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**REPUBLIC OF SOUTH AFRICA**  
**DEPARTMENT OF PERFORMANCE MONITORING AND EVALUATION**  
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## **PRESS STATEMENT**

### **RESULTS OF 2012/13 MANAGEMENT PERFORMANCE ASSESSMENTS OF NATIONAL AND PROVINCIAL DEPARTMENTS**

**10 September 2013**

Good Morning ladies and gentlemen of the media

Today, we are releasing a report on management performance assessments for all 156 national and provincial departments for the 2012/13 financial year. This is the second report we are releasing since we started with the process of assessing the management performance of government departments.

These reports are meant to assist departments to improve on their management practices so as to ensure that they improve on service delivery. At the beginning of the administration, President Jacob Zuma emphasized the importance of a performance oriented state. These assessments also contribute towards achieving a vision of a capable state which is able to respond to the needs of the people and challenges of service delivery.

Departments' management practices are assessed against 29 generic management standards, covering the following:

- planning
- monitoring and evaluation
- service delivery improvement
- functionality of management structures
- accountability

- ethics
- internal audit and risk management
- financial and human resource management delegations
- human resource planning
- organisation design
- recruitment and retention
- performance management
- management of discipline
- supply chain management
- procurement and expenditure management.

Details of the standards are contained in an annexure to the report.

The Department of Performance Monitoring and Evaluation (DPME) is conducting these assessments to assist departments to improve service delivery. We are doing these assessments because we believe some of the weaknesses in management practices are the cause of some service delivery problems. These may include for example the textbook delivery problems that have occurred in some provinces, the occasional shortages of Anti Retrovirals (ARVs) in some provinces, and undermining of our small business development policy through non-payment of suppliers within 30 days.

Management performance assessments provide a picture of only one aspect of the performance of a department. To have an overall performance outlook of a department it is very important to also consider the outcomes and impacts on society which have resulted from the work of the department.

DPME is doing this through our programme of evaluations of major programmes and through monitoring the implementation of the delivery agreements for the priority outcomes. Progress in this regard is updated regularly on the Programme of Action website. We also published a mid-term review of government's performance against the targets in the delivery agreements, which is available on the department's website. Information on departments' performance against targets for outcome and impact indicators in their strategic plans and annual performance plans can also be found in their publicly available annual reports.

To assess management performance, departments were given a rating from 1 to 4 for each of the management standards. Rating levels 1 to 3 measure levels of compliance with legislation and regulations, and level 4 measures whether the department is operating smartly in addition to meeting all the regulatory requirements. For example, departments which develop and display service delivery standards and produce service delivery improvement plans, therefore they are meeting the regulatory requirements with regard to service delivery improvement, but departments are moving beyond compliance and operating smartly when their management teams actually monitor their adherence to their service delivery standards and use such monitoring to inform their service delivery improvement plans.

The assessment process is designed to build internal monitoring and self-evaluation capacity by involving senior managers in the process. This contributes to the development of a culture of continuous improvement in the public service and the National Development Plan goal of professionalising the public service.

## **PROCESS**

The senior management team in a department first rates its own level of performance against the management standards. Departments are then required to provide evidence to back up their ratings, and this evidence has to be validated by the internal audit units in departments. For the 2012/13 assessments, an additional step of peer moderation was introduced, to independently review and confirm or amend scores based on the availability of appropriate evidence.

## **RESULTS**

When compared against the 2011/12 assessment results, the 2012/13 moderated results do show that there has been some improvement. There have been improvements in the management standards related to strategic management and financial management, particularly when one considers that the moderation process often lowered the self-assessment scores. However, the average scores for the management standards related to human resource management and governance and accountability were worse in 2012/13 than in 2011/12.

In conjunction with the School of Public and Development Management at the University of the Witwatersrand and the Public Affairs Research Institute, the department carried out a statistical analysis of the results together with other available data on external criteria, which is contained in the report. The analysis indicated that scores in the human resource management standards correlate strongly with the Auditor General criteria of achieving at least 80% of targets in the Annual Performance Plan. This supports the analysis in the National Development Plan that the main challenge to building a capable and developmental state has been unevenness in capacity that leads to uneven performance. It further indicates that there needs to be a strong focus on improving human resource management across government. Related to this, the statistical analysis also found a strong relationship between Senior Management Service (SMS) stability (the proportion of DGs and DDGs in office for more than three years) and good management performance assessment scores.

In general, the assessment results show that more needs to be done by departments to improve levels of management practice. It is the responsibility of Directors General (DGs) and Heads of Departments (HODs) in departments to implement improvements in this regard. In addition, Ministers and MECs must ensure that DGs and HODs are held to account for implementing these improvements.

The results do not support the perception that management practices are generally worse in the provincial governments than in the national government. In comparing the results for national departments with the provinces, it was found that the top four in terms of quality of management practices are Western Cape, Mpumalanga, national departments (as a group) and Free State, and the bottom two are North West and Eastern Cape, whilst the remaining four provinces are in between. The report contains a score-sheet for each national department. The top five national departments in terms of management performance assessment scores are:

1. Department of Science and Technology
2. Department of Trade and Industry
3. Department of Environmental Affairs
4. National Treasury
5. Department of Mineral Resources

In all standards, there are at least some departments operating at level 4. The report has been presented to Cabinet, which decided that all departments must implement improvement plans to reach level 4 for all standards. In this regard, DPME has produced case studies of departments operating at level 4 in the various management areas and shares them to enable departments to learn from each other. The case studies are also contained in an annexure to the report and are available on the department's website.

Cabinet also decided that National Treasury and DPSA should investigate the reasons for very low levels of compliance against certain management standards, and review the relevant regulatory frameworks or provide additional support to departments in these areas. It was also decided that Ministers should ensure that their departments continue to participate in the annual assessments, under the leadership of their Directors General and senior management.

One of the reasons for producing this report is to provide Parliament and Provincial Legislatures with information they can use to monitor improvements in management practices in departments. The results also provide an opportunity for administrative policy departments, such as National Treasury and DPSA to evaluate the effectiveness and appropriateness of the regulatory requirements in areas of low compliance. These departments should also initiate support measures to improve understanding and compliance in these areas.

The moderated results of the 2012/13 assessments will serve as a baseline for us to measure improvement over time through repeating the assessments annually. Improving on this baseline is necessary to show to all South Africans that we are indeed on our way to building the "capable and developmental state" referred to in the National Development Plan.

The experience of the two assessments has enabled us to understand the challenges which public administration is facing. Having understood the baseline information, we are confident that we will soon overcome these challenges.

Thank you.

