcing consistency in accounting for all transactions. This is helped by the fact that the private sector, exchange transactions are only a small portion of government’s revenue.

The primary source of revenue is the levying of taxation in the form of income taxes, value added taxes, custom duties, to name a few. The International Monetary Fund defines taxes as compulsory transfers to government, i.e. non-exchange revenue. There is no exchange of approximate equal value.

In terms of tax legislation, revenue earned by the private sector from exchange transactions gives rise to revenue from non-exchange revenue for the public sector. Public sector accounting issues deal with the timing and measurement of the recognition of that revenue. This is the subject of an
for another set of accounting standards?

Invitation to Comment on Revenue from Non-Exchange Transactions (Including Taxes and Transfers) issued by IFAC PSC.

Liabilities
Liabilities in the private sector arise from exchange transactions with suppliers, service providers and employees. That is no different to the public sector. The difference lies in the obligations arising from social policies of government. Government’s actions in providing a wide range of social benefits to individuals and organisations, and its undertaking to continue to provide benefits in the future may result in significant current expenditure and substantial commitments for future expenditure.

Examples of such social policy obligations are child support grants, old age pensions and conditional grants. An issue being considered is whether the current pay-as-you-go basis adopted by most governments are appropriate to account for these obligations, or whether pre-funding should be adopted similar to employee pension entitlements.

Budget reporting
When asking any member of the public which of government’s activities has the most impact on their daily lives, they will probably respond, the annual tabling of the budget by the Minister of Finance. The tabling of annual reports in parliament does not have the same impact but should be used to assess compliance with the parliamentary approved budget.

It should be a key tool in exercising oversight over the financial dimensions of the operations of government by Parliament and the legislatures.

The budget in any private entity does not have the same impact. It is usually used internally by the organisation as a management tool. Given this difference in focus between government and the private sector, an accounting standard on the presentation of information that reflects performance against the budget is essential.

Impairment of assets
Assets acquired in the public sector are normally held to deliver services, for example, a primary healthcare clinic is used to render primary health services and not to generate cash. Assets in the private sector are generally held to generate cash inflows. Non-cash generating assets, such as an administrative building are usually incidental to its operations.

In recognition of this difference between the use of assets in the private sector and the public sector, a separate accounting standard has been developed to account for impairments of non-cash generating assets.

Heritage assets
Heritage assets are assets earmarked by government for preservation because of their unique historical, geographical, cultural or environmental attributes. Some of these items generate cash flows; some embody service potential; but all of them have to be maintained for future generations. Where a heritage asset has a dual purpose, such as a historical building being used for administration purposes, for example, the Union Buildings, reference can be made to market values for office space to determine a value for financial reporting purposes, but determining values for cultural assets, such as San engravings, are more difficult.

Inventories
In the public sector, inventories might be distributed at no or nominal charge. In recognition of this, the expense is recognised when the goods are distributed or related service is rendered. To this extent, some matching of revenue and expenses is appropriate. If not, the inventories would have to be written down on acquisition.

Conclusion
These are only some of the differences between the private sector and the public sector. South African specific issues include the research on the nature of the reporting entity and reportable related party transactions given the constitutional independence of the three tiers of government, amongst others.

The transition from cash to accrual by the public sector, and the current volatility in private sector standard setting with hardly a month passing without the release of a new exposure draft, does not lend itself to the establishment of a single accounting standard setter. This position should be monitored on a regular basis and the limited resources available for standard setting should be shared wherever possible.
In South Africa, the reorganisation of municipalities across the country is seen as critical in the post-apartheid era. Whereas before local authorities had a limited role to play in development and governance, the new dispensation emphasises strong local governance with a developmental agenda. The establishment of the new system of local government in South Africa as outlined in the Municipal Structures Act, the Municipal Systems Act and more recently the Municipal Finance Management Act, has far reaching implications. The significance of the new system as well as the magnitude of the transformation that it seeks to accomplish is yet to be fully appreciated by most South Africans. The implementation of the practices outlined in the legislation has the potential of yielding extremely capable and effective local governance machinery.

Integrated development planning (IDP) as a strategy for doing business differently

The new dispensation brought with it new responsibilities, a new institutional attitude and culture, and new ways of doing business. Because this is a new and untested system, it comes with its challenges. The implementation of the new system may from time to time emerge with contradictions and challenges. But the new system also brings with it exciting opportunities and innovative approaches to developmental local governance.

The Mangaung Local Municipality translated this new system into two particular exercises. First prior to the formulation of the integrated development plan (IDP) the Municipality commissioned three reviews, namely Development, Finance and Services, and Institutional as part of its amalgamation and transformation plan. The Development Review looked at what was needed to address development in the Mangaung area, a Financial and Services Review looked primarily at financial and service issues, and an Institutional Review, focused at organisational change in the municipality.

IDP as a strategy for doing business differently

Integrated development planning (IDP) as a stakeholder and community-based planning and service delivery instrument lies at the centre of this new system of developmental local government and represents the driving force for making municipalities in South Africa more strategic, inclusive, responsive, and performance driven in character.

However, the reality is that the legacy of separatist thinking in planning, management and governance is deeply embedded and will take a combination of policy ingenuity, political will, administrative determination and focused civil society participation to make the new paradigm for democratic local governance a reality.

Making IDPs work

Municipalities are not just preparing integrated development plans but are continuously becoming the central force of development in the country. In this case study, Mzwandile Silwana and Teboho Maine share ‘real life’ experiences of the Mangaung Local Municipality (MLM) of the Free State province in developing, managing and implementing new service delivery strategies through integrated development approach.

Case Study

Making IDPs work

Mzwandile Silwana and Teboho Maine share ‘real life’ experiences of the Mangaung Local Municipality (MLM) of the Free State province in developing, managing and implementing new service delivery strategies through integrated development approach.
restructuring of the municipal administration. In parallel to the formulation of the IDP, the Municipality then funded four associated projects emerging from the reviews, which ran concurrently, and contributed to the IDP and have led to immediate implementation:

- A community-based planning project to develop and facilitate a ward planning process;
- An organisational change project to develop and facilitate implementation of the amalgamation and restructuring process;
- A financial project to assist with development of an income plan, tariff policies, as well as the Medium Term Income and Expenditure Framework (MTIEF);
- A Performance Management project to develop and implement a performance management system.

These three reviews became the basis for the formulation of IDP for the municipality. Second with the information/recommendations coming from the reviews the Mangaung Council decided to approach formulation of IDP with an intense bias towards public participation by using community-based approach. The three reviews and the compilation of community-based ward plans exercises had major implications for decision-making and service delivery.

The ward planning process produced ward level development objectives, which were synthesised into municipal-wide development objectives. This work identified that if livelihoods of poor people are to improve, there is a particular challenge in the linkages between community and local government and district service providers, both in terms of improving participatory governance and in terms of improving service delivery.

Three key governance requirements were identified at micro and meso levels if poverty was to be addressed:

**Micro level (community level)**
- Poor people must be active and involved in managing their own development (claiming their rights and exercising their responsibilities).

Critically this shifts from a needs-based approach to an approach where communities identify their challenges. Consider the resources at their disposal and make strategic choices on priorities for developments in the area.

**Meso level (lower level where services are managed, usually municipal level)**
At local government level (lower meso) services need to be facilitated, provided or promoted effectively and responsibly, coordinated and accountable to elected representatives

The first of these requirements implies community involvement in planning and management of local development. The requirement for widely dispersed and accessible services implied by the second suggests a rethinknig of service delivery paradigms. This case study concentrates on the second, and how integrated development planning and management link and contribute to decentralised service delivery systems.

**Developing, managing and implementing an IDP strategy for service delivery**

Mangaung is a municipality including South Africa’s sixth city (Bloemfontein, the judicial capital), two other towns (BothaAbas and Thaba Nchu), and a rural area. It covers 6 285 km² with a population of over 750 000. It therefore covers the extremes of South Africa, from wealthy, predominantly white suburbs, to very poor squatter settlements. The new municipality amalgamating three former councils was created in December 2000.

MLM is a pioneer in community-based ward planning processes, seeing this as an opportunity to promote participatory democracy as part of producing its IDP. The Municipality also made the decision not just to pilot the methodology, but to apply it in all 43 wards. It was also decided to plan at ward level, the only recognised level below municipal level, which have populations of between 6 000 to 13 000.

Community-based ward planning is a system of participatory governance where ordinary citizens influence the municipal resource allocation system and as a result people, especially the poor, are able to improve their livelihoods in a sustainable manner since people own the plans. Community-based ward planning responds to the need to improve linkages between community, municipalities, districts and service providers within the planning area (Diagram 1).

The approach taken by the municipality in integrated service delivery system provides an environment where citizens can liberate their energies and contribute to local action in managing their
own development, claiming their rights and exercising their responsibilities. Integrated service delivery approach aims to address the lack of effective structures for planning and management of development. This is achieved by developing an effective community-based planning system at ward level, which feeds into municipal-wide planning systems, for example, in IDP. The approach to the IDP being adopted by MLM envisaged three components (see diagram 1):

- A Ward Plan developed by the ward covering vision, goals, projects and activities which include local action, action by the municipality and by other service providers, and an action plan for activities to be followed in the next three months;
- Municipal Plan covering vision, goals, strategies and programmes operating or impacting on the municipal area including projects suggested by the ward for municipal action (e.g. new municipal road) and strategic projects for the municipality (e.g. Mangaung Development Partnership);
- Service plans by different government departments, NGOs etc, which should cover projects suggested by the Ward for their action (e.g. local clinic) and strategic projects for the department/organisation (e.g. provincial hospital).

The system involves a three-to-four-day planning process, using a vision-based methodology, planning with livelihood groups, and developing community actions supported by R50 000 outlaid by Mangaung Local Municipality, actions by the municipality, and those of other stakeholders. MLM has innovated by the municipality, and those of other

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<td>291</td>
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<td>Safety</td>
<td>204</td>
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<td>Roads</td>
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<td>73%</td>
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<td>Titre deeds</td>
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<tr>
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<tr>
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- in suggesting ideas on how the overall development objectives could best be achieved (e.g. self-build housing rather than contractor built housing);
- in suggesting specific ideas for the municipality as a whole (e.g. for a job centre);
- in specific project ideas for the local ward.

Mangaung Local Municipality recognised that knowing where you want to be and understanding the needs of the people is only the start of the strategy process. The challenge is in working out how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. Strategy is about understanding how best to get there given the current reality. 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Spoke 1: Enhancing economic growth prospects

The first spoke of the wheel is economic growth. The benefits of higher growth are obvious, particularly if this growth is broadly spread across the population. People have more money including more capacity to pay for their own service and housing needs. The municipality has more money from increased rates to expand and improve services and so on.

The municipality played a critical role in creating the right conditions for sustained growth. At the same time the municipality recognised that growth comes largely from the decisions taken by council and actions of business people and other economic role-players.

We thus define our strategic intent in regard to growth as being to improve the economic development prospects of Mangaung through a range of interventions that build the critical mass of economic opportunities that our economy requires to really take off. These interventions fall into four categories of action.

Getting the basics in place
Research indicates that municipal competitiveness starts with having the basics of good city and municipal management in place. This will include efficient municipal administration that minimises red tape and reduces the response time for applications and submissions, competitive tariffs for municipal services, high levels of safety and security, ensuring a healthy and attractive environment for living and working and providing extensive and accessible information to economic role-players. Much of this is the responsibility of the municipal administration and we will ensure that Mangaung improves its performance in all these areas over the term of office of the current Council.

Allocating more resources to SMME support and will seek other ways to support this sector. We will seek to bring the different education and skills role-players have to together find ways of enhancing the level of skills of our workforce.

Building investor confidence
Lastly, we will seek to build the confidence of both local, national and international investors in our municipality through an ongoing process of engaging with major stakeholders and addressing their concerns in stand out manner. This will include building strong relationships with national and provincial government, parastatals (such as Transnet), the university and technikon and relevant private sector entities.

Spoke 2: Building community resilience and self-reliance

The second spoke of our wheel is community resilience and self-reliance. We know from research and our own practical knowledge that the level of community organisation has a major impact on the ability of a community to develop and make effective use of its resources and those invested in it. At the same time, building community resilience and self-reliance has to go hand in hand with a concerted focus on poverty and HIV/AIDS which both massively undermine community strength.

We thus define our strategic intent as being to significantly improve social development indicators through a series of interventions that improve community resilience and cohesion, build community capability and self-reliance and address poverty and HIV/AIDS which both massively undermine community strength.

We need to do more than doing the basics well and to find ways to differentiate ourselves as a unique and attractive location for investment. Key initiatives will include extensive marketing to create a much more positive image of Mangaung, the aggressive pursuit of mega-projects and other public, parastatal investments, the provision of a range of incentives for investors, CBD renewal and facilitating the development of key sectors and niche areas where Mangaung can be competitive from agribusiness to medical tourism.

Broadening participation in the economy
Growth without significant redistribution will have important negative effects. It will increase inequality and will not have a major impact on poverty. We will thus prioritise measures that broaden access to the economy. Our affirmative procurement policy already seeks to facilitate opportunities for Previously Disadvantaged Individuals. We will instigate a local purchasing programme. We will also give more resources to SMME support and will seek other ways to support this sector. We will seek to bring the different education and skills role-players have to together find ways of enhancing the level of skills of our workforce.

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We thus define our strategic intent in regard to service excellence as being to increase the efficiency and effectiveness of service delivery so that it represents highest performance against key benchmarks in the country in order to:

• ensure that all residents receive basic level of service that ensures a reasonable quality of life for all; and
• support economic growth and community resilience and key reliance.

Our service strategies include:

Rationalising municipal service portfolio

We will rationalise the portfolio of services we provide in two ways:

• By getting out of “non-core” business. In particular, we will look at our ongoing role in relation to services such as the fresh produce market, and Tempe Airport;
• By reviewing current service levels and standards (particularly sanitation and roads) and taking the necessary action to put in place sustainable expenditure trajectories.

Re-organising and enhancing development and community services

We will re-organise our development and community service arrangement and increase the proportion of resources allocated to these areas in order to better support our emphasis on growth and community resilience and self-reliance. As part of this drive we are exploring the establishment of a partnership-based development agency.

Efficiency drive

We will increase efficiency at all levels in the organisation by engaging in concerted process improvement programmes, by benchmarking ourselves against other municipal and private service providers, by investing in proven technologies that increase performance and by exploring alternative service delivery (including community-based services) where required.

Ensuring basic service equity

We will ensure that basic service infrastructure is extended to all Mangaung residents by the end of the term of office at appropriate and sustainable levels. Tax and tariff structures that cover costs and incentivise appropriately We will put in place tax and tariff structures that provide us with the income we require but which are pro-poor and pro-growth and thus support our other core strategies.

Focus on citizen and service user

We will continuously improve our understanding of citizens needs and satisfaction, by improving our levels of customer care and responsiveness, by continuing our programme of ward planning and close contact with ward committees and by piloting innovations such as Local Improvement Districts (LIDs) which enable greater community input and control over their service requirements.

Service coherence and integration

Key initiatives will include the use of the IDP as an on-going management tool to improve service integration, the introduction of an area co-ordination system to ensure better service co-ordination at the community level, a move to more accessible and seamless service access which may in time include multi-functional service centres, a call centre and on-line innovations. It will also include a strong emphasis on the aligning of provincial, national, parastatal, NGO and private resources and services behind the priorities and strategies contained in the IDP to ensure maximum impact.

The Hub: Civic Leadership and common purpose

At the hub of our wheel of success is civic leadership and common purpose. Research indicates that successful municipalities are characterised by high levels of common purpose amongst the major stakeholders. This inevitably flows from the level of civic leadership provided by the council as the elected representatives of the area. The old adage united we stand, divided we fall, is very relevant to local government.

Our strategic intent is to support the key strategies of the municipality by providing strong civic leadership and good governance which builds stakeholder confidence and engenders a
strong sense of common purpose amongst all municipal stakeholders.

Key components of this approach will include:
- Building commitment to the IDP as the common agreed plan;
- Building stakeholder partnerships around development;
- Facilitating strong community participation including strong local input via ward committees and ward planning processes;
- Maintaining high standards of integrity and honesty including developing strengthened oversight mechanisms;
- Ensuring that citizens take greater responsibility for development and service provision and building the culture of activism and voluntarism;
- A pact with key government departments and other organisations to reflect our joint commitment to effective partnerships;
- Ensuring efficient transparent decision-making.

**Focus on key drivers and managing risks – strategic implementation**

**Managing key drivers**

The implementation of the strategy is driven through focused activities directed at the key change drivers and points of leverage identified in the strategy outlined above — growth, community resilience and self-reliance, service excellence and common purpose and civic leadership. The detailed work developed for implementing the different components of the strategy through the IDP process include:
- Appointment of Senior Managers and General Managers as programme/project leaders;
- The establishment of a multi-disciplinary team, including internal and external stakeholders to screen projects for implementation through MTIFP model;
- Development of scorecards for each programme/service aligned to the IDP;
- Specific resource (including financial) allocated for each programme/service in the IDP;
- Clear reporting lines and regular programme/project meetings;
- Monthly, quarterly, bi-annual and annual IDP implementation progress reporting; and
- Continuous feedback to municipal stakeholders.

**Managing key risks**

The municipality has also identified a number of critical strategic issues and risks which need to be managed proactively to ensure that implementation is successful. These relate to three major areas of concern — the capability of our organisation to deliver on the strategy, the state of our financial health to sustain it and the impact of changes in policy landscape which could undermine it. Based on an analysis of these areas, we highlighted seven key issues/risks which we need to pay special attention to. These are outlined below together with our approach to proactively managing them.
- Capacity to deliver the strategy;
- Service strategy and improvement of collection rates;
- Turning around the rising personnel cost trend;
- Ensuring sustainable service expenditure trajectories;
- Managing the impact of RED establishment;
- Managing the position of Mangaung in inter-governmental system; and
- Addressing the disparities and differences between different areas of Mangaung.

**Conclusion**

The IDP is seen as the tool to clarify how the services are going to be delivered. But the way the IDP is conceptualised is not an interventionist tool but rather a two-dimensional plan. The processes adopted in arriving at the plan will begin to alter the local government landscape, for instance, the high levels of participation in the IDP precludes a higher level of accountability. But by their very nature plans are not interventionist or revolutionary. Actions and processes are revolutionary.

Considering the chasm between the status quo and the new paradigm, and considering the nature of a development plan as a technical exercise which delinks interventionist actions from the plan, radical interventions need to be made so that the process of service delivery from the one to the other is facilitated.

The projects, programmes and services coming out of integrated development planning process are seen as the drivers on the service delivery strategies and objectives. They are seen as the key that is unlocking the developmental potential the IDP presents. Passive realignment from the status quo to the new paradigm will not achieve radical service delivery within the timeframes required by developmental local governance.

So a catalyst is in place to kick start the paradigm shift. For example, the Mangaung IDP projects: Mangaung on the Move; 100% Campaign; Aids Action; Mangaung Compact etc. are all crucial in the municipality’s service delivery paradigms.

The IDP projects are only one component in the strategy to achieving service delivery mandate. The other strategy was a need to realign the budget with people’s development outcomes, administrative systems and culture to address the broader needs and projects identified in the IDP. The simple mantra is — “We only do IDP” all other projects and processes are subject to the IDP. So, for Mangaung it was absolutely important to rigorously consider whether every single activity, whether it is the delivery of a toilet, the fixing of a pothole, or the establishment of internal administrative mechanisms, has resonance with the IDP. If it doesn’t, we are maintaining the status quo, and that’s an indictment on us.
No business can exist without customers, and there cannot be a government if there are no people. Therefore the adoption of the Batho Pele concept in 1997 was not a public relations stance. Batho Pele is a deliberate strategy to instil a culture of accountability and caring by public servants. Through this strategy public servants must become service oriented, strive for service excellence, and commit to continuous service delivery improvement.

The Batho Pele White Paper sent a strong message of government’s commitment to a citizen-centred approach to service delivery, anchored by the eight Batho Pele Principles: consultation, service standards, access, courtesy, information, openness and transparency, redress, and value for money.

The eight principles of Batho Pele:

1. Consultation: Citizens should be consulted about the level and quality of the public services they will 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 service 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 departments 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.

Batho Pele is the main reason for government’s existence, but many line managers see it as an add-on to their daily business. We have to ask ourselves why it is so? Is it because heads of department have relegated Batho Pele to non-core of their business?

Batho Pele must be integrated into the departmental strategic plans as the driver of the strategy. It must become an adopted practice to use the Batho Pele principles to develop the departmental strategy.

The management of performance is key to instilling the culture of Batho
Pele, but this cannot happen in a vacuum. The department must have a performance management system in place or use the generic performance management system that was developed by the Department of Public Service and Administration.

Management of performance begins with the departmental strategy, which is informed by the government program of action set out by Cabinet. The President articulates the government strategy and the programme of action in the State of the Nation Address every year, followed by the premiers’ state of provinces address, which gives the provincial strategy and the provinces’ program of action. The departmental strategy cascades down to branches and sections/units within the department and informs the individuals’ performance contracts.

The current eight Batho Pele principles are seen as a set of intangible rules by most public servants, rather than an ethos that guides actions and behaviours. This makes it difficult for most public servants to integrate the principles into their operational plans. As a result, we translated the current principles into a tangible belief set that guides behaviour (We belong, We care, We serve).

We belong:
This is about looking after our people, the people who deliver the services to the citizens by amongst others, building a learning organisation, creating a culture of collaboration, allowing flexibility to learn. It is about working together as a team with fellow colleagues. It is about an empowering working environment. The departmental strategy must articulate for example, how it is going to improve the skills of its employees, how excellent performance will be rewarded and how poor performance will be dealt with. Employees like to feel that they are valued.

I once accompanied the General Manager of an organisation I worked for on a road show to articulate the vision of our division. The theme of the road show was “Delighting our clients by exceeding their expectations”. The meetings involved employees at all levels of the organisation. In one of the regions, one lower level employee raised his hand and said to the GM: “We are all excited about your vision and we all want to delight our clients.” Then he took off one of his safety boots, which had two holes in the area that covers the toes, and said,” How do you expect me to delight our clients when I have to walk around with safety boots with holes?”

We care:
This involves looking after our internal and external customers by listening to their problems and resolving them, apologising when necessary, and delivering solutions. It is about caring for the people we render services to. It is about treating people with dignity and respect.

We serve:
This involves looking after our country by anticipating customer needs, offering integrated service delivery, and going beyond the call of duty. It is about going an extra mile to put people first.

“It is important to understand that Batho Pele is not a plan in the sense that one has strategic plans, operational plans, action plans, and human resources plans, but rather an attitude that shapes the character of the public service.” DPSA Batho Pele Handbook 2003.

The current eight Batho Pele principles are seen as a set of intangible rules by most public servants, rather than an ethos that guides actions and behaviours. The case study presented by the Limpopo Department of Health on the hospital revitalisation programme is a good example one can use to demonstrate the link between performance management and Batho Pele using the believe set. The case study clearly demonstrated a deliberate departmental strategy, which incorporates the belief set.

The human resources and organisational development section of the strategy will include issues such as teamwork, empowerment of employees, skills acquisition and development, etc., which makes employees feel a sense of belonging (we belong).

The section of the strategy that deals with upgrading the hospital facilities such as the wards, signage, doctors’ accommodation, and buying of modern medical equipment shows that the department cares about the people (we care).

Employees who are well looked after, working in a good environment with good equipment will provide service in an integrated manner and will always go an extra mile by working more hours (we serve).

The most important ingredient for the best linkage between performance management and Batho Pele is the development of realistic measurable performance indicators and allocation of responsibilities to teams and individuals for development of their performance contract.

Performance management is about continuous improvement, therefore it is very important to build in a system of client feedback.

Conclusion
The President’s State of the Nation address for this year posed a serious challenge to public servants. For the first time in the history of this government we have been given clear deliverables with targets and timeframes. Over and above that, the programme of action of government has been posted in the Batho Pele gateway portal for the people to monitor our performance. I don’t know of any country in the world that has done this. This, in my book, is the best linkage of performance management and Batho Pele.
South Africa has emerged from a totalitarian past and a legacy of hostility where the police served and protected the interests of the political party rather than the Constitution as well as those of the few at the expense of the majority. Human rights violation was the order of the day.

The past ten years have not only been about the pleasure of having broken through the dark past and its skewed, partial service delivery priorities. Rather, it was an era during which South Africa had to mend its past, particularly with regard to the image of the police. This includes moving from the notion of a police “force” associated with violence and power, to police services reflecting and built around the needs of the citizenry. Its strength as a police service lies in the ability to contend with the immense pressure and constant changes to keep momentum in terms of the democratic imperatives.

Qualities of a modern day police service

Policing in the democratic dispensation is premised on the nature of policing as a service. The modern day police service has a challenge to fundamentally conduct itself respectfully in a transparent manner and be accountable to the community.

The introduction of important oversight mechanisms such as the ICD (Independent Complaints Directorate) and CPFs (Community Policing Forums) is an indication of government’s commitment towards community orientated service delivery. Both bodies afford citizens a role in matters pertaining to their safety. The ICD provide the community with a valuable recourse for complaints about ill treatment by the police. The community policing forums encourage citizens to work with the police regarding matters of safety.

Purpose of the MEC’s Excellence Awards

The purpose of the MEC’s Excellence Awards is to make Mpumalanga a safe, secure and crime free Province by encouraging community participation through:

- Evaluating the performance of the SAPS at station level for improved service delivery.
- Promoting a shared vision and common understanding of what constitutes success in terms of performance and the impact on the local economy.
- Dissemination and sharing of good practices across the province, and identifying inefficient practices for redress.
- Empowering station managers to reflect on their own strengths and weaknesses for continuous improvement.

Improving service delivery at community service centres

Transforming a typical traditional police station with its militaristic, hardcore characteristics into a community service centre is quite a daunting challenge. However, there are certain fundamental aspects that are critical to service delivery whose prioritisation would go a long way in ensuring performance improvement.

From the point of view of the community, response time is quite critical. One of the critical aspects used to determine the success of a police facility is the amount of time taken to attend to an emergency, to follow through a case from the moment of reporting to the arrest of the suspect and the time spent in queues at the police station. Linked to that is the manner in which community service centres handle complaints — whether there is a sense of urgency as opposed to laxity, etc.

Also important is whether a community service centre is accessible to the community that it serves. This refers to the distance people have to travel to it and implications such as transport, costs etc.

The provision of safety and security to the community extends beyond the apprehension of the alleged perpetrator to include measures of caring and rehabilitation victims of crime. The effects of crime are invariably gross and traumatic and mostly require some kind of rehabilitation and corrective measures on the victims. To effectively provide such services requires properly managed victim support centres.

Management of information regarding crime is critical in planning and strategising around crime prevention. Quality information is vital to investigation prosecution and sentencing.

Lastly, the availability and usage of resources including vehicles, personnel information technology and others, contributes greatly to the ability of a community service centre to carry out its functions effectively. Resources are of variable significance. Other resources such as personnel are indispensable while information technology is an enabler the presence or absence of which should not prevent a station from functioning.

Crime prevention

To deal with crime effectively, community service centres need to adopt a more radical and proactive rather than a reactive approach that only swings into action once a criminal event has occurred. There should be preventative measures put in place that would enable the police to work together with the community to work together to identify and unanimously intervene and deal with causes of crime.

Case Study

A Project to Create Centres of Service Delivery Excellence in Policing

By Selitika S Lefifi, Senior Manager, Department of Safety and Security, Mpumalanga

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Other measures that could make a decisive impact in fighting and combating crime include:

- Police visibility (roadblocks patrols and searches and campaigns);
- Strategies in addressing environmental design factors (motor vehicle security);
- Community sector policing; and
- Letsema (volunteer campaigns).

**Ongoing challenges**

If anything, the MEC’s excellence awards in Mpumalanga have helped reveal and recognise the commendable level of commitment and excellence in service delivery amongst the various community service centres in the province. It has also helped highlight the challenges these institutions still have to contend with.

First off, there is general lack of strong quality leadership particularly at the coalface of service delivery. This has serious implications on the ability of the structures to effectively prevent and fight crime. As a result, community members end up being disillusioned with the police and eventually resort to “taking the law into their own hands”.

Community involvement in crime prevention activities has generally been low throughout Mpumalanga. The community service centres need to go out of their way to firstly convince members of the community that crime is a social/shared responsibility that can only be tackled through a joint effort between the community and the police. They should help in the building and capacitating of community policing forums (CPF’s) as monitoring and oversight structures. Such structures are best positioned to fight crime from within the community itself.

This, of course, depends on the kind of people at the helm of community service stations and their impact in terms of their ways of managing. Quite fundamental is their ability to value and embrace change, to have a calculated foresight to break away from cumbersome traditional ways associated with bureaucracy and red tape in favour of new, more humane and service delivery oriented approach to policing. This would help them win the trust of communities.

**Case Study**

In 1997 Saambou Bank Community Policing Awards was established as an instrument to acknowledge the South African Police service across the country. The awards were discontinued in 2002/2001.

The Department of Safety and Security in Mpumalanga identified the vacuum that was created by the discontinuation of the awards and this gave birth to Simunye Excellence Awards for the Best Police Station in the province.

The then Safety and Security MEC Mr Thshang Mokwela launched the Simunye Excellence Awards for the best police stations at Wihank in November 2003. A total of 91 police stations in the province were evaluated based on the following aspects:

- Community Service Centre;
- Criminal Information Management;
- Crime Prevention;
- Community policing;
- Police Community Partnerships;
- Sector policing;
- Victim Empowerment;
- Crimes against women and children;
- Police Reserves;
- Detectives;
- Management of issues and challenges; and
- Transformation.

An evaluation tool was developed by the department in partnership with SAPS and the provincial community policing forum.

The awards are expected to result in improved morale and enhance performance benchmarking for all stations. The awards are also expected to influence service delivery and help identify strengths and areas of improvement at both station and area level. The awards are expected to nurture the relationship between SAPS, local communities, business and other sectors.

Hendrina Police Station won the Best Police Station during the inaugural award ceremony, which was held in Nelspruit earlier this year having been chosen among other police stations based on the criteria as tabulated above.

The following police stations are the regional winners:

**Eastern Highveld**

1st Secunda Police Station
2nd Sundra Police Station
3rd Evander Police Station

**Highveld**

1st Hendrina Police Station
2nd Middelburg Police Station
3rd Ogies Police Station

**Lowveld**

1st Barberton Police Station
2nd Hazyview Police Station
3rd Lydenburg Police Station

**Provincial winners**

1st Hendrina Police Station
2nd Barberton Police Station
3rd Middelburg Police Station

From SAAMBOU to Simunye
Strategies for Addressing the Skills Gap in the South African Public Sector: A People’s Development Toolbox

This article examines the current skills gap in the South African public sector and proposes appropriate strategies to remedy this situation. The skills gap analysis is undertaken against a background and context of economic empowerment opportunities that have emerged with the post-1994 democratic order in the country. It is these empowerment opportunities that the disadvantaged majority should be harnessing to ensure their economic development and that of the country as a whole.

This article is premised on, amongst others, an assumption that the public sector restructuring processes in response to the broader transformation of the South African economy does not seem to benefit the marginalised, unemployed, youth, women and people with disabilities. Instead they tend to displace a large pool of semi-skilled and unskilled workers that was created by the apartheid-style economy.

In addition, institutions of higher learning continue to generate knowledge carriers whose labour-market absorption potential is zero due to their lack of appropriate skills required by the public sector or accumulation of knowledge in already saturated fields and sub-fields of learning.

A synopsis of employment and unemployment trends in South Africa

Unemployment is said to have risen from 20% to 29% in South Africa between 1994 and 1999. According to a survey conducted in October 1995 the overall unemployment rate for young women and men in South Africa was 43%. This figure excludes those who were still at school at the time, housekeepers and those who for various reasons were permanently unable to work (National Youth Commission 2000:9).

The seriousness of this matter should be understood in the context of a trend of increasing unemployment rate in South Africa since 1996 that reflects a crisis. The differentiation in terms of unemployment by race and gender reflects the history of economic development in the country and it is a legacy that must be redressed through, inter alia, the skills development and retention strategies that will emerge from this examination.
Issues

The pattern of employment and unemployment among youth by geographical area has always been more challenging. While all provinces, except Western Cape and Gauteng, registered high levels of unemployment amongst youth, the mostly rural provinces like Limpopo, Eastern Cape and Kwa-Zulu-Natal recorded the highest levels in the country during 1995 to 2002. The unemployment rate in Eastern Cape was 55% in 2003 and during the same year the province set a target of halving this rate by 2014.

This trend needs to be understood in relation to the skills supply in the public sector — the major training and education providing sector in the country’s economy. The fact that there are skills gaps in the country while so many economically-active young people in the country remain unemployed points to some problems that should be attended to in the country’s training and education system. While the country has experienced jobless economic growth, there are new jobs that have emerged which no one can take up due to unavailability of appropriate skills.

Scarce appropriate skills in the South African Public Sector

The analysis of unemployment patterns above bears testimony to the fact while the public sector still requires skills in mass, there is a declining demand for them with its own challenges. While universities, technikons and technical colleges continue to train and educate people who are then released to the labour market, the market still lacks skills and unemployment rates are skyrocketing. The education system does not seem to assist the public sector to generate the skills required by the economy of the country.

Anecdotal evidence

Lucia Mlangeni graduated from a technical college in 1999 with an N3 certificate in Electrical Engineering. Three years later she was still unemployed and disillusioned with an education and training system that had not linked her into the labour market (Human Sciences Research Council 2002).

Lucia took part in an HSRC survey of the cohort of learners who had graduated from technical colleges in South Africa in 1999. The study aimed at investigating learner attitudes towards their college education, whether they found employment, and whether they were satisfied with their employment circumstances. The results of the study showed that Lucia was not alone in her plight. There are many young people who have followed their careers in the fields said to have a critical shortage of skills who cannot find work.

Lucia never followed a traditional career like nursing wherein we would safely assume that she might have lacked vocational guidance and qualified in an already saturated area. It is also true that we should be cautious in making such a general and easy reference to the nursing profession as one of the historically saturated careers in the country. The employment landscape seems to have changed drastically and quite rapidly.

According to Baloyi (Sunday Times 7 December 2003) there are more than 3,000 vacancies for nurses — more than the number of professional nurses qualifying each year. The problem is worsened by the continuing recruitment of health professionals by other countries. Baloyi says that companies may have no choice but to import skills in areas such as industrial engineering, defence engineering and software development. Some parastatals that have a deficiency of about 100 key skills have already gone out of the country for talent.

Baloyi goes on to highlight that while there is a shortage of skills more than 9,000 graduates are without jobs and about 40% of technikon students are having difficulty finding placements to fulfill the practical components of their qualifications.

There is quite a huge body of information that has been released by the Sector Education and Training Authorities (SETAs) established in terms of the Skills Development Act, 1997, and research conducted by both public sector and private sector regarding the major and minor skills shortages in the country.

Scarce skills

Skills that are in short supply are scientists and researchers, experienced and qualified senior managers in finance, project management, and production planning and logistics management. There is also a shortage of professional, qualified and experienced technicians and associated professionals in the field of ICT — computer programmers, computer systems analysts, computer systems designers, professional software engineers and computer network management professionals. Also in dire shortage are: macro-economic researchers, venture capital specialists, energy planning specialists, medical specialists, medical officers, specialists in theatre, ICU, orthopedics, pediatrics, health therapists, physiotherapists, dental therapists and radiographers.

Other skills in short supply include agricultural economists, forensic investigators, state veterinarians, pharmacists, biotechnology managers, quantity surveyors, architects, agricultural product technicians. Mining engineers and environmental engineers are also in dire need (Minister Mdladlana, 24 September 2003).

According to the Human Resource Development Review (HSRC 2003) the importance of engineers who have played a crucial role in the industrial development of South Africa is declining largely because of a declining demand for their skills. There is a shift in new recruitment towards engineers with post-graduate qualifications. On the other hand, higher education institutions finds the major challenge in addressing the growing demand of employers for high quality black and female engineering graduates due to the legacy of poor quality mathematics and science education in historically black schools.

It is a view held by the Human Sciences Research Council (HSRC Review 2003) that the employment patterns of engineers have seen dramatic changes since the end of apartheid. There has been a sharp decline in significant traditional areas of engineering employment such as the military and mining sectors. There has been a shift instead...
towards electrical and electronic engineering. Within civil engineering there has been a movement away from large-scale construction activities into urban development projects such as township upgrading. New specialist niches as mechatronics have emerged. Most interestingly, there has been a growing pattern of employment of graduate engineers within the financial sector. It appears that their strong analytical and project management skills are in demand within the financial sector, which is able to outbid traditional employers for competent engineers like the Public Sector.

Looked at aggregately, it appears that there isn't a critical shortage of engineers in the labour market supply-side. Challenges remain in changing the equity profile of the profession and in balancing the need of high quality specialist engineers with the national imperative to address the neglect of technician and technologists’ education and employment.

Skills distribution between the public and private sectors

The skills distribution divide between the public and private sector neither favours the former nor is it equal. The public sector is not only confronted with the equity profile challenge in the engineering profession, the competition for engineering skills with the private sector has intensified with the advent of the new democratic order in the country. One of the crucial problems facing the Public Service in particular is the recruitment and retention of scarce skills. The problems include, among others:

• Salary packages not as lucrative and attractive as in the private sector;
• Uneven distribution of skilled personnel between the urban and rural areas;
• Lack of facilities and state-of-the-art equipment;
• The drop-out rate of black students due to the lack of proper background in mathematics and science;
• Generally perceived poor working conditions in the Public Service;
• The experience gathered in the Public Service does not allow admission to professional bodies e.g. engineers, chartered accountants;
• Public Service, generally, not seen as an employer of choice even for non-scarce professions. The extent to which the public sector has thus far succeeded in communicating its skills demands to the society to influence career choices for students and the specific training and education programmes of institutions of learning is doubtful as given the reality of the situation characterised by learners still pursue clearly non-scarce professions. The extent to which the public sector has thus far succeeded in communicating its skills demands to the society to influence career choices for students and the specific training and education programmes of institutions of learning is doubtful as given the reality of the situation characterised by learners still pursue clearly non-scarce professions. The extent to which the public sector has thus far succeeded in communicating its skills demands to the society to influence career choices for students and the specific training and education programmes of institutions of learning is doubtful as given the reality of the situation characterised by learners still pursue clearly non-scarce professions.

While the country has experienced jobless economic growth, there are new jobs that have emerged which no one can take up due to unavailability of appropriate skills

Factors accounting for the existing skills gap in the Public Sector

The factors that will be presented below do not specifically relate to the skills or training programmes deficiencies. The approach we adopted earlier on to emphasise on skills over education will be narrow in the examination of the skills generating environment, as we will be doing shortly. Carrell et al (2002:340) is of the opinion that any endeavour that sees to it that the country’s workforce possess the necessary mix and level of knowledge, skills, behaviours and attitudes is the responsibility of two complementary systems - training and education.

Wrong choice of school subjects

The South African youth labour market is characterised by severe problems, most fundamentally, its inability to facilitate the progression of young people from school to other learning or employment activities. Part of this problem is that schools are not in contact with employers, employers’ organisations and employment agencies so that they are acutely aware of the employment areas (categories) where skills shortages exist (in Hilliard & Wissink 1998:3).

If employment opportunities are not monitored regularly learners will be unable to make informed choices about their future, and may ultimately not find employment once they leave school. The labour market, including the Public Sector, operates on a supply and demand basis; it cannot simply absorb new employees because they are available.

City of Johannesburg has experienced an economic downturn. Apartheid actively blocked the development of the majority black people in the country through its discriminatory resource allocation schools in both learning support material and educators. Black learners were discouraged by physical realities of having to imagine how a glass tube looks like in an imagined laboratory setting, and opted for History and Biblical Studies.

Those who managed to achieve good matriculation results, were blocked by other socio-economic factors like lack of appropriate funding to pursue tertiary studies in chosen fields; with the Bursary system (public and private sector) not

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Legacy of a discriminatory education policies of the past regime

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Those who managed to achieve good matriculation results, were blocked by other socio-economic factors like lack of appropriate funding to pursue tertiary studies in chosen fields; with the Bursary system (public and private sector) not
accessible to the majority rural learners.

Inadequate vocational guidance

It cannot be disputed that by the time scholars reach higher education level, an educational pattern has already been firmly established as part of their lives, and it becomes difficult for such people to “reverse” their completed studies and past experiences, as well as undo the specific direction into which they might have been driven by financial and other circumstances.

While the above is in many instances true particularly as regards the lives of previously disadvantaged learners, the point this raises is that vocational guidance is crucial in all schools so that learners are guided and supported to follow certain career paths in preference to others.

Lack of youth information services

Young women and men in relation to their participation in the economy face a need for:

- Information in the economy, the labour market, career paths and opportunities and how to prepare for a rapidly changing economy.
- Guidance and advice from knowledgeable people who can communicate effectively with them and assist them in their entry and participation in the economy; and
- Services that provide immediate and consistent support in addressing the problems and challenges they face (National Youth Commission 2000:12).

Youth, particularly in rural areas, who are at school and those who are unemployed lack the decision support information about the career categories that the Public Sector in particular and the economy in general requires.

Government departments, municipalities and parastatals have thus far failed to sufficiently communicate to the general public and targeted community sectors e.g. youth in school, youth unemployed, about the services they provide and the learning and training or re-training opportunities they offer in a consistent manner.

Lack of a working experience as an employment policy requirement

There is a tendency among students who have acquired a tertiary qualification to avoid lowly-paid jobs — a phenomenon of “inflated competence” according to Hilliard & Wissink (1998:9).

Employees on the other hand seem reluctant to employ people who have had no experience whatsoever regardless of the nature of the skill the person brings to the organisation. This is because the in-service training of new staff members is seen as a time-consuming process — work needs to be done while the organisation is turned into a school of architects and quantity surveyors.

The emphasis on experience by employers is not progressive as malleable employees can also be used. Rigid employment policies that emphasize on an x-number of years of experience for an applicant to be considered for employment at entry-level post categories are not only blocking away youth employability. They also advocate for an economy crisis.

Entry-level employees are hired on the basis of their ability to be successfully trained. For them, the key qualification is their predicted capability to learn how to perform the job (Muchinsky et al. 2002:167).

Lack of synergy between training programmes and service delivery or transformation imperatives

The Public Sector has for some time been challenged by a lack of strategic needs-based and outcomes-based training and development programmes. This is a poor planning issue that thrives in circumstances where training and development of employees is divorced from the broad, high-level planning processes. The worst scenario is found in public institutions where training and education is employee-directed and driven through a number of training pamphlets in the institution and where line managers do not participate meaningfully in the development of their employees.

Service delivery imperatives relate to the operational competence needs, that is, a synopsis of the core capabilities and key competences that a public institution would require to deliver optimally and cost-effectively on its mandate. These needs are termed strategic in the sense that they are determined after the institution has adopted its long-term vision, mission, and core values and has determined its strategic goals and objectives for the next five to ten years.

Based on a long-range planning of performance outputs key competences are determined that will take the organisation to where it wants to be in terms of service delivery.

Amongst its strategic objectives the institution might have set itself some equity targets at management level.

Technology and training

An organisation’s technology — the methods and techniques used to produce goods and services — profoundly affects the skills and abilities that an organisation’s employees must possess (Carrell et al 2002:25).

The whole emphasis on e-governance in government policies has serious skill implications for the Public Sector employees. Public institutions that rely on the manual files and administrative processes are regarded as a bit backward.

On the other hand, at a high level monitoring and reporting systems introduced in the Public Sector are increasingly computer technology-based. National Treasury reporting templates are designed for utilisation as are and return to the issuing institution electronically leaving no room for manual calculations and expressions.

Budget Planning and Control

Directories of public institutions require line managers to report on the expenditure on allocated funds and concurrently review their budget spending projections from month to month on an already adapted template. In the circumstances, managers are expected to be in close friendship with the information and communication technology world. Quite interestingly, management is by its nature a delegating function hence the employees in general should be ICT-skilled.

Muchinsky et al (2002:167) expressed
this perspective quite clearly when he notes that:

In an age of technological innovation in which robots, telecommunications, artificial intelligence, software and lasers perform routine tasks, worker skills soon become obsolete. Put bluntly, today’s jobs require new and different skills at all levels of an organisation.

Computer literacy is no longer a simple know-how of Ms Word, Excel, PowerPoint and Access. Many organisations in the Public Sector have moved towards Ms Project planning and reporting, and utilisation of software packages. Traditional typing pools have long been disestablished with employees and the equipment for such units integrated within line functions. All offices have been computerised with each employee having an electronic mail address and a Financial Accounting System password.

With all the resources in front of you there cannot be an excuse for poor performance. It is even worse when training opportunities were presented to an employee and denied. The next step would be a hearing on a case of job incapacity and dismissal!

Skills migration and brain drain

One of the crucial problems confronting the Public Service Human Resource Management is the recruitment and retention of scarce skills. This problem is also common with the municipalities and parastatals. Of course the problem is not unique with the public sector, the private sector is also grappling with the migration of scarce skills.

This problem — skills migration and brain drain in the Public Sector — may be best understood if first looked at as a national problem affecting the South African economy. The loss of our highly skilled citizens to other countries through emigration has been a cause of concern in South Africa for many years. Contrary to popular perception, the brain drain in South Africa started long before the inception of the new government in 1994, and the figures suggest that the flow of professionals from this country continues to increase rapidly (HRD Review 2003).

The official statistics released by Statistics SA indicate that the greatest mobility of skilled people has been in those in education and humanities occupations, followed by engineers, architects, top executives and managerial personnel.

The next and important question is which skills the country is losing to other countries. The official statistics released by Statistics SA indicate that the greatest mobility of skilled people has been in those in education and humanities occupations, followed by engineers, architects, top executives and managerial personnel. Emigration amongst those in the natural sciences and medical professions has also been steadily increasing.

Statistics further show that skilled South Africans who choose to emigrate head for some of the most industrialised countries in the world — the United Kingdom, the United States and Canada, and more recently to Australia and New Zealand (HRD Review 2003). Current records also indicate that over the past thirty years, the vast majority of emigrants from South Africa to other countries have been in the most productive age groups — 25 to 45 years.

Emigration wouldn’t be a problem on its own if it was accompanied by an equal or more immigration of highly skilled people into the country which does not seem to be the case thus far. The country has just been experiencing a brain drain without a corresponding brain gain; hence the current phenomenon is regarded as problematic.

Listed hereunder are some of the factors that have contributed and still contribute to the loss of scarce skills by the country through drainage to other countries:

• Apartheid era political upheavals, Soweto uprisings in 1976 and the states of emergency in the late 1980s;
• Rising crime rates in the country;
• Perceptions of high cost of living and taxation levels;
• Perceived decline in the standard of public services in the country;
• Attractive salary packages and career opportunities in the advanced industrialised countries;
• The pervasive influence of a globalising economy characterised by a global market for employment and career advancement for highly skilled employees.

The Public Sector is the hardest hit in this phenomenon in that it faces a brain drain into the Private Sector and to the world. The Public Sector competes with the Private Sector on scarce skills like Engineers, occupations whose pool are said to be steadily declining and the Public Sector is expected to compete for its share of professionals. Perceived poor working conditions in the Public Service, a scarce Public Sector employer, make the Public Sector not an organisation of choice.

To win the game the Public Sector will have to improve on its salary packages, address the deteriorating working conditions or compensate for lower standards and engage professional bodies for recognition of public sector experience for admission as an attorney, chartered accountant, engineer etc.

It has to be indicated that a new trend has since emerged after 1998 of more and more middle management and entry-level employees departing to other countries in search of quick money through casualisation and moonlighting. Educators, police and clerks are leaving the country for United Kingdom, Saudi Arabia and Canada. Many are said to be...
The growing impact of HIV and AIDS

HIV and AIDS is known for attacking young and old, male and female, rich and poor, learned and illiterate, highly-skilled and unskilled without any bias. This epidemic has serious implications for the scarce skills in the Public Sector. Any attempts to attract and retain highly-skilled staff must build within them HIV and AIDS impact considerations.

Statistics indicate that by 1997 an estimated 30, 6 million people around the world were infected with HIV and AIDS. By 2001 that number had climbed to 40 million. Africa constitutes 10% of the world population, but 70% of the people living with HIV/AIDS in the world are in the Sub-Saharan Africa (Msiska 2002:12). UNAIDS estimates that 4.8 million people in South Africa are living with HIV/AIDS, and 70 000 babies are born with HIV. 1, 7 million children in Sub-Saharan Africa have lost either one or both parents to HIV and AIDS (Nhlapo 2002:22).

Further to this, the South African Economic Research indicates that in the 40.1 million people who were living with HIV/AIDS around the world by 2001, 27.3 million fall within the 16 - 65 age category, 16.1 million of which were economically-active; 11.8 million employed and 4.2 million being unemployed. Statistics further reveal that there is a greater concentration of infection by the epidemic within the age group 20 - 35 years (Mulumba 2002:10).

The Public Service is said to be the largest employer, not only in the Public Sector but in the South African economy as a whole, with a staff complement of not less than 1.1 million. Thinking about the Human Resource Planning risks for the Public Sector the HIV/AIDS impact comes first.

Having forecast the Public Sector’s staff requirements and availability in the future, and beginning to introduce planned and targeted strategies for attraction and retention of scarce skills, HIV and AIDS impact seems to defeat the globalisation effect by comparison. Planning for the efficient and effective utilisation of staff considerations of the likely higher impact of HIV and AIDS on staff productivity, increased absenteeism rates, workload and burn-out, strenuous workplaces, resignations, turnover and repeated death emerge for consideration.

Possible strategies for addressing the Public Sector scarce skills

The state carries out its role in human resources development and more particularly training via various ministries and state departments, each with a specific portfolio responsibility. It is, however, important to distinguish between the state’s role with regard to education and training of its own employees on the one hand, and on the other hand, its role with regard to human resources development relating to the citizens of the country as a whole (Gerber et al 1998:439).

Any strategies that are thought of to address the skills gap in the Public Sector should be multifaceted. This is because of the dual responsibility the Public Sector holds to itself, as an institution that must develop and grow to better deliver on its constitutional mandate, and also that of ensuring that community development takes place alongside its own development.

This is taken further to say that the Public Sector carries a responsibility for Private Sector development through creating a sound environment for investment and economic growth. It is therefore not surprising that the strategies emerging out of the discussion and analyses presented in the previous sections are not confined to the Public Sector as a stand-alone entity, but talks to the Private Sector and community organisations.

Van Dyk (1997:153) defines the above approach to training and education as Strategic Human Resources Development (SHRD) which relates to a process of changing an organisation, stakeholders outside it, groups inside it and people employed by it through planned learning with a view to equipping them with the knowledge and skills needed for the future.

It has become apparent from the preceding sections that the problem of scarce skills in the Public Sector is an environmental issue. It is determined by the processes outside the Public Sector, and also by the challenges within the sector itself. This will come out clearly in the proposed strategies below. Outlined below are the three inter-connected levels of activity formulated to address the main problems accounting for the scarce skills in the Public Sector.

Policy responses

It is an open secret that many Public Service institutions either do not have Recruitment policies or are still holding to policies of the past which do not take into account the new demands posed by the new democratic order in the country. Within government departments no employment. Where these exists in the form of generic policy interpretations that lead to nepotism and favouritism in Public Service institutions either do not have Policy responses.

What exists are recruitment practices leaving recruitment processes to diverse generic policy interpretations that lead to nepotism and favouritism in Public Sector employment.

There are no institutional targets for historically disadvantaged persons employment. Where these exists in the form of Employment Equity Plans, such plans are never integrated with recruitment and training and development processes.

To attract scarce skills one would have had to adjust the qualifying criteria for recruitment. For example, Van Dyk (1997:153) defines the above approach to training and education as Strategic Human Resources Development (SHRD) which relates to a process of changing an organisation, stakeholders outside it, groups inside it and people employed by it through planned learning with a view to equipping them with the knowledge and skills needed for the future.
equity issues at the same time.

Strategy responses

Development of Service Delivery Models linked to Strategic Plans and Integrated Development Plans

Public Service institutions and state parastatals are required to put into place Strategic Plans in line with the Public Finance Management Act, 1999. These should outline their strategic goals, strategic objectives, performance outputs and targets for each Medium Term Expenditure Framework period determined by the National Treasury.

Such plans are also required for the municipalities in the form of Integrated Development Plans (IDPs) as required by the Municipal Systems Act, 1998. These institutions are also required by these pieces of legislation to indicate within their strategic (futuristic long term) plans their methods of service delivery which is summed up in this article as a Service Delivery Model.

As we have come to understand the concept of production planning modeling in the Public Sector deals with the matter of where, by whom and how a public institution will deliver its services, a relatively new concept in the Public Sector or perhaps to have drawn the attention of planners in the Public Sector.

This model integrates an analysis of the functions and services in an organisation, horizontal split of responsibilities in each particular point in time an organisation is capable of making choices on its service delivery strategies i.e. whether at a particular point in time would it be cost-effective to do major work in-house or out-source it. Community participation is also quantified within the model with some projections on job creation or job losses.

There is no sense within the public institutions of what the future holds for employees in those institutions; they cannot plan their personal development around the possible niche markets to emerge in the future within their institutions as is the case in the Private Sector.

Comprehensive programme on attraction and retention of scarce skills

Factors highlighted in the previous section relating to the skills gap in the Public Sector point to the complexity of the challenge facing this sector. It therefore goes without saying that any strategy that is aimed at addressing this situation may not be easily found and be a one-size-fits-all. What is presented hereunder is a component of the said strategy, and perhaps a quick-win programme for public institutions.

• Active marketing of public institutions and the Public Service

Given the history of the South African Public Service, a relatively new institution emanating out of an amalgamation of previous administrations with different cultures, values and purpose of existence, what exists today as a unified Public Service in the country still requires rigorous marketing. The same applies to the new municipalities and state parastatals.

Public institutions are not known for what they stand for but only for what they fail to do. The role of the media has contributed in the negative marketing of public institutions in the post-1994 dispensation. It is that trend which public institutions must turn around.

• Special Incentive Schemes for scarce skills

To attract and retain scarce skills, and still hope to deploy them to the rural communities where public services are mostly required, public institutions are compelled to reconsider their compensation and benefits structure. Rural allowances and flexible benefit plans tailor-made to meet individual needs must be introduced.

• Bursary Schemes aligned to scarce skills

A need to address the training and education backlog especially in favour of the historically disadvantaged groups should be balanced with an important objective of ensuring a sustainable survival of the institution to address the same ideal. In the circumstances where the public institution has lost out on its scarce skills to the private sector and the world which are central to the delivery of its core business, its long-term sustainability is questionable. According to Smit (2003:11) such an organisation may as well close shop.

Bursary schemes in some public institutions are focusing on uplifting the lower level personnel and entry-post unemployed with post-graduate study funding conceived as just an activity of colouring one’s Curriculum Vitae. Such organisations are in a danger of even losing the non-scarce personnel who might soon see their career advancement somewhere else. The increasing demand in the economy for highly-skilled employees is a quick indicator to the plight hanging over these traditional institutions.

• Accreditation of experience gained by Public Sector interns

Public institutions will have to engage various professional bodies to ensure that experienced gained by unemployed graduates in the Public Sector gets accreditation to facilitate the admission of interns...
Issues

for professional qualifications thereby creating a pool of scarce skills.

• Compulsory exit interviews for senior managers and scarce skill employees
  Public institutions will have to keep themselves abreast of the reasons for scarce skill and senior management turnover. Exit interviews, rather than guesswork are best practical tools to assist in this regard. Exit interview reports present yet another environment that influences the institution’s attraction and retention strategy for scarce skills.

Partnership arrangements on Internship programmes between Institutions of Higher Learning and public institutions: bridging the learning process gap
  Internship programmes in the Public Service (HRD Strategy for the Public Service 2002:9) are aimed at addressing the following main problems:
  • Shortage of skilled and committed professional candidates for positions in the Public Service;
  • Low level of practical work experience and understanding of the needs and realities of the Public Service among graduates;
  • Poor access to work experience for students and the unemployed youth.
  The internship programme is one of the initiatives which institutions of higher learning cannot leave to be the sole responsibility of public institutions as if student learning is complete through attainment of an academic qualification. Learning institutions have a responsibility to strike contractual arrangements with the various employers for the placement of their students post-qualification, as part of their curriculum.

Preparation of employees for developmental positions
  Training employees to excel in their current jobs is both shortsighted and non-developmental. Training is by its nature futuristic, and was never meant to fill past training gaps. Training should prepare the employee for future challenges which may include a future requirement to take up a higher position in an organisation, which may not be the employee’s current employer.

Integrated Management Information System for Public and Private Sectors
  Both the public and the private sector organisations are operating from the position of ignorance of what the environment holds for their products and services. There are few exceptions to this case, and these are mainly private sector organisations with a fully-fledged Research and Development (R&D) arm.

Integrated career guidance and youth mentorship programmes
  Youth at school and unemploy should be able to access information and receive guidance on existing job opportunities. The Departments of Labour and Education have a specific role to play in this regard. The National Youth Policy (2000:24) proposes the established of Youth Career Guidance Centres at local municipality level that will provide information and career guidance services to the youth at all times.

Youth mentoring which has been happening on an informal basis at family and community level should be formalised between public institutions and technikons and universities. Experienced, knowledgeable and educated employees should be allowed to voluntarily take over the responsibility of mentoring at least three young people in their communities with such mentoring arrangements being structured at the level of institutions of higher learning and their employers as additional or extra-mile work they pursue for the development of their communities.

Employees and community members who successfully mentored young people up to a level where such young people were able to live independent and successful lives should be conferred with prestigious awards by the last universities or technikons where the mentoring programme was confirmed.

With the growing impact of HIV and Aids in our families and communities youth require people who would hold them by hand. There are young and talented women who have been victims of drugs, and who couldn’t pursue their careers not because they lacked funding but due to family disintegration for a number of reasons. Quite importantly,
they lost in their career lives because there was no helping hand around to lift them in times of difficulty and propel them to the right direction.

A number of people within our communities are doing this without due recognition by the society. These are good community practices that need to be recognised and expanded, and this can cost an institution of learning just a register of community mentors for youth and a certificate of appreciation of good work to the mentor.

Initiatives

Training for technology progress
According to Carroll et al. (2002:317) technological change-related programmes will continue to challenge organisations. The rate of advancement of technology continues to accelerate, so employers must continue to offer training and development to keep frontline as well as managerial employees from obsolescence.

If the South African Public Sector still considers it worthwhile to follow international trends on Information and Communication Technology utilisation it will have to support that ideal with suitable funding of post-graduate studies in ICT as there is a clear deficiency in the labour market in this area of skill. HRD Review 2003 states that of those who held post-graduate qualifications in ICT in 1999, Whites constituted 69%, Africans 20%, Indians 7% and coloureds 4%.

Universities and technikons are said to be producing a small number of ICT graduates per year, even a very small proportion of these proceed to postgraduate level in ICT; many branch towards other fields of study like Masters in Business Administration (a close friend of mine with a strong ICT background has just done this).

Addressing the investment challenge
South Africa has set itself an economic growth target of 6% in five years time from the current 3% actual. According to Ramas Ramashia (2003:10) higher levels of economic growth shall be achieved through a collaborative effort between government and organised business. The private sector will have to mobilise domestic investment and demonstrate its confidence in the domestic economy. Government on the other hand should direct and influence private sector investment decisions through, amongst other things, public investment programmes in roads, dams, electricity grid, ports and pubic transport network. This will serve the country better in attracting foreign investment. Within all these programmes will be a strong component of skills transfer and development.

Conclusion
Scarcity of skills against the background of the rising unemployment rate and chronic poverty is arguably a serious economic dilemma in the country. The question raised herein is how possible is it that the public sector gets challenged by a dire shortage of skills when each and every year institutions of higher learning produce thousands and thousands of graduates into the labour market, many of whom remain unemployed.

It is also said that the country has experienced a jobless economic growth in the last five to seven years. On the other hand, old jobs were lost, while at the same time new jobs ones have emerged with the processes of restructuring of the economy. These new jobs could not be filled due to unavailability of appropriate skills. Baloyi (Sunday Times, 7 December 2003) states that the Public Service will be compelled to follow the route taken by the parastatals who have had to go overseas to get the skills they required.

The lack of interaction between the public sector and institutions of learning that would influence learner career choices based on the labour market current and forecasted demand of skills is not a healthy phenomenon in the country’s economy. Linked to this is a trend of inadequate vocational guidance at the early stages of child learning.

Training of employees should not be confined to job improvement-oriented programmes because it is by its nature futuristic. Institutional training should over and above addressing the current performance gap prepare an employee for future work challenges which entail technological innovation and higher work responsibilities.

Public institutions should be prepared to enter into an extra cost to attract and retain scarce skills. Rigidity in employment policies characterised by the over stating of an experience criterion defeats any purpose of attracting and retaining scarce skills at, especially, entry-level positions in the public sector. The same can be said of this whole emphasis on admission to professional registration prior employment in the public sector.

Extensive learning and higher skills acquisition takes place in a vibrant environment. The South African economy should be stimulated to lean more on own production rather than importing ready-made products in the form of goods and services.

Large-scale investment in the domestic economy by domestic businesses influenced by government’s public investment programmes will help attract foreign investment and ensure economic activism that should translate into extensive learning and development.
An atheist professor of philosophy speaks to his class on the problem science has with God, the Almighty. He asks one of his new Christian students to stand and... Professor: You are a Christian, aren’t you, son?
Student: Yes, sir.
Prof: So you believe in God?
Student: Absolutely, sir.
Prof: Is God good?
Student: Sure.
Prof: Is God all-powerful?
Student: Yes.
Prof: My brother died of cancer even though he prayed to God to heal him. Most of us would attempt to help others who are ill. But God didn’t. How is this God good then?
Hmm?
(Student is silent.)
Prof: You can’t answer, can you? Let’s start again, young fella. Is God good?
Student: Yes.
Prof: Where does Satan come from?
Student: From... God...
Prof: That’s right. Tell me son, is there evil in this world?
Student: Yes.
Prof: Evil is everywhere, isn’t it? And God did not make everything. Correct?
Student: Yes.
Prof: So who created evil?
(Student does not answer.)
Prof: Is there sickness? Immorality? Hatred? Ugliness? All these terrible things exist in the world don’t they?
Student: Yes, sir.
Prof: So, who created them?
(Student has no answer.)
Prof: Science says you have five senses you use to identify and observe the world around you. Tell me, son... Have you ever seen God?
Student: No, sir.
Prof: Tell us if you have ever heard your God?
Student: No, sir.
Prof: Have you ever felt your God, tasted your God, smelt your God? Have you ever had any sensory perception of God for that matter?
Student: No, sir. I’m afraid I haven’t.
Prof: Yet you still believe in Him?
Student: Yes.
Prof: According to empirical, testable, demonstrable protocol, science says your God doesn’t exist. What do you say to that, son?
Student: Nothing, I only have my faith.
Prof: Yes. Faith. And that is the problem science has.
Student: Professor, is there such a thing as heat?
Prof: Yes.
Student: And is there such a thing as cold?
Prof: Yes.
Student: No sir. There isn’t.
(The lecture theater becomes very quiet with this turn of events.)
Student: Sir, you can have lots of heat, even more heat, superheat, mega heat, white heat, a little heat or no heat. But we don’t have anything called cold. We can hit 458 degrees below zero which is no heat, but we can’t go any farther after that. There is no such thing as cold. Cold is only a word we use to describe the absence of heat. We cannot measure cold. Heat is energy. Cold is not the opposite of heat, sir, just the absence of it.
(Student is silent.)
Prof: Is there anyone in the class who has ever seen the Professor’s brain?
(The class is in uproar.)
Student: Have you observed evolution with your own eyes, sir?
(The Professor nods.)
Prof: If you are referring to the natural evolutionary process, yes, of course, I do.
Student: Have you ever observed evolution beyond the natural evolutionary process?
Prof: You are viewing the concept of God as something finite, something we can measure. Sir, science can’t even explain a thought. It uses electricity and magnetism, but has never seen, much less fully understood either one. To view death as the opposite of life is to be ignorant of the fact that death cannot exist as a substantive thing. Death is not the opposite of life: just the absence of it. Now tell me, Professor. Do you teach your students that they evolved from a monkey?
Prof: If you are referring to the natural evolutionary process, yes, of course, I do.
Student: Do you teach your students that they evolved from a monkey?
Prof: Yes.
(Student is silent.)
Student: Are you not a scientist but a preacher?
Prof: I guess you’ll have to take them on faith, son.
Student: That is it sir. The link between man and god is FAITH. That is all that keeps things moving and alive.