



THE PRESIDENCY

REPUBLIC OF SOUTH AFRICA

DEPARTMENT: PERFORMANCE MONITORING AND EVALUATION



MPAT

**Management Performance
Assessment Tool**

NATIONAL DEPARTMENTS

SYNOPSIS OF MANAGEMENT PERFORMANCE ASSESSMENT

TOOL RESULTS

2012/13

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Abbreviations

Key Performance Areas:

Strat Mgt:	Strategic Management
Gov and Acc:	Governance and Accountability
HR Mgt:	Human Resource Management
Fin Mgt:	Financial Management

Standards:

1.1.1 Strat Plans:	1.1.1 Strategic Plans
1.1.2 APP:	1.1.2 Annual Performance Plans
1.3.1 M&E:	1.3.1 Integration of monitoring and evaluation in performance and strategic management
2.1.1 Serv del impr mech:	2.1.1 Service delivery improvement mechanisms
2.2.1 Mgt struct:	2.2.1 Functionality of management structures
2.3.2 Account (Audit Comm):	2.3.2 Assessment of accountability mechanisms (Audit Committee)
2.4.1 Prof ethics:	2.4.1 Assessment of policies and systems to ensure professional ethics
2.4.2 Fraud prev:	2.4.2 Fraud prevention
2.5.1 Internal audit:	2.5.1 Assessment of internal audit arrangements
2.6.1 Risk Mgt:	2.6.1 Assessment of risk management arrangements
2.7.1 Deleg's: PSA:	2.7.1 Approved EA and HOD delegations for public administration in terms of the Public Service Act and Public Service Regulations
2.7.2 Deleg's: PFMA:	2.7.2 Approved HOD delegations for financial administration in terms of the PFMA
3.1.1 HR Planning:	3.1.1 Human Resource Planning
3.1.2 Org Design:	3.1.2 Organisational Design and Implementation
3.1.3 HR Dev Plan:	3.1.3 Human Resources Development Planning
3.2.1 Pay sheet cert:	3.2.1 Pay sheet certification
3.2.2 Recruit and reten:	3.2.2 Application of recruitment and retention practices
3.2.4 Mgt diversity:	3.2.4 Management of diversity
3.3.1 Level 1-12 PMDS:	3.3.1 Implementation of Level 1-12 Performance Management System
3.3.2 SMS PMDS (ex HODs):	3.3.2 Implementation of SMS Performance Management System (excluding HODs)
3.3.3 PMDS HOD:	3.3.3 Implementation of Performance Management System for HOD
3.4.2 Discipl cases:	3.4.2 Management of disciplinary cases
4.1.1 Demand Mgt:	4.1.1 Demand Management
4.1.2 Acquisition Mgt:	4.1.2 Acquisition Management
4.1.3 Logistics mgt:	4.1.3 Logistics management
4.1.4 Disposal mgt:	4.1.4 Disposal management
4.2.1 Cash flow:	4.2.1 Management of cash flow and expenditure vs. budget
4.2.2 Paym't of suppl:	4.2.2 Payment of suppliers within 30 days
4.2.3 Unauthorised, etc:	4.2.3 Management of unauthorised, irregular, fruitless, and wasteful expenditure

Departments:

ND A&C:	Department of Arts and Culture
ND AFF:	Department of Agriculture Forestry and Fisheries
ND BE:	Department of Basic Education
ND CG:	Department of Cooperative Governance
ND Comm:	Department of Communication
ND CS:	Department of Correctional Services
ND Def:	Department of Defence
ND EA:	Department of Environmental Affairs
ND ED:	Economic Development Department
ND Energy:	Department of Energy
ND GCIS:	Government Communication and Information System
ND HA:	Department of Home Affairs
ND Health:	Department of Health
ND HET:	Department of Higher Education and Training
ND HS:	Department of Human Settlements
ND IPID:	Independent Police Investigative Directorate
ND IRCO:	Department of International Relations and Cooperation
ND J&CD:	Department of Justice and Constitutional Development
ND Labour:	Department of Labour
ND MR:	Department of Mineral Resources
ND MV:	Department of Military Veteran
ND NT:	National Treasury
ND PALAMA:	Public Administration Leadership and Management Academy
ND PE:	Department of Public Enterprises
ND PME:	Department of Performance Monitoring and Evaluation
ND Pres:	The Presidency
ND PSA:	Department of Public Service and Administration
ND PSC:	Public Service Commission
ND PW:	Department of Public Works
ND RD&LA:	Department of Rural Development and Land Affairs
ND SAPS:	South Africa Police Service
ND SARSA:	Sports and Recreation South Africa
ND SD:	Department of Social Development
ND ST:	Department of Science and Technology
ND Stats:	Statistics South Africa
ND T&I:	Department of Trade and Industry
ND TA:	Department of Traditional Affairs
ND Tourism:	Department of Tourism
ND Trans:	Department of Transport
ND WA:	Department of Water Affairs
ND WC&PD:	Department of Women Children and Persons with Disabilities

1 Background

The Management Performance Assessment Tool (MPAT) is one of several initiatives to improve the performance and service delivery of national and provincial departments. MPAT is a structured, evidence-based approach to the assessment of management practices. Underpinning MPAT is the logic that improved management practices is key to improving government performance and service delivery.

In October 2010, Cabinet mandated the Department of Performance Monitoring and Evaluation (DPME) to lead the development and piloting of an assessment tool, working collaboratively with the Department of Public Administration (DPSA), the National Treasury and the Offices of Premier. Independent bodies, namely, the Auditor-General of South Africa (AGSA) and the Office of the Public Service Commission also contributed to the development of MPAT.

DPME officially launched MPAT in October 2011 and reported the MPAT 2011/12 self-assessment results to Cabinet in June 2012. A total of 30 national departments and 73 departments from eight provinces participated in the first MPAT assessment. DPME published the results of national departments on its website and held feedback sessions with departments and provinces.

In June 2012, Cabinet approved, inter alia, the implementation of MPAT for the 2012/13 financial year, in all national and provincial government departments. For the 2012/13 all (156) national and provincial departments participated in the MPAT assessment.

2 Purpose of the report

This report presents the MPAT results for the 2012/13 financial year for National Departments. Its purpose is to inform the departments about and contextualise the state of management practices at the national government level.

3 MPAT self-assessment process

The MPAT provides for a process of self-assessment which has various stages to ensure the quality thereof.

Departments were required to progress through the following stages:

Stage 1: Pre-Internal Moderation

Departmental KPA Coordinators complete their departments' self-assessments and upload relevant evidence on the web-based system.

Stage 2: Internal moderation

A department's Senior Management discusses and agrees on the completed self-assessments and evidence.

Stage 3: Internal audit

Self-assessments and evidence are verified by departmental Internal Audit.

Stage 4: HOD review and approval

HODs review and approve their departments' self-assessment and the process followed before submission thereof to the DPME.

All national departments submitted self-assessments and evidence. Twenty-one national departments (50 per cent) submitted self-assessments and evidence that went through all the required stages. The submitted self-assessment scores and evidence of 26 national departments (62 per cent) were referred to Internal Audit for verification. The senior management of 35 national departments (83 per cent) discussed and agreed on the submitted self-assessment scores and evidence. Seven national departments (17 per cent) submitted evidence and self-assessment scores that were not discussed at senior management level.

The submitted self-assessments were subjected to a moderation process where the supporting evidence was scrutinised, resulting in the confirmation or adjustment of self-assessment scores.

Based on the findings of the moderation process, the DPME facilitated engagements with departments to provide clarity and to obtain further substantiation for self-assessment scores.

The agreed scores emanating from this engagement process were considered the final scores and used in this report.

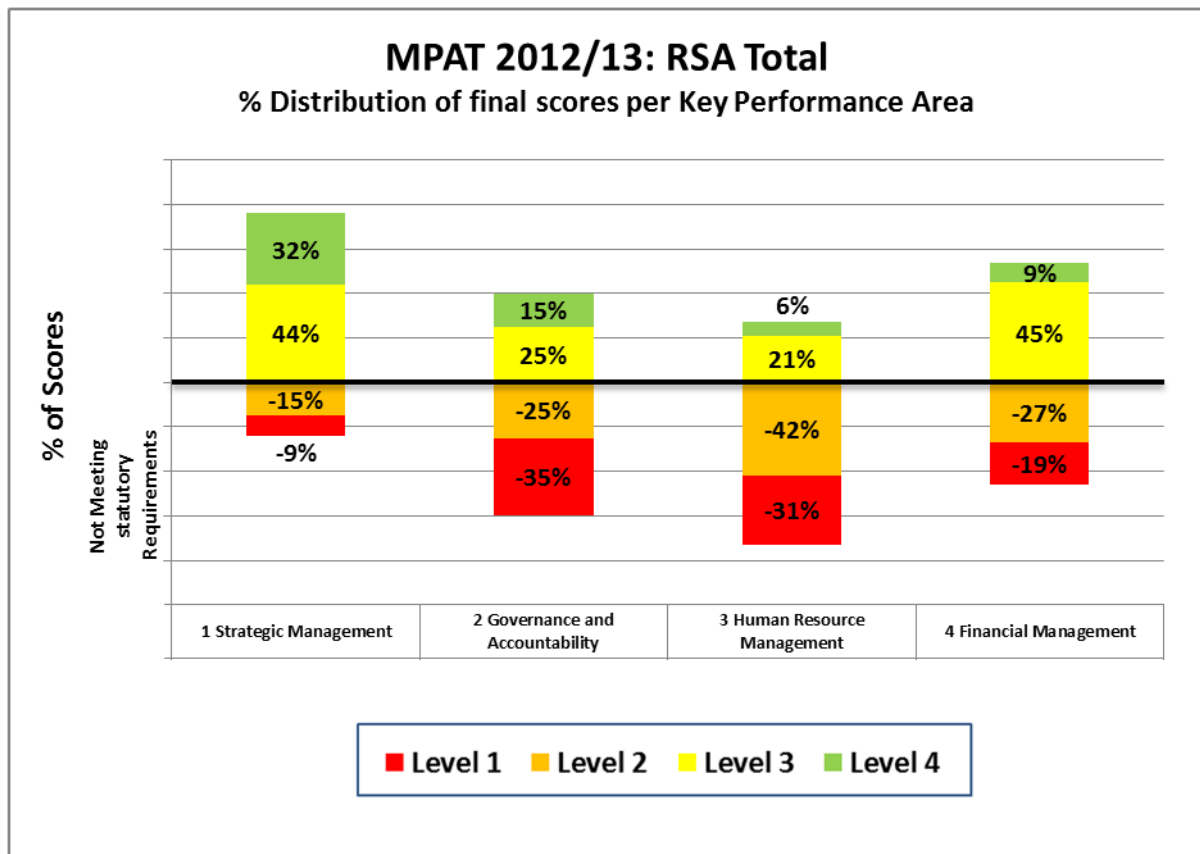
4 RSA MPAT 2012/13 results

The 2012/13 MPAT results for all national and provincial departments (RSA Results) in the South African government, varies substantially among the four MPAT Key Performance Areas (KPA).

From Graph 1 (RSA Results) it is clear that the meeting of Strategic Management (KPA 1) requirements is widespread, with 76 per cent of all scores meeting levels 3 and 4 requirements. The inverse is observed with Human Resource Management (KPA 3), where 73 per cent of all departments' scores did not meet the level 3 and 4 requirements.

Sixty per cent of departments' Governance and Accountability (KPA 2) scores fell below the level 3 and 4 requirements. Departments performed slightly better in Financial Management (KPA 4), where 54 per cent of departments' scores met the level 3 and 4 requirements.

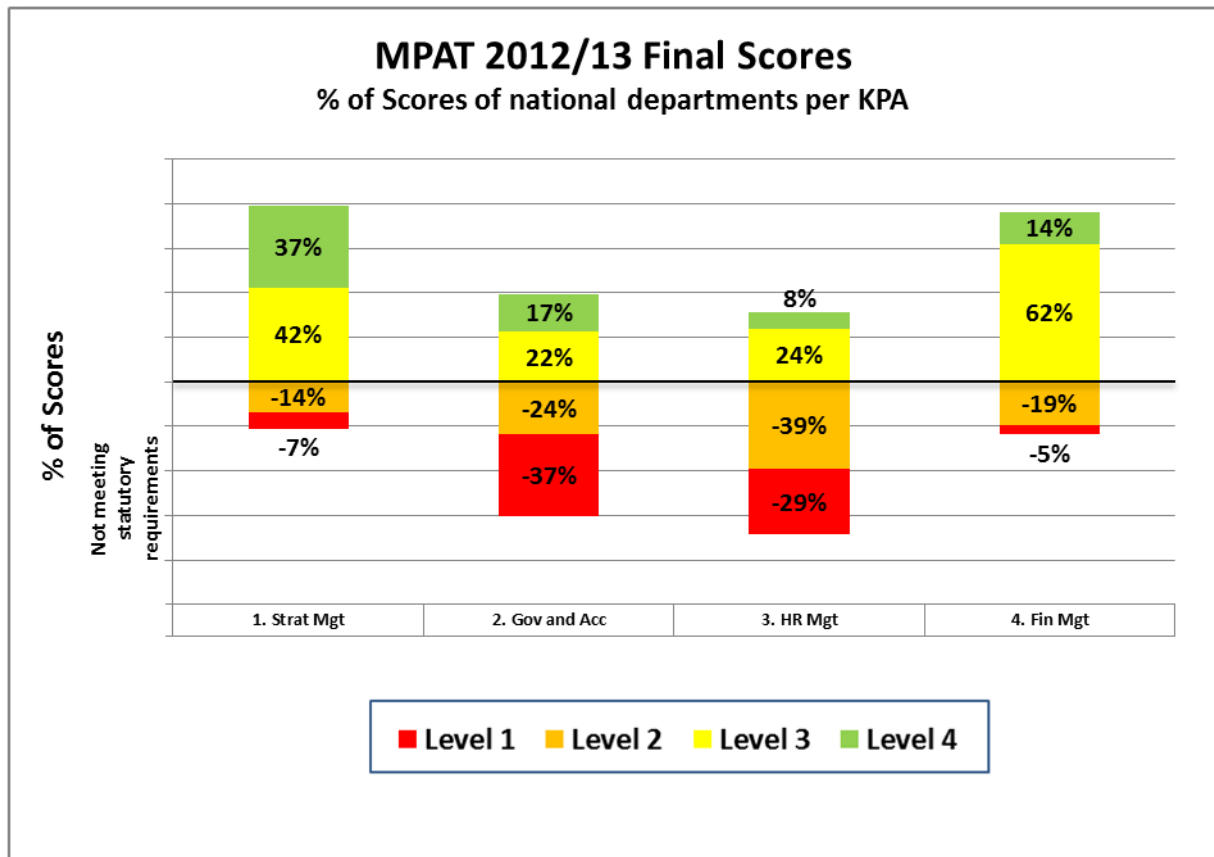
Graph 1: 2012/13 MPAT scores for RSA departments across the KPAs



5 National departments' MPAT 2012/13 Results

The 2012/13 MPAT results for all the national departments also vary among the four MPAT Key Performance Areas (KPAs).

Graph 2: Percentage of scores of national departments per KPA



Graph 2 indicates that the 79 per cent of Strategic Management scores at levels 3 and 4, achieved by national departments, are similar to the RSA scores (Graph 1). The main difference is in the higher proportion of level 4 scores achieved by national departments.

On Governance and Accountability, national departments had only 39 per cent of their scores at levels 3 and 4. This is similar to the RSA scores.

In terms of Human Resource Management, the scores of national departments are similar to that of all RSA departments, but achieving marginally more level 3 and 4 scores.

Seventy-six per cent of the Financial Management scores of national departments were meeting the level 3 and 4 requirements. This is significantly better than the 54 per cent for all RSA departments. It is important to note that the proportional difference is due to more level 4 scores and fewer level 1 scores.

5.1 Strategic Management

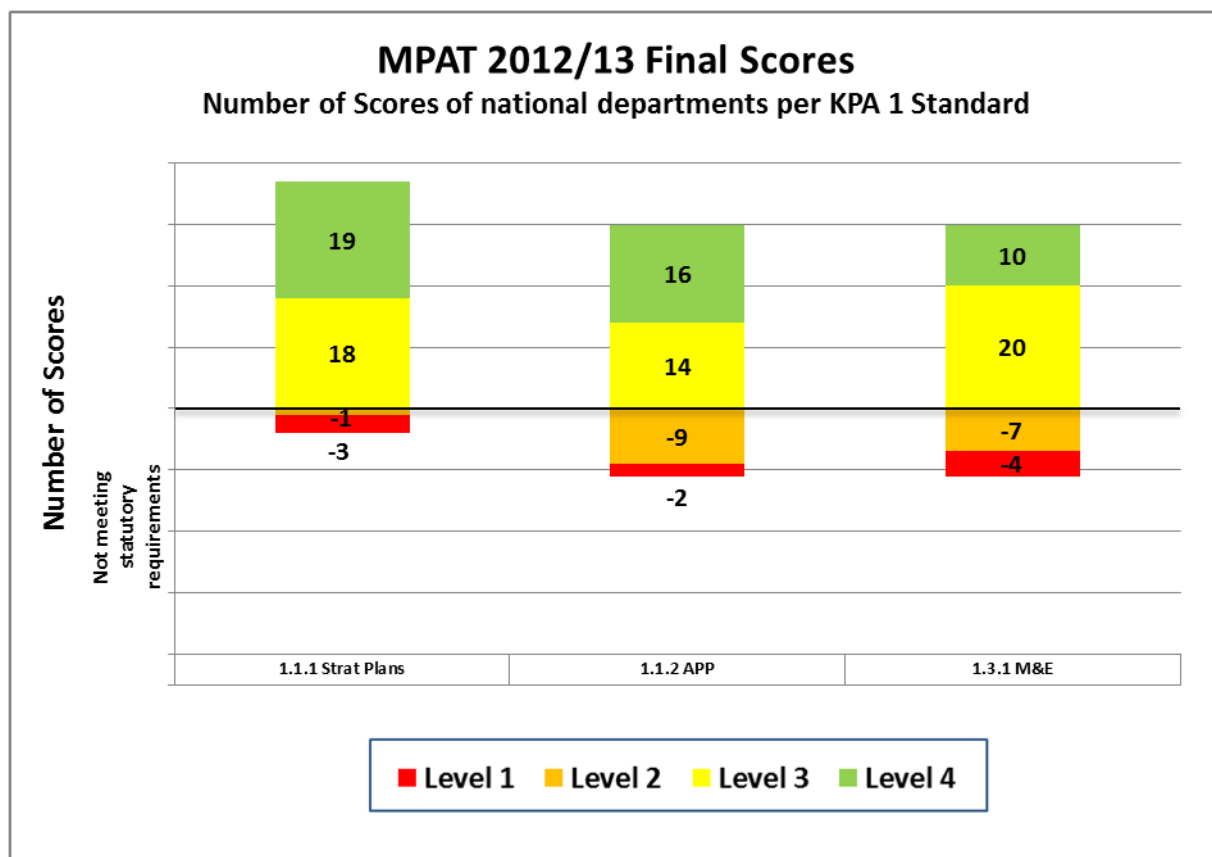
Strategic management is the comprehensive collection of on-going activities and processes to systematically coordinate and align resources and actions with mission, vision and strategy throughout the organisation. It goes beyond the development of a strategic plan – strategic management is the deployment and implementation of the strategic plan throughout the organisation, and the measurement and evaluation of results. Effective strategic management involves using information on the organisation’s performance to update the strategic plan.

MPAT assessed the extent to which strategic planning is based on sound information and analysis, alignment with national and/or provincial strategic priorities and Delivery Agreements, and whether departments review their performance against their plans.

This KPA comprises the following standards that were crafted to determine the extent to which managers use strategic management activities as tools for effective management in their departments:

- Strategic Plans
- Annual Performance Plans
- Integration of monitoring and evaluation into performance and strategic management

Graph 3: Number of scores of national departments per KPA 1 standard



Graph 3 indicates that 37 departments (90 per cent) scored level 3 and 4 on the standard on Strategic Plans. Of this number, more than half operated at level 4.

In both Annual Performance Plans (APPs) and Monitoring and Evaluation (M&E) standards, 30 departments (73 per cent) met the level 3 and 4 requirements. In respect of Annual Performance Plans, the main reasons for 27 per cent of departments not meeting the levels 3 and 4 requirements are due to some departments having challenges related to:

- Indicators contained in the APPS not meeting the “SMART” principles;
- Inadequate alignment of the APPs to their Strategic Plans, National Outcomes, the Medium Term Strategic Framework, and/or Delivery Agreements; and

- Situational analyses are not adequate in terms of either content or not having been reconsidered and amended to reflecting the, then current, external and/or internal demands and capabilities.

The challenges with M&E are attributed to 11 departments (27 per cent) not having standardised mechanisms for the collection, management and storage of monitoring data. In addition, 4 of these departments (10 per cent) did not have an M&E Framework and/or Performance Information Policy that formalise M&E throughout the organisation.

When considering the performance of individual national departments on KPA 1 standards, according to Graph 4, 23 departments (56 per cent) obtained level 3 and 4 scores for all the strategic management standards. Six departments (15 per cent) are working smartly on all aspects of Strategic Management. These are:

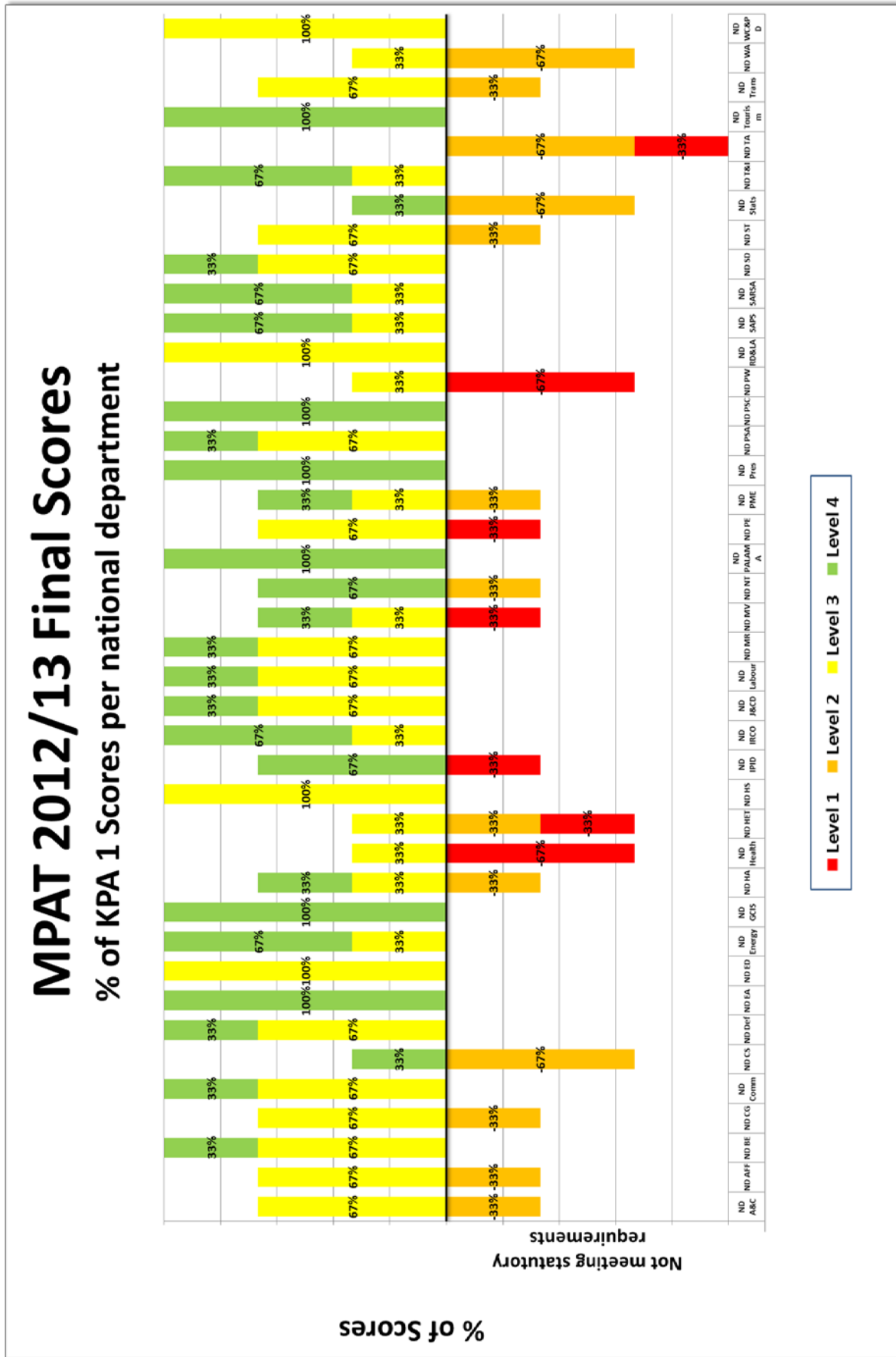
- ND EA;
- ND GCIS;
- ND PALAMA;
- ND Presidency;
- ND PSC; and
- ND Tourism

The following 7 departments stand out as experiencing challenges:

- ND CS;
- ND Health;
- ND HET;
- ND PW;
- ND Stats SA
- ND TA; and
- ND WA

The ND Health had a challenge with providing evidence of Strategic Plans, which also impacted on its score for APPs.

Graph 4: Percentage of KPA 1 scores per national department



Interventions to address these issues should be initiated from within the departments. Considering the high number of departments that perform well on Strategic Management, the basis of knowledge and skill that can be tapped into is vast.

5.2 Governance and Accountability

Good governance and accountability is pivotal to a well-functioning public service.

This Key Performance Area in MPAT comprises the following standards that were crafted to determine the extent to which managers ensure good Governance and Accountability in departments:

- Service delivery improvement mechanisms
- Functionality of management structures
- Assessment of accountability mechanisms (Audit Committees)
- Assessment of policies and systems to ensure professional ethics
- Fraud prevention
- Assessment of internal audit arrangements
- Assessment of risk management arrangements
- Approved Executive Authority and Head of Department delegations in terms of the Public Service Act and Public Service Regulations
- Approved Head of Department delegations in terms of the PFMA
- Corporate governance of ICT (not included in final results)
- Compliance with PAJA (not included in final results)

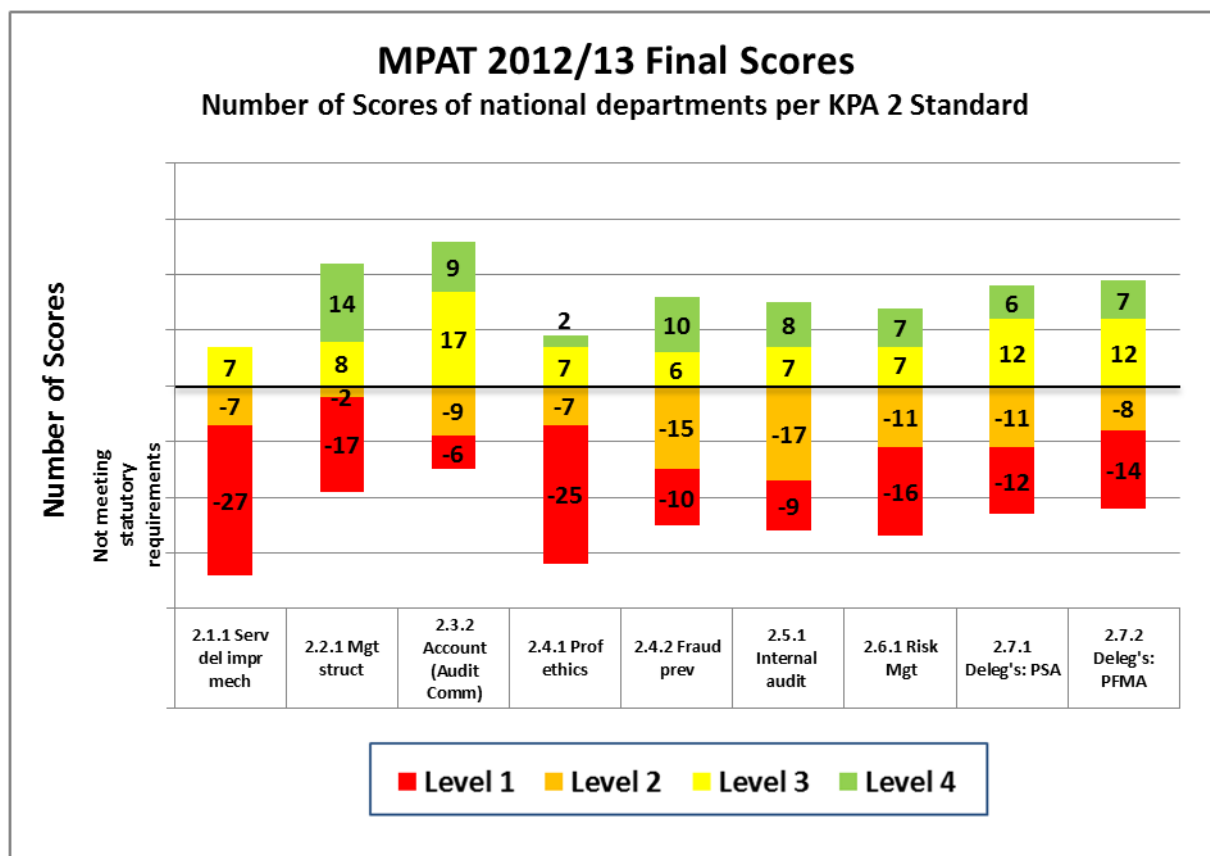
Graph 5 shows widespread challenges of national departments on Governance and Accountability. This is similar to all RSA departments (Graph 1 on page 7).

It is important to note that, with the exception of Service Delivery Improvement Mechanisms, all Governance and Accountability standards had departments that met level 4 requirements. In fact, on 3 of the 9 standards, about 22 per cent of departments worked smartly and on another 4 of the 9 standards, approximately 15 per cent of departments met the level 4 requirements.

National departments have challenges with all aspects of Governance and Accountability, with more than 50 per cent of departments operating below the minimum statutory requirements on 7 of the 9 standards. It is only on Management Structures and Accountability (Audit Committee) that 22 departments (54 per cent) and 26 departments (62 per cent) respectively met the levels 3 and 4 requirements.

The standards related to Service Delivery Improvement Mechanisms as well as Professional Ethics are the most challenging, with more than 60 per cent of departments only achieving level 1.

Graph 5: Number of scores of national departments per KPA 2 standard



At a departmental level, Graph 6 indicates that more than half the scores of 26 departments (63 per cent) did not meet the minimum statutory requirements. Five departments did not meet any of the minimum statutory requirements. These are:

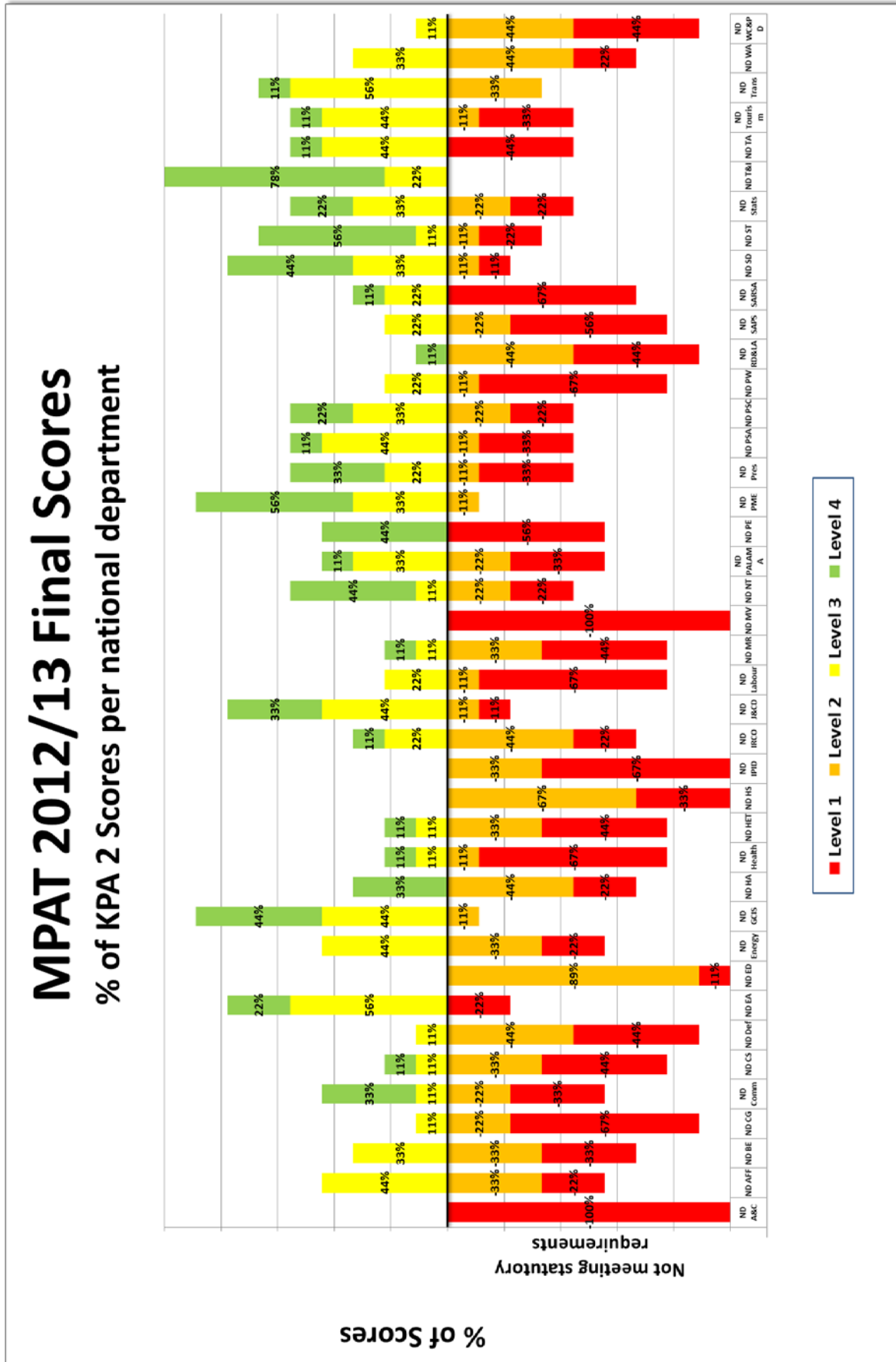
- ND A&C;
- ND ED;
- ND HS;
- ND IPID; and
- ND MV

In contrast, there are pockets of Governance and Accountability excellence. Departments that excel are:

- ND T&I;
- ND PME;
- ND GCIS;
- NS SD;
- ND EA; and
- ND J&CD

More than 77 per cent of these departments' scores met the levels 3 and 4 requirements. A third of the scores of 11 departments met the level 4 requirements. The ND T&I is the only department that met all the statutory requirements for Governance and Accountability measured in MPAT1.2.

Graph 6: Percentage of KPA 2 scores per national department



As stated earlier, the performance of national departments is similar to that of all RSA departments. On Management structures, 21 national departments (51 per cent) performed better than the average RSA department and 17 (41 per cent) on Professional Ethics and Delegations PSA respectively.

Although national departments experience similar challenges with Service Delivery Improvement Mechanisms, Professional Ethics and Risk Management, some departments have particular challenges with:

- Accountability (Audit Committee);
- Fraud Prevention;
- Internal Audit; and
- Delegations PFMA

All aspects of Governance and Accountability need to be addressed. Considering the widespread low performance, national departments need to initiate improvement interventions and could seek guidance from centre of government.

5.3 Human Resource Management

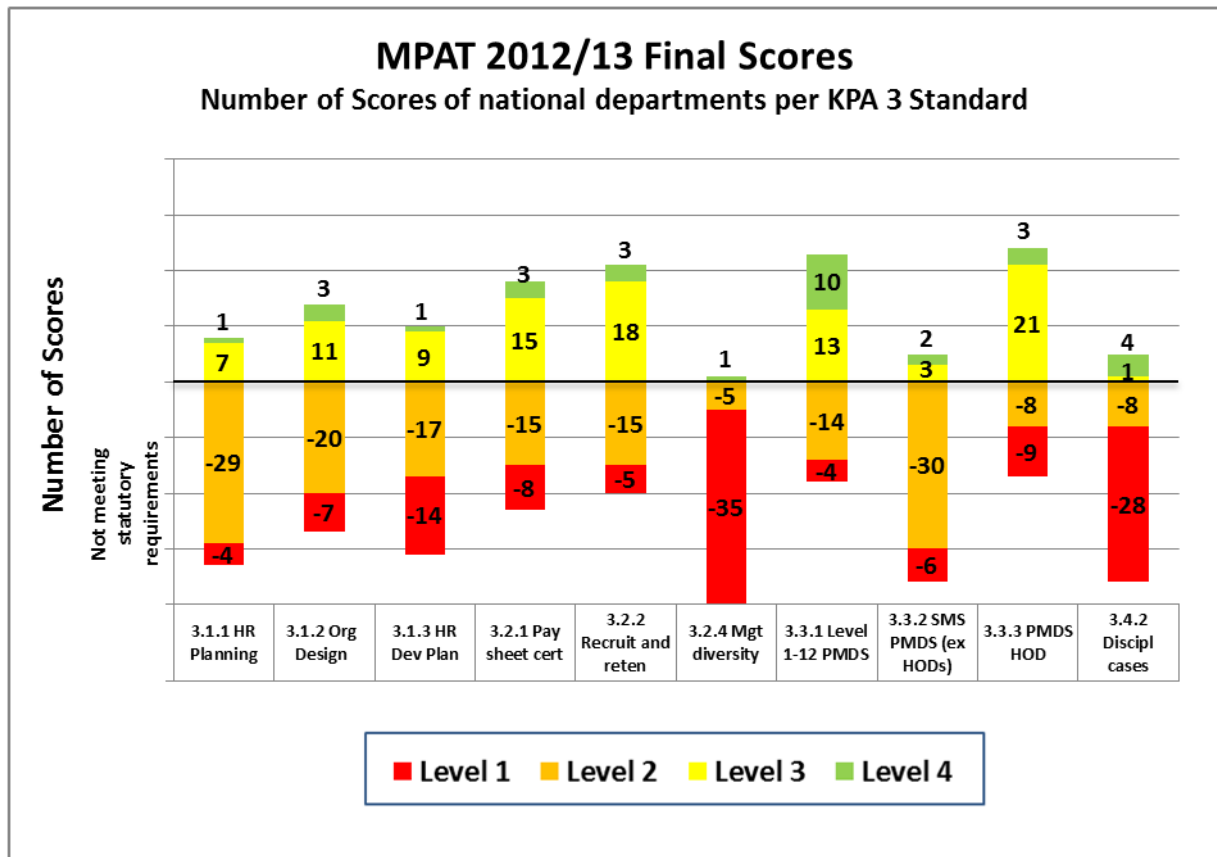
This Key Performance Area comprises of the following standards that were crafted to determine the extent to which managers ensure the management of human capital.

- Human resource planning
- Organisational design and implementation
- Human resource development planning
- Pay sheet certification
- Application of recruitment and retention practices
- Management of diversity
- Implementation of Level 1-12 Performance Management System
- Implementation of SMS Performance Management System
- Implementation of HOD Performance Management System
- Management of disciplinary cases

Graph 7 indicates the widespread low performance of national departments on Human Resource Management. This is similar to that of all RSA departments (Graph 1 on page 7). Operating smartly is isolated, although 10 national departments (24 per cent) excel at the implementation of performance management systems for post Levels 1-12.

National departments have challenges in all aspects of Human Resource Management, with more than 50 per cent of departments operating below the minimum statutory requirements on 8 of the 10 standards. It is only on recruitment and retention as well as the implementation of performance management systems for post Levels 1-12 and HODs that 51 per cent and more departments operated at levels 3 or 4. This is consistent with the performance of all RSA departments. The standards related to the Management of Diversity as well as Disciplinary Cases are the most challenging, with more than 68 per cent of the departments only achieving level 1.

Graph 7: Number of scores of national departments per KPA 3 standard



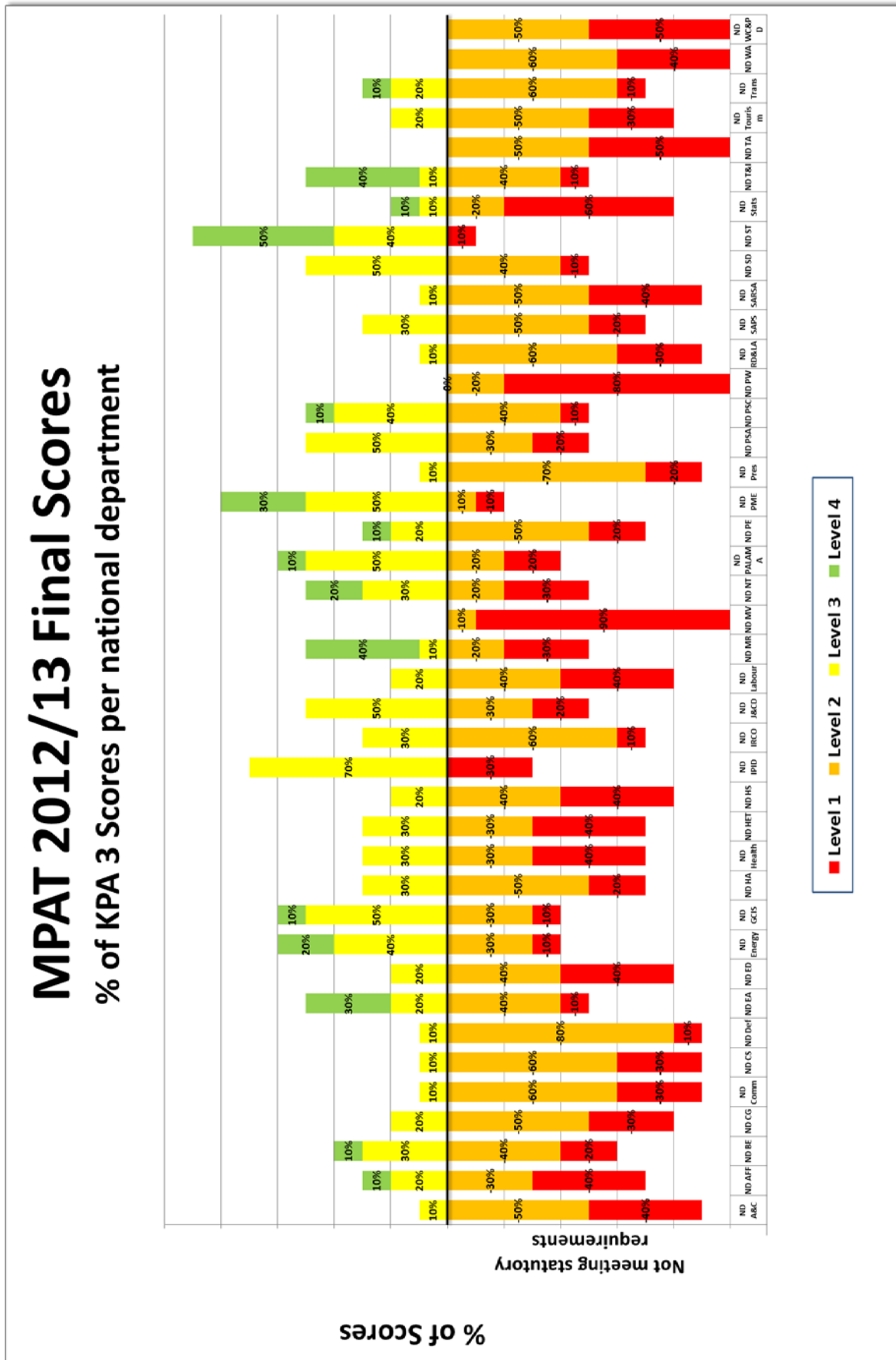
From Graph 8 can be observed that more than half of the Human Resource Management scores of 35 national departments (85 per cent) did not meet the minimum statutory requirements. Five departments did not meet any of the minimum statutory requirements. These are:

- ND MV;
- ND PW;
- ND TA;
- ND WA; and
- ND WC&PD

ND ST and ND PME performed best, with 90 per cent and 80 per cent respectively of their scores at levels 3 and 4. ND ST operated smartly on 50 per cent of the Human Resource Management standards.

A third of national departments performed slightly better than the average RSA department on Organisational Design and Implementation as well as 18 departments (44 per cent) on Pay Sheet Certification. Half of all national departments performed higher on Recruitment and Retention.

Graph 8: Percentage of KPA 3 scores per national department



Although national departments experience similar challenges with the Management of Diversity as well as Disciplinary Cases, some departments have particular challenges with:

- Organisational Design and Implementation;
- Human Resource Development Plans;
- Implementation of performance management systems for post Levels 1-12;
- Implementation of performance management systems for SMS (excluding HODs); and
- Implementation of performance management systems for HODs.

All aspects of Human Resource Management in national departments need to be addressed. Considering the widespread low performance, national departments need to initiate improvement interventions and could seek guidance from the DPSA.

5.4 Financial Management

This Key Performance Area comprises of the following standards that were crafted to determine the extent to which managers ensure effective, efficient and economical use of public funds:

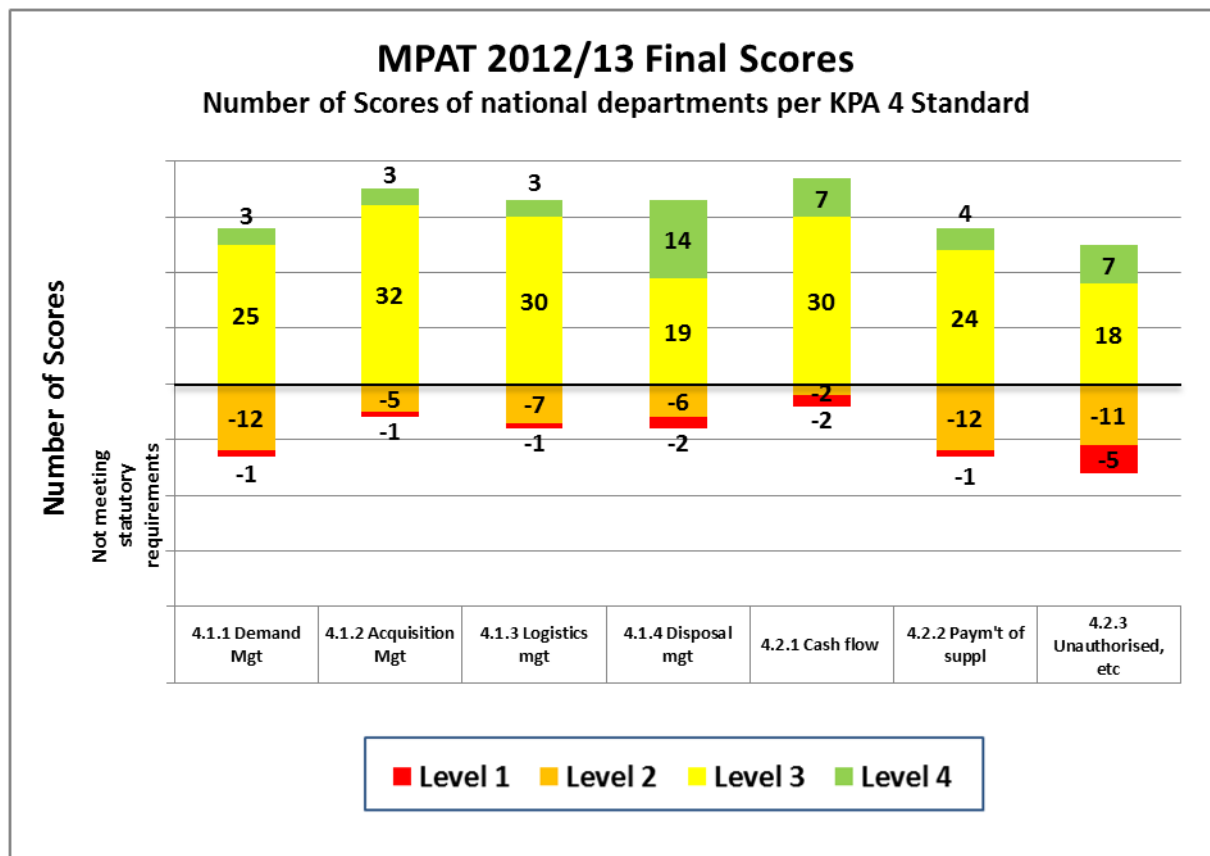
- Demand Management
- Acquisition Management
- Logistics Management
- Disposal management
- Management of Cash flow and Expenditure vs. Budget
- Payment of Suppliers
- Management of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

The effective, efficient and economical use of public funds is essential for growth and development of the country. Graph 9 indicates that the majority of national departments meet the level 3 and 4 requirements for Financial Management standards. This is significantly better than the performance of RSA departments. Operating smartly is, however, isolated. Fourteen national departments (34 per cent) excel at Disposal Management.

National departments not meeting the minimum statutory requirements are infrequent. It is in Demand Management, Payment of Suppliers and the Management of Unauthorised, Wasteful, Fruitless and Irregular Expenditure that between 32 and 42 per cent of departments do not comply.

Graph 10 shows that 11 national departments (27 per cent) failed to meet more than 43 per cent of the minimum statutory requirements for Financial Management. Two departments, namely ND HET and ND WC&PD, did not meet any of the minimum statutory requirements.

Graph 9: Number of scores of national departments per KPA 4 standard



Sixteen departments (39 per cent) met all the statutory requirements for Financial Management as measured by MPAT 1.2.

Eighty-six per cent of the Financial Management scores of ND ST were at level 4.

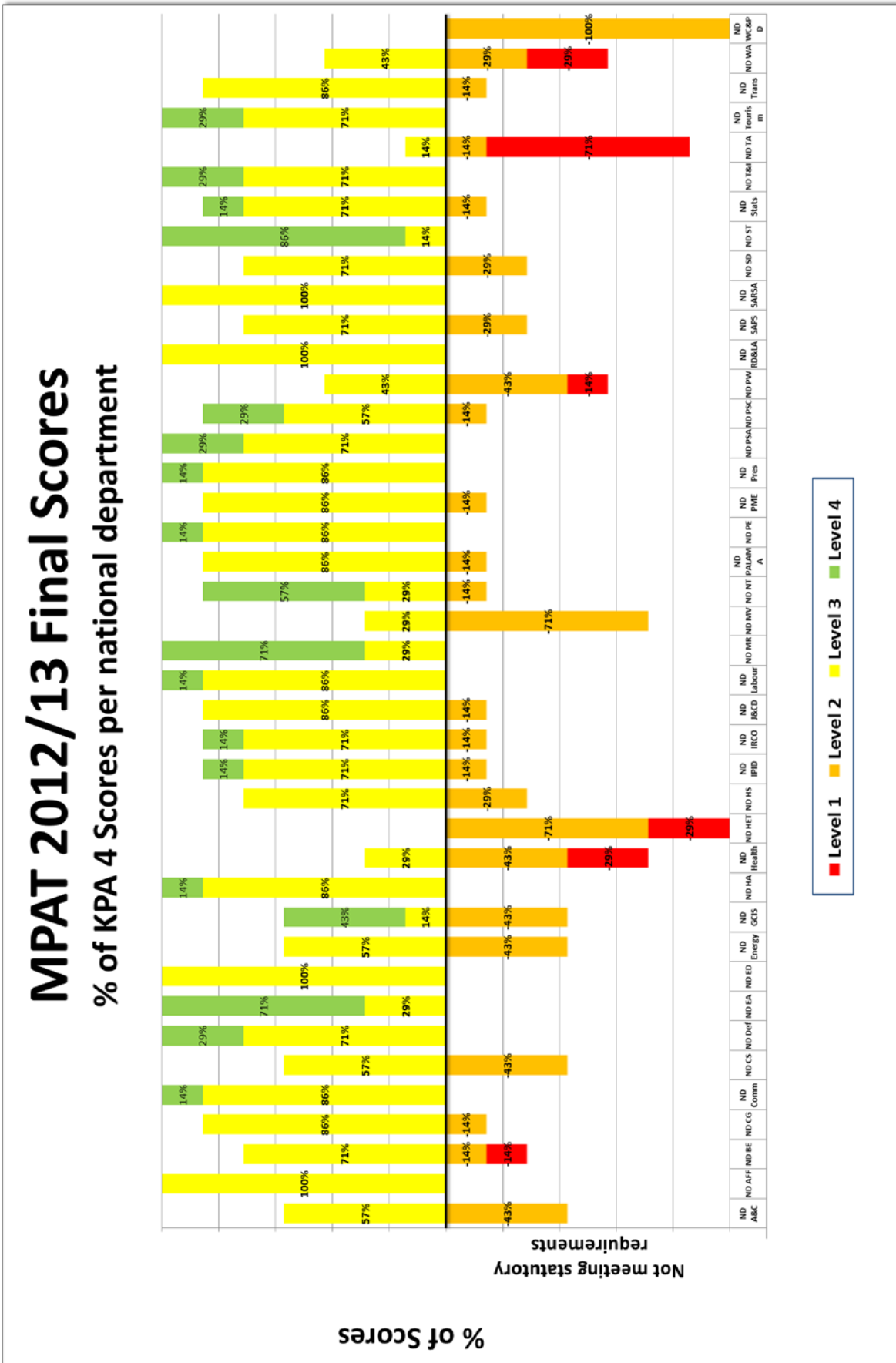
Despite the better performance of national departments on Financial Management relative to all RSA departments, some national departments experienced particular challenges with:

- Payment of Suppliers;
- Acquisition Management;
- Logistics Management; and
- Disposal Management.

When comparing the performance of national departments on the Management of Unauthorised, Wasteful, Fruitless and Irregular Expenditure to that of all RSA departments, it is striking that 61 per cent of national departments met the minimum statutory requirements versus the 40 per cent of all RSA departments.

Challenges with Financial Management in national departments are specific and limited to individual departments. Focussed interventions are to be initiated by departments to address the specific challenges they experience. More comprehensive interventions are needed for departments that have high levels of non-compliance to statutory requirements.

Graph 10: Percentage of KPA 4 scores per national department



5.5 Departmental view

National departments vary significantly in their meeting of minimum statutory requirements.

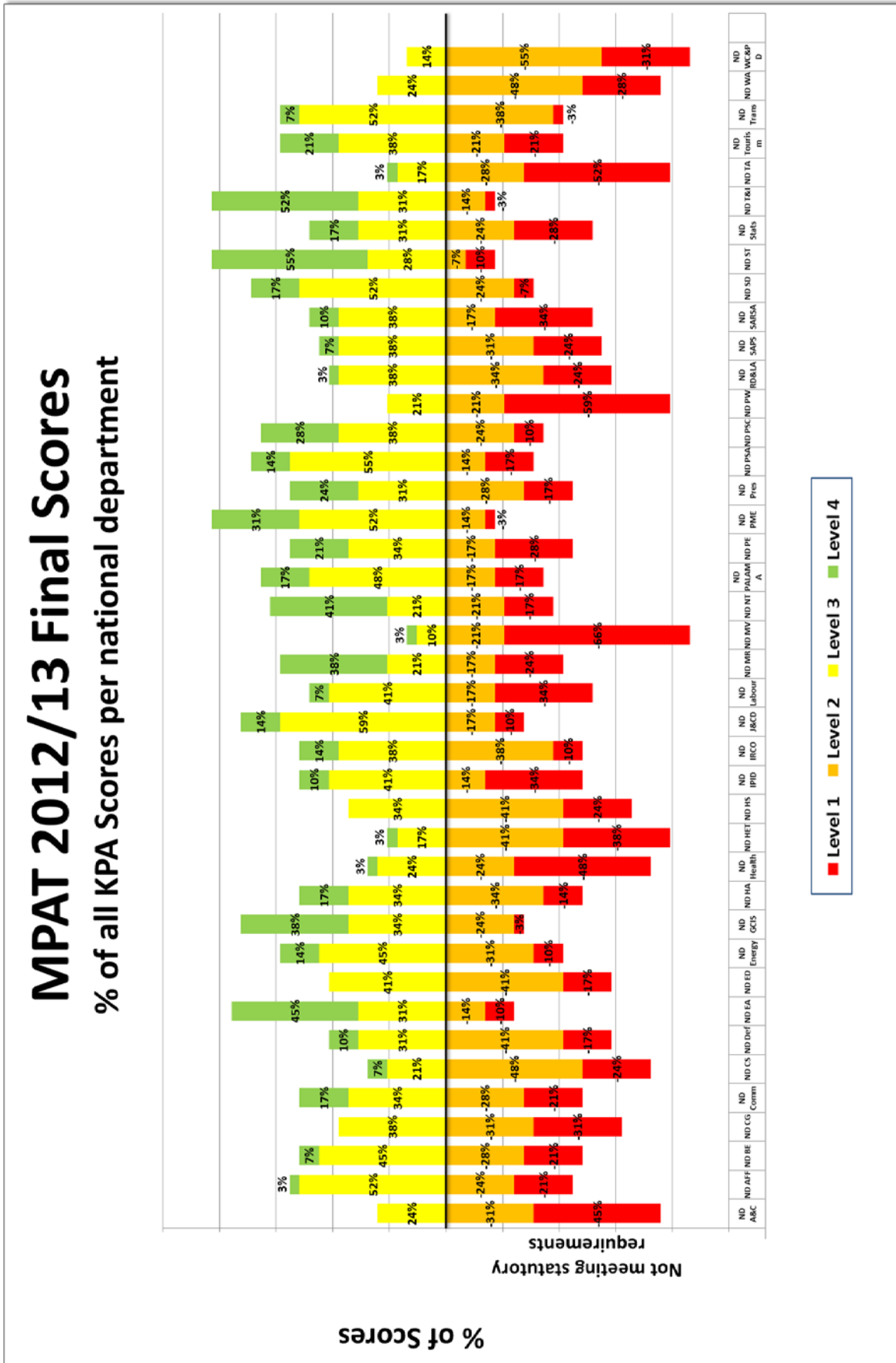
From Graph 11 it can be seen that 18 departments (44 per cent) meet less than half of the level 3 requirements. Of these, 7 national departments met less than 25 per cent of the level 3 requirements. These are:

- ND A&C (24 per cent);
- ND WA (24 per cent);
- ND PW (21 per cent);
- ND HET (20 per cent);
- ND TA (20 per cent);
- ND WC&PD (14 per cent); and
- ND MV (13 per cent).

Four national departments (10 per cent) stand out in respect of their meeting of level 3 and 4 requirements. These are:

- ND EA (76 per cent);
- ND PME (83 per cent);
- ND ST (83 per cent); and
- ND T&I (83 per cent).

Graph 11: Percentage of all KPA scores per national department



6 Conclusions

Challenges on Strategic Management are limited to individual national departments, indicating that interventions to address these challenges should be initiated from within the departments. Considering the high number of departments that performed well on Strategic Management, many examples of good practice exist that can be drawn upon for improvement.

The performance of national departments on Governance and Accountability as well as Human Resource Management stand in stark contrast with the relatively good performance on Strategic Management. The low levels of compliance to the statutory requirements indicate that all the standards related to these key performance areas require urgent attention. National departments need to initiate improvement interventions and could seek guidance from DPSA.

Challenges with Financial Management in national departments are specific and limited to individual departments. Focussed interventions are to be initiated by departments to address the specific challenges they experience. More comprehensive interventions are needed for departments that have high levels of non-compliance to statutory requirements.
