



Western Cape Government: Department of the Premier

Final Report: Implementation Evaluation of the Western Cape Government Corporate Services Centre

Final Report

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Contents

1	Introduction	11
1.1	Background to the Western Cape Corporate Services Centre	11
1.2	Purpose of the evaluation	11
1.3	Structure of the report	11
2	Literature review and background to the CSC	12
2.1	Background to services	12
2.2	Key concepts and principles	12
2.2.1	What is a shared service centre?	12
2.2.2	Key principles and criteria for shared services	13
2.2.3	What are common shared services?	14
2.2.4	Issues to consider in implementing shared services	15
2.3	International case study- Queensland, Australia	16
2.4	Other shared services examples	21
2.5	Background to the CSC	25
2.5.1	A draft Theory of Change	28
3	Approach and Methodology	29
3.1	Evaluation design and analytical framework	29
3.2	Data collection instruments and other tools	31
3.2.1	Semi-structured interviews	31
3.2.2	Focus groups	31
3.2.3	Electronic survey	32
3.2.4	Secondary data and CSC documentation	33
3.2.5	Data analysis	33
3.2.6	Data challenges and limitations	34
4	Findings and analysis	35
4.1	Establishment	35
4.1.1	Design	35
4.1.2	Process	51
4.1.3	Synthesis	66
4.2	Roles and responsibilities	68
4.2.1	Design	68
4.2.2	Process	81
4.2.3	Synthesis	131
4.3	Implementation mechanisms	133
4.3.1	Design	133
4.3.2	Process	148
4.3.3	Synthesis	174

5	Conclusions	176
5.1	Evaluation Question 1: Has the CSC been located and established appropriately, with the appropriate functional areas, scope, resources, structures, and institutional arrangements, and supported by appropriate departmental CSC interface structures and capacity?	176
5.2	Evaluation Question 2: Are the assigned roles and concepts of shared responsibility and accountability appropriate, clear, mutually understood, bought into, adequately operationalised with an appropriate funding model and effectively monitored, and is it necessary to change the demarcation of such roles and responsibilities?	178
5.3	Evaluation Question 3: Are the implementation and governance instruments – including institutional arrangements, monitoring and reporting frameworks, the CSC Audit protocol and IT tools – sufficient in their design and effective in their application and use so as to respond fully to the policy intent?	180
5.4	Evaluation Question 4: Was the process of introducing and implementing the CSC well-planned and managed from both an operational and behavioural perspective?	182
6	Recommendations	183
6.1	Establishment	184
6.2	Roles and Responsibilities	184
6.3	Implementation Mechanisms	186
6.4	Behavioural and operational management	188
6.5	Core recommendations for the improvement plan	188
6.6	A revised Theory of Change	189
7	References	192

List of Tables

Table 1: Actual staff to actual HR staff and ratio by WCG department in 2009	26
Table 2: Comparison of functional area criteria November 2009 and October 2010	43
Table 3: Approved posts affected by corporatisation across function	62
Table 4: Distribution of roles & responsibilities by functional areas in CSC Policy (WCG, 2010).....	69
Table 5: Responsibility for number of services per macro-functional area from 2010/11-2015/16 (CSC, 2012b; 2015)	70
Table 6: Internal Audit Quality Assurance Review (PwC, 2014:9)	105
Table 7: Turnaround time to fill vacancies by financial year	125
Table 8: Turnaround time to finalise incapacity leave applications	125
Table 9: People Management Strategic Assessment Key Performance Area Composite Measures 2010/11-2014/15 (CSC, 2015).....	129
Table 10. Agreement with statements around the role and functions of CRUs (from CRU survey).....	164
Table 11. The staffing of departmental Client Relations Units	167
Table 12. Responses to the question, "How would your unit describe the performance data of [CSC unit] on the dashboard?" (CRU survey).....	172
Table 13: Aligning policy intent to evaluation questions and the analytical framework.....	196

List of Figures

Figure 1. Quarantined payment flow during the Queensland transition to shared services	18
Figure 2. Organisational structure of the temporary Queensland Shared Service Implementation Office	19
Figure 3: Theory of Change for the Corporate Services Centre	29
Figure 4. Responses to the question, "Which of the following do you understand to be the primary objectives of the CSC? (Select all that apply)" ...	40
Figure 5: Functional (re) location and positioning at the establishment of the CSC.....	42
Figure 6. Responses to the question, "In your view, which line functions, if any, are not suitable for a corporate service centre model in the WCG? (Select all that apply)"	47
Figure 7. Additional line functions that would benefit from being corporatised in the WCG	48
Figure 8. Responses to the question, "Were the reasons for the corporatisation of services in the Corporate Services Centre ever communicated to you?"	52
Figure 9. Responses to the question, "How convincing did you find the reasons communicated for corporatisation?"	53
Figure 10. Responses to the question, "What was your level of support for the establishment of the CSC in 2010?".....	54
Figure 11. Responses to the question, "Based on your historical professional experience, which of the following corporate services line functions have faced significant implementation challenges in the process of establishing the CSC, if any?"	55

Figure 12: Example Legal Services Service Schedule (CSC, 2015A4).....	71
Figure 13. Legal Services: CD and DDG perspectives per line function on the statement: “The latest Service Schedule distributes responsibilities between the CSC and my department appropriately”	72
Figure 14. Legal Services staff’s agreement that client departments have sufficient opportunity to shape the distribution of responsibilities and obligations.	73
Figure 15. Legal services clients' agreement with statement: “My department has sufficient opportunity to shape distribution of roles and responsibilities in the Service Schedule”.....	74
Figure 16. DDGs and CDs’ agreement with the statement: “The latest Service Schedule distributes responsibilities between the CSC and my department appropriately”	75
Figure 17. Corporate Communications service users' agreement with the statement: “My department has sufficient opportunity to shape distribution of roles and responsibilities in the Service Schedule”	75
Figure 18. CD and DDG agreement with the statement: “The latest Service Schedule distributes responsibilities between the CSC and my department appropriately”	76
Figure 19. Corporate Assurance staff’s agreement that client departments have sufficient opportunity to shape distribution of responsibilities.	77
Figure 20. Clients' agreement with the statement: “My department has sufficient opportunity to shape distribution of responsibilities in the Service Schedule”	77
Figure 21. DDGs' and CDs' agreement with the statement: “The latest Service Schedule distributes responsibilities between the CSC and my department appropriately”	78
Figure 22. Ce-I staff's agreement that client departments have sufficient opportunity to shape the distribution of Ce-I responsibilities.	78
Figure 23. Clients' agreement with the statement: “My department has sufficient opportunity to shape distribution of responsibilities in the Service Schedule”	79
Figure 24. DDGs' and CDs' agreement the statement: “The latest Service Schedule distributes responsibilities between the CSC and my department appropriately”	79
Figure 25: CSC staff agreement with the statement: “Client departments have sufficient opportunity to shape distribution of responsibilities in the Service Schedule”	80
Figure 26: Clients’ agreement with the statement: “My department has sufficient opportunity to shape the distribution of responsibilities in the Service Schedule”	81
Figure 27. Summary of clients’ responses to whether they have read the 2015 version of the Service Schedules (range across branches)	82
Figure 28: Number of SOPs completed per half year (FY 2010/11-FY 2015/16)	83
Figure 29. Client's reported agreement with the statement: “I understand the responsibilities of CSC staff as set out in the Service Schedule.”	87
Figure 30. Client respondents' agreement with the statement: “CSC staff are fulfilling their responsibilities as set out in the Service Schedule”	87
Figure 31: Clients’ agreement with the statement: “My department is fulfilling its obligations as set out in the Service Schedule”	88
Figure 32. Legal Services staff agreement that the CSC is doing some of the work that client departments are obliged to do as per the Service Schedule...	88

Figure 33. Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"	89
Figure 34. Client departments' barriers to fulfilling their Legal Services responsibilities.....	89
Figure 35. Clients and DDGs/CDs ratings of how well Legal Services line functions are currently being implemented by the CSC.	90
Figure 36: Legal Services overall performance of standards by line function according to CSC reporting.....	90
Figure 37. Legal Services clients' agreement with the statement: "CSC staff are responsive to my request to resolve challenges"	92
Figure 38. Legal Services staff's agreement that they are responsive to clients' requests to resolve challenges (N = 27).....	93
Figure 39. Client agreement with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule"	93
Figure 40. Client agreement the statement: "I understand my departments obligations to the CSC as per the Service Schedule"	93
Figure 41. DDGs and CDs' agreement with the statement: "The latest Service Schedule is clearly understood by staff within my department" (N=17)	94
Figure 42. Clients' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"	95
Figure 43. Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"	95
Figure 44: Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"	96
Figure 45. Corporate Communications clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"	97
Figure 46. Clients' and DDG/CDs' ratings of the current implementation of Corporate Communications line functions by the CSC	98
Figure 47. DDGs' and CDs' agreement with the statement: "The latest Service Schedule is clearly understood by staff within my department" (N=17)	99
Figure 48. Client respondents' agreement with the statement: "I understand my departments obligations to the CSC as per the Service Schedule"	100
Figure 49. Client respondents' agreements with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule"	100
Figure 50. Corporate Assurance staff's agreement that they understand the distribution of their line function responsibilities (N = 22).....	100
Figure 51. Corporate Assurance staff's agreement that responsibilities are being fulfilled (N=22)	101
Figure 52. Clients' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"	101
Figure 53. Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"	102
Figure 54. Clients' agreement with the statement: "My department is doing some of the work that the CSC is obliged to do in terms of the Service Schedule"	102
Figure 55. Corporate Assurance Staff's agreement that the CSC is doing some work that client departments should be doing (N = 22).....	103
Figure 56. DDG/CDs' and Corporate Assurance Clients' ratings of the current implementation of Corporate Assurance line functions by the CSC	103
Figure 57: Corporate Assurance overall performance against standards by line function according to CSC reporting	104
Figure 58. Corporate Assurance clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"	108

Figure 59. CD and DDG agreement with the statement that: “The latest Service Schedule is clearly understood by staff within my department” (N=17)	109
Figure 60. Clients' agreement with the statement: “I understand the responsibilities of CSC staff as set out in the Service Schedule”	110
Figure 61. Clients' agreement with the statement: “I understand my department’s obligations to the CSC as per the Service Schedule”	110
Figure 62. CSC staff's agreement that they understand the distribution of ICT roles and responsibilities (N = 20).....	111
Figure 63. Clients' agreement with the statement: “CSC staff are fulfilling their responsibilities as set out in the Service Schedule”	112
Figure 64. Clients' agreement with the statement: “My department is fulfilling its obligations as set out in the Service Schedule”	113
Figure 65. Ce-I clients' reported barriers to their departments fulfilling their Ce-I responsibilities	113
Figure 66: Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule" ..	114
Figure 67. Staff agreement that ICT responsibilities are being fulfilled (N = 20).	114
Figure 68. CSC staff's agreement that the CSC is doing some of the ICT work assigned to client departments (N = 20).....	115
Figure 69: Ce-I overall performance against standards by line function according to CSC reporting 2012/13-2014/15	115
Figure 70: DDGs/CDs and client service users' ratings of the CSC's current implementation of ICT line functions.....	116
Figure 71. Ce-I clients' agreement with the statement: “CSC staff are responsive to my requests to resolve challenges”	116
Figure 72. Ce-I staff's agreement that they are responsive to clients' requests to resolve challenges.	117
Figure 73. People Management service users' responses to the question, "Have you read the People Management Service Schedule since it was issued in February 2015?"	118
Figure 74. Clients' agreement with the statement: “I understand my department’s obligations to the CSC as per the Service Schedule”	118
Figure 75. Clients' agreement that they understand CSC staff's responsibilities.	119
Figure 76. CD and DDG agreement with the statement: “The latest Service Schedule is clearly understood by staff within my department”	119
Figure 77. People Management staff's agreement that they understand the responsibilities of CSC staff and client departments with regards to line functions in their own Chief Directorates.	120
Figure 78. CSC staff's agreement that People Management responsibilities are being fulfilled.	120
Figure 79. Clients' agreement the statement: “CSC staff are fulfilling their responsibilities as set out in the Service Schedule”	121
Figure 80. Client's agreement with the statement: “My department is fulfilling its obligations as set out in the Service Schedule”	121
Figure 81: CSC staff agreement with the statement: “The CSC is doing some work that the client departments are obliged to do in terms of the Service Schedule”	122
Figure 82: Clients’ agreement with the statement: “My department is doing some work that the CSC is obliged to do in terms of the Service Schedule” ..	122
Figure 83. Clients' agreement with the statement: “CSC staff are responsive to my requests to resolve challenges”	123

Figure 84: CSC staff agreement with the statement: “I am responsive to requests from client departments to resolve challenges that arise from implementing this line function”	123
Figure 85. DDGs/CDs and client service users' ratings of how well the CSC is currently implementing its People Management line functions	124
Figure 86: People Management Practices overall performance against standards by line function 2012/13-2014/15	126
Figure 87: People Training and Empowerment overall performance against standards 2012/13-2014/15	128
Figure 88: Organisation Development overall performance against standards 2012/13-2014/15	129
Figure 89: CD and DDG agreement with the statement: “There is sufficient opportunity to engage the CSC when my department experiences problems with implementation of this function” (N=17).....	149
Figure 90: CD and DDG agreement with the statement: “Problems with the CSC’s implementation of this line function, once raised with the CSC, are usually resolved satisfactorily (N=15)	149
Figure 91: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N=16).....	151
Figure 92: CD and DDG agreement with the statement: "Problems with the CSC’s implementation of this line function, once raised with the CSC, are usually resolved satisfactorily." (N = 16).....	151
Figure 93: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N=16).....	153
Figure 94: CD and DDG agreement with the statement: "Problems with the CSC’s implementation of this line function, once raised with the CSC, are usually resolved satisfactorily."	154
Figure 95: CD and DDG agreement with the statement: “There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function.” (N = 17 except for ICT Operational Services where N = 16).....	156
Figure 96: CD and DDG agreement with the statement: “Problems with the CSC’s implementation of this line function, once raised with the CSC, are usually resolved satisfactorily.” (N = 16 except for Infrastructure & solution development, where N= 17).....	156
Figure 97: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N = 17 except for Policy and Planning where N = 18).....	161
Figure 98: CD and DDG agreement with the statement: “Problems with the CSC’s implementation of this line function, once raised with the CSC, are usually resolved satisfactorily” (N=14 to17)	162
Figure 99: Circulars per branch per year (2010-2015).....	171
Figure 100. CSC staff’s agreement with the statement, “The current dashboard indicators are appropriate to capture the performance of the CSC w.r.t. this line function.”	172
Figure 101: WCG audit outcomes 2014/15-2010/11	174
Figure 102: Revised Theory of Change.....	190

List of abbreviations

CAE	Chief Audit Executive
Ce-I	Centre for e-Innovation
CITCOM	Central Information Technology Committee
CRO	Chief Risk Officer
CRU	Client Relations Unit
CSC	Corporate Services Centre
DITCOM	Departmental Information Technology Committee
DOTP	Department of the Premier
ERM	Enterprise Risk Management
FIU	Forensic Investigations Unit
HOD	Head of Department
IA	Internal Audit
ICT	Information Communication Technology
IT	Information Technology
KPMG	KPMG
NEPF	National Evaluation Policy Framework
OB	Organisational Behaviour
OD	Organisational Development
PFMA	Public Finance Management Act
PFS	Provincial Forensic Services
PSA	Public Service Act
PSETA	Provincial Sector Education Training Authority
PTI	Provincial Training Institute
PWC	Pricewaterhouse Coopers
SLA	Service Level Agreement
SOP	Standard Operating Procedure
SSI	Shared Service Initiative
TOC	Theory of Change
ToR	Terms of Reference
WCG	Western Cape Government

1 Introduction

This document serves as the final report of the implementation evaluation of the Corporate Services Centre (CSC) of the Western Cape Government (WCG). The assessment was commissioned by the Department of the Premier as part of its annual provincial evaluation planning.

In terms of the National Evaluation Policy Framework (NEPF, 2011), this assessment is understood as an implementation evaluation with a substantial design, or clarificatory, element. It was initiated in August 2015 when PDG was formally appointed to conduct the assessment and concluded in January 2016.

1.1 Background to the Western Cape Corporate Services Centre

Following the 2009 provincial government elections, the newly elected provincial Cabinet introduced the Modernisation Programme which included an investigation into the feasibility of establishing a separate corporate services unit in line with the new leadership's reform agenda. As a result of an Organisation Design analysis undertaken as part of a Modernisation Programme work stream (WCG, 2009a), Cabinet decided to introduce a shared services organisational unit within the Department of the Premier (DOTP). The resolution is contained in Cabinet Memo No. 362/2009. Based on the recommendations of the modernisation outputs, the CSC as a new organisational unit within the DOTP establishment became effective from the start of the 2010/2011 government financial year and has been in existence ever since.

Subsequent to its establishment, the CSC has sought to effectively execute its mandate as embodied in the *Western Cape Government Policy for the rendering of Corporate Services* (WCG, 2010; henceforth referred to as the CSC Policy) and in terms of its Service Level Agreements (SLAs) with the 13 provincial departments. However, with more than five years having passed since the CSC was formally conceived and established, a number of questions over its design and implementation remain. Thus, this evaluation seeks to assess the design and process of establishing the CSC.

1.2 Purpose of the evaluation

As outlined in the Terms of Reference (ToR), this assignment is intended to "determine if the provincial policy for the rendering of corporate services by the CSC has been effectively implemented as per the original policy intent". The evaluation design requested indicates an intention for it to be used for a formative purpose within the WCG. The ToR made specific provisions for a later summative assessment of the CSC, thereby seeking to more conclusively assess and attribute corporate service results to the CSC at a later stage.

1.3 Structure of the report

The evaluation report is structured so as to begin by introducing the rationale and purpose of the assessment before situating the pilot within a broader theoretical and conceptual context. The literature review and background provides an international example for comparison before briefly setting out the context of the intervention and the Theory of Change. The

methodology describes the evaluation design and assessment framework, before providing an overview of data collection, analysis and limitations of the approach. The findings and analysis are then structured to clarify the CSC's design as it informs the assessment of the CSC's implementation over the period 2010-2015. The conclusions are structured in relation to overarching evaluation questions before arriving at a set of recommendations. An overarching set of recommendations emerging from the evaluation are also provided.

2 Literature review and background to the CSC

2.1 Background to services

Shared services as a concept first emerged in the private sector in the late 1980s, where corporations consolidated separate business units across organisational divisions into a single unit (Walsh, 2006). This standalone unit would then focus on providing specific improved services to the corporation at the lowest possible cost. The types of corporations that attempt shared services are typically very large organisations, with revenues of over \$2 billion in 1999 terms (Schulman et al, 1999), with multiple business units.

From the late 1990s and early 2000s, many large public sector organisations began to attempt to replicate the success of shared services in the private sector, to the extent that in the mid-2000s, a survey by Accenture (2005) across 13 countries and all levels of government (central, federal/provincial and local and government agencies) found that only 6% had not implemented or were not considering implementing some form of shared services arrangement. The experience of public sector shared services, however, is that they typically involve a longer process than in the private sector, owing to increased complexity of stakeholder relationships, public ownership and scrutiny of government activities and a lower appetite for risk (PWC, 2010).

The intent of shared services has typically been to concentrate repetitive transaction oriented services that are much the same for each business unit, including financial services, such as accounts payable and accounts receivable, procurement, human resources (including payroll), property and facilities management and information technology operations (Walsh, 2006).

2.2 Key concepts and principles

2.2.1 What is a shared service centre?

Shared Services Centre

A shared services centre can be usefully defined as a unit in an organisation that provides standardised support services to empowered customers. This normally involves nominally independent agencies amalgamating their management support functions in areas such as HR, ICT, Finance and procurement. These amalgamated activities are allocated to a separate division or third party provider with a defined support service remit (Elston, 2014).

A shared services centre is therefore “more than just a centralisation of services in an existing department but rather a creation of a separate and distinct organisation in which support functions are the core business of such an organisation or centre” (PDG, 2006: 19).

A shared service model can be described as being similar to an open market system where the provider (shared services centre) enters into a partnership with its clients (service level agreements) and provides services for a “fee”. The implication of this is that the client could go elsewhere for the service, pushing the provider to offer the best possible product at the best possible cost (Elston, 2014). However, in many instances using shared services in the public sector is mandatory for departments.

Shared Services

Shared services generally encompass three types of services. These are discrete organisational micro-processes and transactions such as payroll administration, vacancy listing and accounts payable; strategic management and advisory services such as Internal Audit, employee training and development; and professional consultancy services such as legal services. These are typically provided on a pay by use basis (Elston, 2014).

2.2.2 Key principles and criteria for shared services

A value-add of the shared services approach is that it allows other departments to focus on their core business of service delivery. Accenture (2005) demonstrated that shared services can help governments be more citizen-centred and outcome-oriented. In other words, excellence is encouraged both in the shared service centre and in the government departments that benefit from it.

Elston (2014) argues that there are three main arguments made for the use of shared services. Firstly, there is inefficiency. The pooling of resources and demand from multiple cost centres creates new economies of scale. Adding on to this the benefits of standardisation and on “best way” operating models, comparative benchmarking of staff ratios and unit costs and the possibility of outsourcing can further reduce costs.

Secondly, Elston identifies that shared services address the issue of cluttered competence, leaving organisations free to address their core mission instead of back-office functions. This should in turn enable and raise frontline delivery performance.

And thirdly, Elston identifies an issue of deficient capability, which is addressed by pooling functions, to generate a critical mass which allows for investment, innovation, and professionalisation on a scale small organisations cannot match. This should also be an enabler of improved outcomes.

The most common reason for shared services is to reduce the cost of business for government. A 13-country study (including South Africa) claimed that massive savings – up to 25% – are possible through the introduction of shared services (Accenture, 2005). Savings are commonly driven by the elimination of duplication and standardising of government’s equipment, software and processes.

Venter (2011) outlines that before adopting a shared service, it is standard practice to first develop a "business case" for such an initiative. The factors to consider for a business case are:

- Possible future needs of the organisation for the next 2 to 3 years to determine whether the current structures and services will be able to meet the needs of the organisation and if shared services will be a possible solution to those needs.
- Evidence needs to be gathered as to why, specifically, the current structures do not meet the future needs, and the cost of implementing and of not implementing a shared service should be considered.
- Risks that could cause significant damage to the organisation should be determined. This should include a budget that includes estimated implementation costs and calculations of estimated annual savings.
- The organisation needs to assess whether it has the internal resources to implement shared services and what the cost would be to involve external consultants.
- The organisation needs to assess whether their IT systems are appropriate for the implementation of an effective shared services system.

If the business case is strong, a feasibility study of implementation should be conducted according to Venter (2011). This should consider in detail:

- The vision and key principles of the shared services centre.
- A clear split of what activities should move to the shared services centre, and what should remain at existing business units.
- A high level operating model for the shared services centre should be developed.
- A case for change, involving the key stakeholders and including the implementation challenges and proposed mitigations.
- The total team required to implement shared services and identification of who the "change leaders" should be.
- A precise project plan.
- Identification of the best location for the shared services centre.
- The future strategic direction of the organisation.

2.2.3 What are common shared services?

Shared services as a concept are, therefore, "the consolidation of administrative or support functions (such as human resources, finance, information technology and procurement) from several departments or agencies into a single stand-alone organisational entity whose mission is to provide services as efficiently and effectively as possible" (Accenture, 2005).

Common shared services in the public sector according to Accenture (2005) include:

- IT

- Finance
- Human resources
- Supply chain or purchasing
- Property or facilities management
- Document and records management
- Legal
- Customer interaction and CRM.

The same study found that, of these, the services that managers were most reluctant to consider for shared services were customer interaction, followed by legal, after which facilities management, finance and human resources have equal reluctance.

According to Accenture the most common shared services model in use in the public sector is in-sourcing where government employees staff the shared services organisation. The next most popular model is co-sourcing where government works with a strategic business partner, while the third most popular is a combination of sourcing arrangements.

2.2.4 Issues to consider in implementing shared services

Management support and leadership

There is a broad acceptance in the shared services literature that a successful shared services initiative needs strong leadership to create a vision and entrench the concept in the organisation. The shared services centre should also report to management for best results (Cecil, 2000, and Schulman, 1999 in Walsh, 2006). For the public sector it is also crucial that departmental leadership is on board.

Which services to include?

What to include differs from organisation to organisation, but it is important that staff functions need be examined in terms of discrete services. The services that are most uniformly included are transaction-based services. However, strategy-based services (strategic management and advisory in Elston's terms) and expertise-based services (professional consultancy-based services for Elston) are also included (Walsh, 2006).

People management

The literature maintains a strong emphasis on a need to effectively manage the implications and changes involved for all stakeholders, and staff in particular. This aspect has two fundamental issues. Firstly, staffing issues, where it is emphasised that there is often a need to recruit new staff. Secondly, a strong communication programme with stakeholders is necessary; both with staff who are to become employees and departments that will become customers (Walsh, 2006).

Governance arrangements

An effective set of governance arrangements for implementing is also fundamental. The typical approach for this has been to establish a number of teams that would include an overall steering committee of senior level stakeholders with a vested interest in the activities being consolidated into shared service operations. A team's role would be to focus on the key

business problems to be solved and ensure progress. Another team would be responsible for implementation, working full time, with accountability for the initiative. Teams also need to be established to represent cross-cutting functional groups drawn from experts with line responsibilities for particular activities (Walsh, 2006; Venter, 2011).

Business process redesign vs. changing roles and technology

The literature argues that there is a need to balance redesigning business processes while at the same time reshaping roles and technology to support the redesign. Process redesign is the changing of strategic business processes, through standardising processes and optimization of productivity and work flow. This inherently impacts on the technology needed to support these processes. This should happen concurrently, but significantly increases the complexity of the change process (Walsh, 2006).

Culture Change

It is important to stamp a new culture on a shared services model that focusses on excellence and improvement with a partnership approach between the shared services department and customer departments, to avoid the idea of a transactional relationship. This is usually done through interactive workshops with both stakeholders and potential users (Walsh, 2006; Venter, 2011; Elston, 2014).

2.3 International case study- Queensland, Australia

The Queensland State Government in Australia, which introduced shared services in the early 2000s, has been selected as a case study because it bears a number of resemblances to the Western Cape experience. It is also a regional government; and it also introduced mandatory shared services across most departments, except health and education. The services covered by the centre are comparable to those covered by the CSC. Furthermore it is a relatively well documented case in comparison with other examples.

Background

In 2001 the Queensland State Government in Australia reviewed its service operations and decided to introduce a Shared Service Initiative (SSI). It was one of the first governments to do so (AIM, 2012). The primary rationale for this decision was cost savings. It was estimated that the new initiative would represent a net cost to the government in its first three years of operation, where after net financial benefits would start to accrue (Queensland Government, 2002) up to an expected annual saving of AU\$100 million.

The vision of the Queensland SSI was “high-quality cost-effective corporate services” through “leveraging economies of scale and skill... underpinned by standardising business processes, consolidating business technology, and pooling resources and expertise across Government” (Queensland Government, 2002).

Structure and Scope

The SSI transitioned its services into units called “shared service providers” and “technology centres of skill”.

The mandatory services were mandatory for all government departments except the Department of Education and Training and Queensland Health (these nevertheless were expected to standardise their business processes to align with those implemented through the shared service providers). They included:

- Finance (including accounts payable, accounts receivable, assets, taxation, general ledger)
- Procurement
- HR including Payroll
- Document Records Management
- Property and Facilities Management (including fleet management)
- The corporate systems that support these services, including ICT.

The SSI also offered other services that were not mandatory such as financial transactional training and performance management.

The Queensland guiding principle in deciding where to host shared services was that corporate services should be provided by the entity that can demonstrate greater cost-effectiveness on a whole-of-Government basis. This included considering whether Property and Facilities Management, which was already being managed partly by their Department of Public Works, should rather be moved there entirely (instead of, for instance, housing it in Treasury along with most of the other SSI services).

Resourcing

The Queensland shared service providers recover their full cost through a fee-for-service mechanism. The service agreements governing their client relationships stipulate these fees.

The decision to adopt a fee-for-service mechanism was based on three anticipated benefits of such an approach:

- Understanding the cost drivers of individual services
- Comparing fees for services against other sources (price benchmarking)
- Reducing the costs of corporate services "by 'managing differently.'"

The fees were to be charged based on a number of principles including that the fee would be on the unit or transactional level where possible; that the fee should enable benchmarking; that a special or "one off" request may be charged separately at an agreed rate; and that an hourly, project or retainer based fee may be applied where transactional charging is not feasible (Queensland Government, 2002).

Transition

The implementation process was designed to take place over the period of 2003 to 2008, with the major elements being implemented progressively over the first three years. A planning document entitled *Building the Queensland Government's Shared Services Initiative* (Queensland Government, 2002) set out the interim arrangements and responsibilities for role players.

Chief Executive Officers (CEOs) of government agencies (roughly similar to the HODs of the Western Cape’s provincial departments) remained in place with the same accountability structures as before. They were simply expected to outsource certain functions to the newly established SSI units, rather than to manage them internally or through a private service provider. The new units were to be headed by newly-appointed Executive Directors (EDs).

Initially, staff who were in the process of transitioning to the SSI would “continue to deliver the same services to same clients using the same systems in the same locations” but reporting to new senior management. Service agreements would then be developed, and job descriptions redesigned over time (Queensland Government, 2002). The initiative in the end involved the transitioning of approximately 5,000 staff members (AIM, 2012).

In terms of payment, the client departments would quarantine a budget equivalent to the cost of delivering each service internally and pay this to the shared service provider (along the requisite assets and liabilities). The shared service provider would then deliver the service (initially via the pre-existing staff in the client department). If needed, the shared service provider would buy in the support of a technology centre of skill (Figure 1). At the start, it was not widely known what the cost was of the services transferred to shared service provider or the service levels that were being provided internally (New Zealand Shared Services Commission, 2007). Therefore this process would be refined through a pilot project with each of the new large-scale shared service providers.

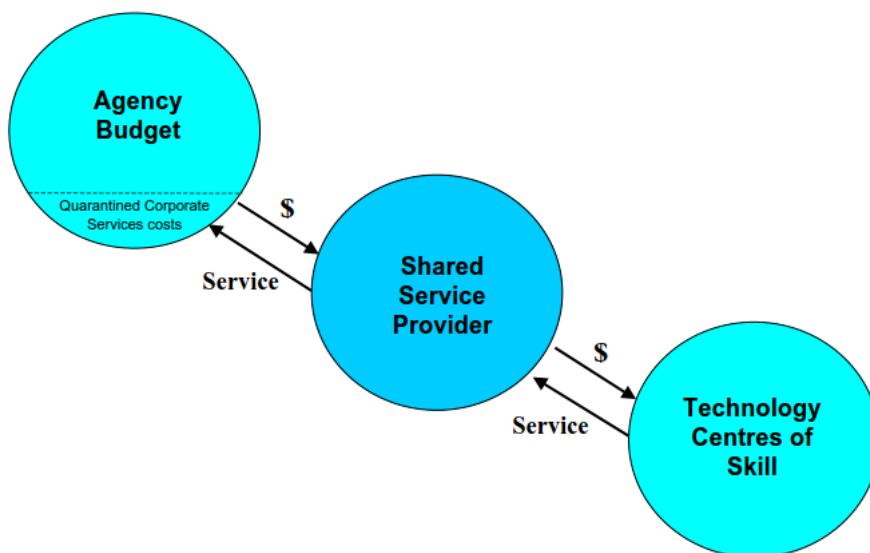
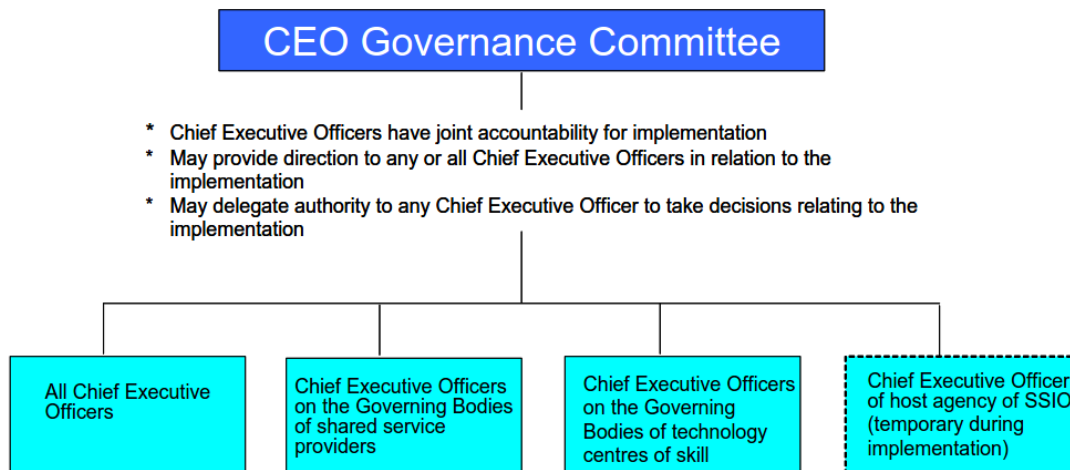


Figure 1. Quarantined payment flow during the Queensland transition to shared services

In terms of interim governance, the CEO Governance Committee, a transversal top management committee that was already in existence, was accountable for the delivery of the SSI outcomes. It was empowered to make the required whole-of-Government decisions required to implement the transition, including the scope of the services to be provided by the new units.



Over the course of these three years, these CEOs worked alongside the newly appointed EDs in four work-streams focused on the four major areas of the transition: Review, redesign and standardisation of business processes; a performance and service management framework; ICT support optimisation and consolidation of an appropriate system; and workforce and communications (transitioning people to the new structure). Together, these four work-streams formed the Implementation Committee responsible for the transition, as depicted in Figure 2. Work-streams divided their work into projects; and project teams consisted of the members of the work-streams as well as relevant stakeholders from other areas such as affected managers and sectoral role-players outside government.

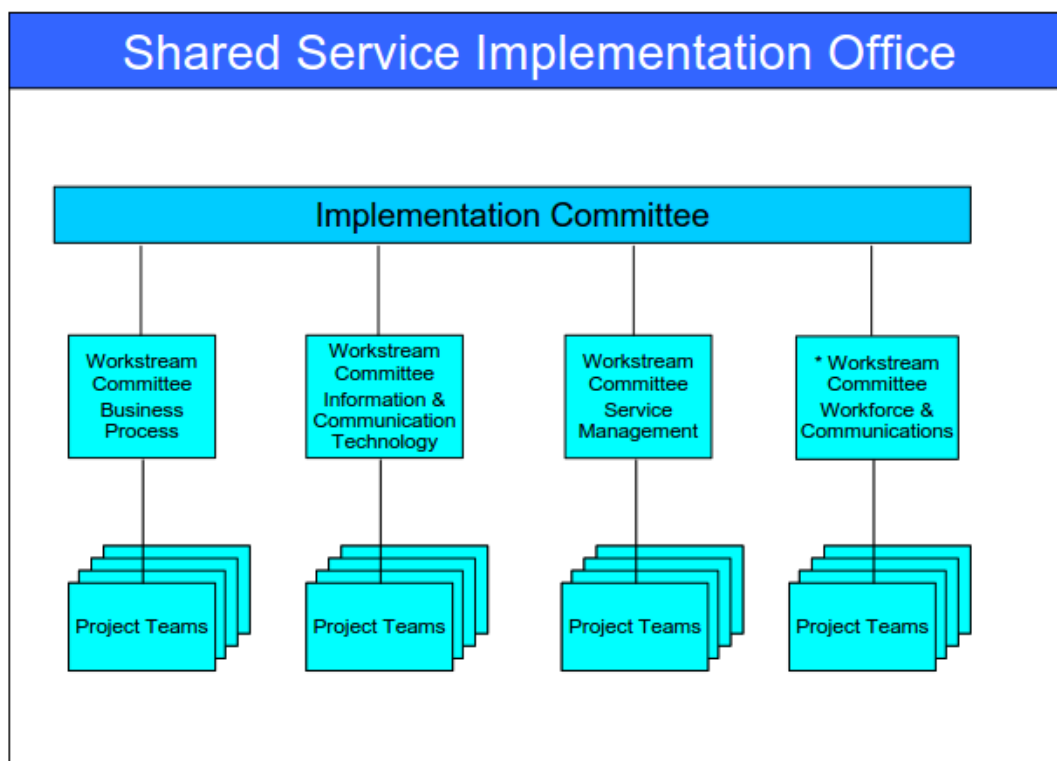


Figure 2. Organisational structure of the temporary Queensland Shared Service Implementation Office

It was also expected that each of the newly established units would establish a governing body of its clients' CEOs to manage service-related changes. A Shared Service Implementation Office (SSIO), hosted by the Queensland Treasury, supported the transition work and also was assigned responsibility for "monitoring the on-going whole-of-Government costs and benefits of the implementation program".

A primary task of the Implementation Committee was to consider existing business processes for the relevant services, in their entirety, and to redesign them. While not dictating how business processes should be redesigned during the transition, the document *Building the Queensland Government's Shared Service Initiative* stipulated a number of important guiding principles, such as meeting customer requirements; building on proven best practices; meeting legal requirements; clarity of activities, accountabilities, responsibilities and authority of all stakeholders; and redesign in collaboration with ICT professionals to select appropriate technology.

Performance Measurement Framework

The implementation of the SSI was managed and tracked using an implementation framework with tools for planning and measuring performance. The primary monitoring tool was a balanced scorecard to measure performance in four areas (Burns and Yeaton, 2008):

1. Benefit (the financial perspective)
2. Customers (the customer perspective)
3. Improvement (the business process perspective)
4. Capability (the learning and growth perspective)

Implementation and Results

While the literature on the results of the Queensland SSI is not as detailed as that on its establishment, a few sources describe some important aspects of the experience.

There is evidence of implementation delays in the initial years due to skills shortages. Queensland also moved over to International Financial Reporting Standards which had an impact on the pace of implementation. By 2007, a new whole-of-Government Finance Business Solution was operational in six government agencies and a pilot had been completed of a Human Resources Business Solution (Queensland Government, quoted in Burns and Yeats, 2008). At this point the SSI covered the transactional elements of HR, finance, and document and records management with plans to expand (New Zealand Shared Services Commission, 2007). In September of the same year the Shared Service Agency was transferred from Treasury to the Department of Public Works (Queensland Department of Education, Training and the Arts, 2008).

A restructuring came following a project management failure in the late 2000s. Following the expiration of a payroll system contract, Queensland Health in 2010 went live with a new payroll system for the processing of payments for all departmental employees. However, due to a problem with scoping, agreement on the implementation approach was a challenge

because the business requirements of the new system were not clearly articulated at the outset of the project. In the end, the system went live 18 months behind schedule and 300% over budget (AG, 2010). This event led to an investigation by the Auditor-General, who recommended a review of aspects of the Queensland Shared Service Initiative, which was conducted by PWC.

The PWC review “confirmed that shared services is still a valid way to deliver corporate services in Queensland” (AIM, 2012), but recommended a number of changes. Following the PWC review the Shared Services Initiative was restructured into three clusters: one for Queensland Health, one for the Department of Education and Training and one for the Rest of Government. This restructuring essentially separated corporate services for health and education, while keeping the services for other departments within the Department of Public Works.

Overall Queensland was able to generate savings through the introduction of the SSI, as had been the intention. By the end of the 2006-2007 fiscal year cumulative cost savings of the shared services approach were estimated at AU\$ 73 million (Burns and Yeaton, 2008), and by 2010 was on track to reach AU\$ 100 million in annual savings by 2012/2013 (Queensland Audit Office, 2010, quoted in PWC, 2010). However, it took longer to achieve the annual savings than expected. A likely contributor to the slower than expected achievement of savings was the tendency among client agencies of rebuilding their internal corporate services capacity to manage the interface with the SSI service provider or undertake some activities in-house (New Zealand Shared Services Commission, 2007).

At present, Queensland Shared Services (QSS) is housed in the Department of Science, Information Technology and Innovation and provides finance, procurement, human resources management, telecommunications and mail support services to Queensland Government agencies and statutory authorities (Queensland Government, 2015). An evaluation of its work is underway at present and will be reported to the Queensland parliament in this financial year.

2.4 Other shared services examples

The following briefly highlights some other examples of shared services that are helpful in sketching an overview of the various contexts and institutions across which shared services are found relevant to this exercise. They were selected on consideration of the availability of information and the extent to which they offer contrasts and similarities with the CSC.

Northern Territory, Australia

Australia’s Northern Territory started a shared services initiative in the late 1990s. It had a mandatory approach to implementation as it needed the scale advantage of all departments participating. It covered 36 departments with around 16,000 FTEs at start of which around 1,200 to 1,300 worked in corporate services (2007). The initiative is housed in a separate department and covers transactional services for HR, finance, IT, property leases, and fee-for-service on fleet services and printing. There is little customisation of the services provided, but it allows for other departments and agencies to customise their own financial reporting.

The nature and quality of the service to be provided is specified and agencies are not forced to use new improved systems. Agencies may continue to use old systems reducing the expected cost savings of process improvements or when, by Cabinet agreement, that service provider will cease to service old systems may continue to use their own paper-based systems and employ or re-employ staff to process.

The efficiency savings led to costs saving retained by government. It is reported that the Northern Territory has been able to get some service improvements taking advantage of scale in remote areas (New Zealand Shared Services Commission, 2007).

New South Wales, Australia

New South Wales (NSW) has also experimented with shared services. The NSW system is based on voluntary participation with encouragement from the Premier's department to participate. The shared service provider is located within an existing government department and covers the smaller agencies with encouragement to the larger agencies to rationalise their corporate services. It covers a range of services including transactional finance and HR services, IT, research and library services, property management services, and fleet services. It has however achieved only low level annual savings achieved of around AU\$3 million (New Zealand Shared Services Commission, 2007).

Canada

Canada has examples of shared services at both federal and state level. The Federal government announced mandatory participation in shared services in 2005 as a cost saving measure. The approach covers transactional services for HR, financial, material and IT services. This approach was the culmination of a decade of rationalisation of financial and HR systems, numbering over 100 in the mid-1990s. However, the savings seen from this system have mostly come from staff reductions through attrition (New Zealand Shared Services Commission, 2007).

At State level at least three have experimented with shared services, Alberta, Ontario and British Columbia. British Columbia covers all government departments for transactional services on a fee-for-service basis that is focussed on meeting client needs, seeks gains from improving systems and processes and offers choice over services purchased.

Alberta's shared services cover mail delivery, printing and copying documents, technical support for computers, telephones and faxes, and government vehicles. The primary driver of the shared services is to achieve cost saving in processes and to avoid duplication of effort.

Ontario has undertaken a shared services initiative for IT, with resulting improved data sharing, though concerns have been raised about privacy as a result of this (New Zealand Shared Services Commission, 2007).

United Kingdom

In the United Kingdom in the mid-2000s, shared services were organised around nine sectors: education, health, home office, defence, revenue and customs, work and pensions, families, rest of central government and local government. The services covered transactional HR, Finance and IT infrastructure, covering large amounts of staff in each sector, including over

1 million in each of education and health. Increasingly scale was seen as a critical factor within the clusters, with the minimum number of staff covered to achieve savings being 20,000, but the significant benefits only coming when over 50,000 staff was covered.

In implementation the UK experience has included technical implementation issues around staffing limits and VAT that appear to have been raised creating additional issues to be addressed in implementation beyond those initially expected. However, benefits have been identified as coming from embedding consistent systems and controls, consistent and reliable processes and systems, reliable data from a single organisation and using expert capabilities (New Zealand Shared Services Commission, 2007).

Scotland

The Government of Scotland provides four shared services: Estates, HR, ICT and finance. These are voluntary arrangements which departments have some discretion over as to whether or not to make use of. They have been conducting surveys into the shared service arrangements since 2008/9 (New Zealand Shared Services Commission, 2007).

Gauteng

In 2001, the Gauteng Provincial Government undertook a shared services initiative aimed at providing province-wide, cost effective and efficient transversal services. This decision was made in recognition of the results of a functional audit (conducted in 1998) which found resource duplication across provincial departments; that the focus was skewed toward support instead of line functions; that scarce skills were not well distributed across departments; and that a paucity of skills was inhibiting the transformation of support domains such as e-government (Mashatile, 2004). The centre was expected to respond to these challenges by providing benchmarked and appropriate service levels at a competitive cost advantage.

The Gauteng centre provided five services: Internal Audit Services, Human Resource Management Services, Procurement Services, Finance Services and Technology Support Services (GPG, 2004). Services (and staff) were migrated from 95 entities to the centre using a phased-in approach. The translation of business design from paper to reality was a challenge much larger than anticipated, and the value of political support (from the Premier and MEC for Finance) was deemed crucial in this process. Concurrently there was an effort to "re-engineer the corporate culture within the Public Service", which was "a major challenge". The centre also encountered a challenge in terms of knowledge transfer, with private consultants working side by side with officials to create it, but with insufficient knowledge transfer to the officials so that the centre remained reliant on these highly-paid consultants. By 2004 the business case for the centre had not yet been proven (Mashatile, 2004).

Ultimately the Gauteng Shared Service Centre was disbanded by 2010 (Business Day, 2010). Previous research by PDG (2006) identified several lessons to be learnt from the GSSC experience including:

- Communication on the process of transition must be clear to all stakeholders.

- Buy-in from senior managers and stakeholders is important. Senior management must buy in and collaborate with leadership, otherwise there will not be uptake of shared services.
- Planning for shared services needs to be detailed and consultative.
- Sensitisation of departments is an important part of change management so that staff are aware of the importance and benefits of a share service arrangement.
- Strong leadership is required to manage a multi-stakeholder entity, and avoid high staff turnover.
- Departments need strong demand planning to maintain a strong relationship with a shared services centre. A weak relationship with the shared services centre can lead to low levels of confidence in the shared services centre.

Lessons learnt

This brief overview of shared services in other parts of the world demonstrates a few important points to highlight in relation to the CSC in the WCG:

- In some cases the use of shared services has been voluntary, not mandatory – possibly making it easier to introduce, but leading to lower economies of scale;
- There is no right or wrong functional composition and model for shared services- it tends to be contextually determined and address a range of services, from transactional to advisory and specialised;
- Transition planning and concomitant change management over an incremental establishment period provide are part of a critical foundation for the success of a share service initiative;
- Funding models differ, with a fee-for-service model operating in several of the cases (British Columbia; Northern Territory; Queensland);
- Cost saving has been a strong motivating factor for introducing shared services;
- In most cases where cost savings could be measured against a baseline, the savings were not as great as anticipated;
- Even where cost savings were not as great as anticipated, the UK example shows there can still be benefits from standardisation, consistency and reliability can generate efficiencies across departments; and
- It is common to face challenges during the transition to shared services. Delays in the implementation timeframe are particularly common (Queensland; UK). Managing the transition requires at a minimum executive buy-in; careful planning and cognisance of potential obstacles; and clear communication to staff.

2.5 Background to the CSC

The background to the CSC will briefly introduce the context of the Modernisation Programme and the WCG's problem statement on back office functions as it was conceptualised at the time. The section will conclude with a concise overview of the CSC Theory of Change.

Problem statement circa 2009

The 2009 national and provincial government elections ushered in fresh mandates and reforms across government as newly elected political leadership used the opportunity to restructure, enhance accountability mechanisms and modernise. A reform process was initiated in the Western Cape following the election of the Democratic Alliance to provincial government. Running on an electoral platform to deliver clean, efficient services to the citizens of the province, an emphasis was placed on a strong, lean administration that would be up to the challenges ahead. This was considered necessary to implement "challenging delivery programmes and [meet] targets in our new 5 year strategic plan for the Province" and to do so "with fewer resources due to the global downturn in the economy" (Zille, 2009).

Modernisation Programme

Shortly after the election of the new provincial leadership, Premier Helen Zille instructed the Cabinet to conduct an investigation into the challenges that the Western Cape Provincial Departments faced (Kamaldien, 2012: 1). In close consultation and engagement with the (then) acting Director-General (Respondents 24, 16 and 6¹), Cabinet resolved to begin a restructuring and reform process as part of a broader modernising initiative. This was deemed the 'Modernisation Programme' following Cabinet's approval of the Cabinet Memorandum 'Programme: Modernisation of the public service institutions of the Western Cape' (as per Cabinet memorandum BA 3/1/1 dated 27 June 2009). The resolution resulted in the establishment of a series of work streams for provincial staff to look at 20 areas of investigation for modernisation. The Modernisation Programme had objectives that were threefold:

- To bring provincial government institutions on par with international best practice;
- To ensure that they are fit for their respective intended purposes; and
- To ensure that they serve the public in a cost effective and efficient way (DotP, 2009).

In the context of the global economic crisis and its effects on government's financial reserves, the WCG understood that it would have to deliver more services with fewer resources. Discussions of how to make the WCG more

¹ A reference to an interview and a number signifies that the information reported was obtained during preliminary data collection. Normally primary data is not presented prior to an explanation of the methodology but it is included here as this data proved relevant to providing some background context. Interviews are numbered to provide a degree of confidentiality and avoid direct attribution to individuals.

fit for purpose therefore informed Cabinet’s priorities from the outset of the new term (Zille, 2009).

Further, public expectation and national government reforms required greater accountability for provincial governments, necessitating that Heads of Departments (HoDs) be more accountable to stakeholders in improving service delivery. However, accountability lines in the DotP were practically challenged by complex and inefficient reporting arrangements with up to 8 components reporting to the DG (three Deputy Director-Generals, four Chief Directors and one Director) at the time. Given the DG’s statutory responsibilities for transversal matters of strategic importance and responsibilities as the accounting officer for the DotP, this was not sustainable and deemed an inappropriate workload resulting in too many operational management responsibilities distracting from provincial strategic priorities (WCG, 2009a: 6).

As with many sectors and provincial departments across South Africa, the WCG also recognized that it was faced with skills shortages in many functions within its departments (Kamaldien, 2012: 2). However, it was understood that the administration possessed a latent capacity, that there were well-educated staff with substantial experience in its ranks, and that it contained expertise that could be more optimally used. Drawing on these capabilities had the potential to make the WCG less reliant on external service providers and thereby save the costs of outsourcing work that could be done in-house (Respondents 27, 24 and 6).

In terms of back-office functions, or those that have an indirect bearing on the delivery of services rather than directly contributing to departments’ service mandates, disparities and imbalances between departments were identified as contributing to inefficiencies and consuming resources that could otherwise be prioritised for delivery. Human resources stood out in particular due to the variance in ratio between actual staff and the number of HR staff to service them as presented in the table below:

Table 1: Actual staff to actual HR staff and ratio by WCG department in 2009

Department	Actual staff	Actual HR staff	Ratio of staff to HR staff
Transport and Public Works	1758	50	35
Social Development	1725	38	45
Community Safety	1014	40	25
Agriculture	931	33	28
Local Government and Housing	725	42	17
Department of the Premier	673	32	21
Cultural Affairs and Sport	622	22	28
Environmental Affairs and Development Planning	328	32	10
Provincial Treasury	314	27	12
Economic Development and Tourism	215	26	8
Total	8305	342	24.28 (Avg.)

The above excludes Health and Education due to their massive size and the distinct circumstances of each. When considering that the Department of Education HR to actual staff ratio was 1:99 for 33,000 staff at the time (WCG, 2009a: Annex B, Sect. 2.8) compared to the Department of Economic Development and Tourism's ratio of 1:8, it becomes clear that even at an average 1:24 ratio, there were serious disparities and inefficiencies across the WCG.

At the same time, other back-office functions that were already operating on a shared service basis, such as Legal Services, were facing their own challenges. Strain on the Legal Services directorates was due to increased demand without the commensurate expanding of capacity resulting in a tendency by some departments to outsource Legal Services. Despite the growth in demand for services, the size of the unit had been drastically reduced in a previous restructuring exercise. The Forensic Investigation unit was positioned within the Legal Services component and was at a directorate level, which was not optimal (WCG, 2009a: 7). Furthermore this unit's services and relationship with provincial departments was not governed by any agreement; and there was not an enforceable requirement to provide feedback on issues raised in a forensic report, limiting the oversight from the highest authority.

Internal Audit was at the time housed within Provincial Treasury and had recently concluded an external service provider contract aimed at establishing Internal Audit capacity within the WCPG. However, despite the contract running for a number of years, with extension, in a skills scarce environment there was competition for human resources and considerable turnover, which compounded an unstable working environment that lacked consistency and standards for practice (Respondent 27).

Although there were no major organisation and establishment concerns identified in respect of Information and Communication Technology (ICT) at the time, it was clear that there was serious confusion over the roles and responsibilities for ICT in departments. One of the main issues was the lack of clarity around funding and which ICT-related functions were the responsibilities of the departments (WCG, 2009b: 14). In addition, a survey of WCG staff identified network downtimes, slow speeds, outdated technologies, and the need for training and better collaboration. An overworked, scarce skilled staffing contingent was also an identified problem area, along with governance risks and a COBIT process-maturity self-assessment outcome of Level 1-Reactive (WCG, 2009b). Thus, ICT as a critical enabler clearly needed to be expanded and improved upon in order to play its role in any modernisation project (WCG, 2009a: 10). In addition, external communications expertise considered historical experiences and identified the stratification of roles and responsibilities across multiple role-players in the area of corporate communications as problematic (WCG, 2009a: 32).

In summary, it was clear that a variety of existing departmental staff support services, lacked the functional synergies and efficiencies consistent with the kind of provincial administration envisioned (WCG, 2009a: 6). Thus, across departments support functions shared a lack of common standards, varied protocols, confusion over roles and responsibilities, inconsistent application of policies, and disparities in human capacity. The WCG therefore sought to address existing weaknesses in the context of a

complicated and operationally dispersed organisational structure in the DotP, through reform to support services as part of the Modernisation Programme.

2.5.1 A draft Theory of Change

In order to inform the evaluation, a draft Theory of Change was developed early on in consultation with the WCG. The Theory of Change reflects mainly process and structural elements in relation to an overarching set of intentions for the CSC and is presented across time, between 2009 to present.

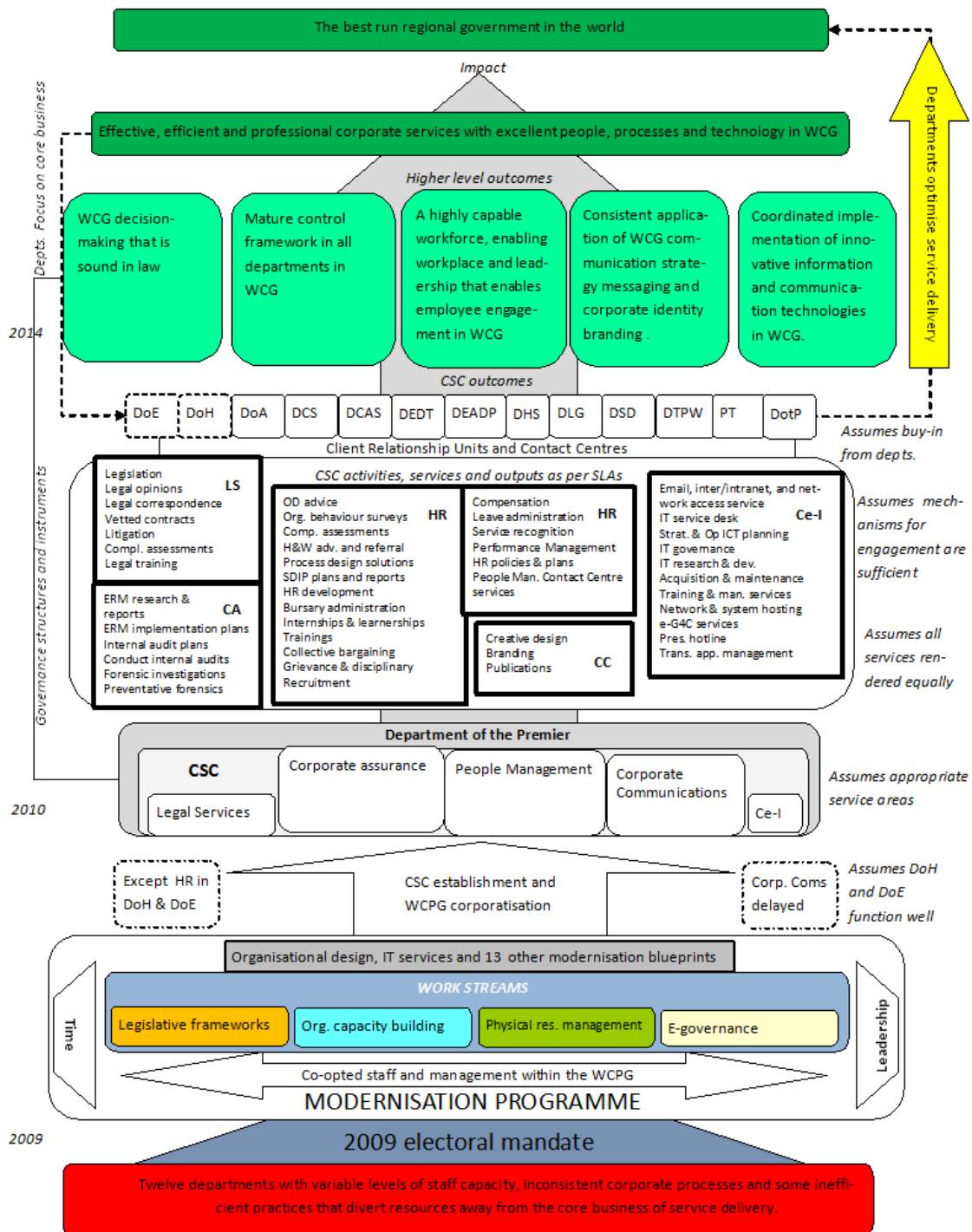


Figure 3: Theory of Change for the Corporate Services Centre

The above figure was validated at a workshop with the CSC Executive Committee and select provincial top management on 21 September 2015 where it was explained in detail.

In brief, Figure 3 reflects how the electoral mandate of the 2009-2014 provincial executive led it to pursue a modernisation programme from which the CSC was established. The salient features of the modernisation programme are highlighted as they shaped an establishment process which resulted in the structural configuration of the CSC and the corporatisation of certain key functions. The exceptions to this process were the HR function in Health and Education, as well as the delay in Corporate Communications. Since establishment, execution of these functions has then resulted in a number of services per overarching functional area. These activities, services and outputs as agreed by the SLAs and the supporting Service Schedules, are then administered with the support of the Client Relations Units (CRUs) and Contact Centres across all 13 departments in the WCG. The execution of these services and delivery of outputs as per agreed roles and responsibilities between the CSC and departments is then expected to result in a series of CSC outcomes per functional area. These in turn are expected to jointly result in the overarching outcome for the WCG administration, which in turn culminates in the intended impact of the best-run provincial government in the world. The left side of the figure shows the timeframes involved while the right side highlights key assumptions in the process.

The value of the figure is that it captures process, time and structural elements in relation to their intended results. In terms of the scope of the evaluation exercise, implementation is concerned with the historical process through to the current rendering of services and outputs across the 13 departments via the identified structures and day-to-day administrative exchanges.

3 Approach and Methodology

3.1 Evaluation design and analytical framework

The purpose of the evaluation set out in the Terms of Reference (ToR) is to “determine if the provincial policy for the rendering of corporate services by the CSC has been effectively implemented as per the original policy intent”.

In developing an analytical framework for judging the implementation of the CSC policy, this was informed by the set of overarching evaluation questions that guided the evaluation, the theory of change for the CSC as roadmap of intent, as well as an exposition of the intent set out in the CSC policy. Given the complexity of the historical structural and functional processes around which the CSC came into existence, it is useful to break these elements down in relation to the overarching evaluation questions since the evaluation must answer these questions.

The evaluation questions were agreed as the following:

Q1. Establishment: Has the CSC been located and established appropriately, with the appropriate functional areas, scope,

resources, structures, and institutional arrangements, and supported by appropriate departmental CSC interface structures and capacity?

- Q2. **Roles and responsibilities:** Are the assigned roles and concepts of shared responsibility and accountability appropriate, clear, mutually understood, bought into, adequately operationalised with an appropriate funding model and effectively monitored, and is it necessary to change the demarcation of such roles and responsibilities?
- Q3. **Readiness for implementation:** Was the process of introducing and implementing the CSC well-planned and managed from both an operational and behavioural perspective?
- Q4. **CSC implementation / governing instruments:** Are the implementation and governance instruments – including institutional arrangements, monitoring and reporting frameworks, the CSC Audit protocol and IT tools – sufficient in their design and effective in their application and use so as to respond fully to the policy intent?

The second, third and fourth evaluation questions are preoccupied with asking “what is happening and why?” as well as looking back to “what has happened [during the establishment of the CSC] and why?” and focus on the inputs, activities, outputs and (to an extent) immediate outcomes of the CSC’s establishment. In this sense the evaluation can be classified as an Implementation Evaluation (see DPME, 2011 and DPME, 2014). Additionally there is a strong focus on judging the CSC’s design which in itself has required clarification and documenting of the implicit and historical thinking around it. The implications of this are that a significant degree of customisation was required to address the above questions.

Based on the guiding evaluation questions, the analytical framework elements do not lend themselves to the application of the more common Organisation for Economic Cooperation and Development (OECD) criteria of relevance, efficiency, effectiveness, impact and sustainability (OECD, 1991), nor do they align well with common approaches to organisational evaluations (Lusthaus et al, 2002) which focus on relevance, efficiency and effectiveness as overlaid with environmental, organisational motivation and capacity arrangements in which an organisation works. While some elements of all of these things do find expression in the evaluation questions, particularly with regards to the implementation component, the design emphasis is largely lost and therefore applying either the OECD or organisational performance evaluation framework wholesale would have sacrificed the specificity of the evaluation questions and their supporting sub-components in terms of the analytical framework’s ability to answer the driving questions behind the evaluation.

Thus, a customized analytical framework was applied which took into account the juncture at which the CSC was subjected to evaluation and the focus of the evaluation questions. For a more detailed explanation of this analytical framework, please refer to the appendices.

3.2 Data collection instruments and other tools

This section refers to data directly collected from respondents by the evaluation team via interview or survey.

3.2.1 Semi-structured interviews

The following provides an overview of the 33 respondents who participated via semi-structured interviews as part of the evaluation across its multiple phases.

As part of the preliminary data collection semi-structured interviews were held with key CSC stakeholders involved in the design and establishment of the Corporate Services Centre. Seven key stakeholders, representing all of the CSC's branches (excepting the Corporate Communications Directorate), were interviewed to provide a descriptive overview of the CSC and clarify the historical establishment process in broad terms. These interviews focused on the background to the establishment of the CSC, shaped the theory of change and included interviews with:

- Brent Gerber: Director-General
- Andre Joemat: Superintendent-General, CSC*
- Michael Hendrickse: Deputy Director-General, People Management*
- Lance Williams: Deputy Director-General, Centre for e-Innovation*
- Lucas Buter: Deputy Director-General, Legal Services*
- Henriette Robson: Deputy Director-General, Corporate Assurance*
- Louise Esterhuysen: Chief Director, People Management Practices*²

Upon completion of the primary data collection, a set of follow-up questions intended to clarify lingering questions and ambiguities was sent by email to all of the respondents marked with an *. All respondents replied by email.

During data collection with client departments and CSC stakeholders 26 respondents participated via 22 semi-structured interviews. These interviews included the following groupings of stakeholders:

Stakeholder group	Number of respondents
Members of Provincial Cabinet	5
Heads of Departments (incl. staff)	11 (13)
Other CSC stakeholders	8
Total	24 (26)

3.2.2 Focus groups

In total 11 focus groups were planned as part of the data collection phase and 10 of these were executed successfully with the intended stakeholders. The following is the list of the different stakeholder perspectives captured as part of the focus groups with the number of participants listed:

- Departmental Strategic Support (5)

² Faiza Steyn: Director, Corporate Communications was questioned instead of Louise Esterhuysen as part of the follow-up.

- CSC Extended Executive Committee (8)
- Departmental Heads of Communication (7)
- Department IT Committee Chairpersons (4)
- Departmental Enterprise Risk Management Committee Representatives (5)
- People Management staff (11)
- Chief Financial Officers Forum (5)
- Centre for e-Innovation staff (4)
- Departmental Client Relations Unit Representatives (9)
- Legal Services, Corporate Assurance and Corporate Communication staff (7)

In addition to the above, a focus group was scheduled with the Bargaining Chambers' representatives but only two representatives arrived and they opted to withdraw from the process.

Departmental questionnaires

Of all the different focus groups that were conducted, the Client Relations Unit (CRU) focus group in particular presented findings that necessitated further investigation to better structure, clarify and assess CSC implementation. As a result, a short supplementary questionnaire building on the focus group questions was developed in Microsoft Excel and distributed to all CSC client departments (including Department of the Premier) to supplement the focus group engagement. The following 10 departments submitted completed questionnaires (one per department) on behalf of their CRUs:

- Department of Agriculture
- Department of Cultural Affairs and Sport
- Department of Environmental Affairs and Development Planning
- Department of Economic Development and Tourism
- Department of Human Settlements
- Department of Local Government
- Department of Community Safety
- Department of Social Development
- Department of Transport and Public Works
- Provincial Treasury

Questionnaires were not completed by the Department of the Premier, Department of Education and Department of Health. However, each of these three departments lacks a Client Relations Unit of the nature and design intent of the other 10 departments so this omission is not considered problematic.

3.2.3 Electronic survey

Three distinct questionnaires were developed for distribution via electronic surveys using the Survey Monkey platform. Two of these surveys were

aimed at staff in client departments (external to the CSC) at assistant director level and above, and one survey at the CSC staff themselves (internal to the CSC) at all levels. In all cases the entire known population was sampled (as per the parameters of staff level for client departments and all staff internal to the CSC) and targeted via e-mail so as to be consistent with the inclusive approach taken for the evaluation.

Client department survey respondents

In total, 2,672 Western Cape Government client staff (external to the CSC) were invited to complete questionnaires. These surveys were differentiated at the level of DDG and Chief Director with a separate survey for staff from client departments at Assistant Director level up to Director level.

Of the total population of 2,672 potential respondents, 280 of these staff responded. This amounts to a response rate of 10.47% amongst provincial government staff as per the table below. As a general guideline, response rates for electronic surveys administered to external parties usually consider a 10-15% response rate as an average (Fryrear, 2015), with this case falling within that average band.

<i>Key survey areas</i>	<i>Measure of respondents</i>
Client survey responses	257
DDG and CD responses	23
Total	280
Total population	2672
% Response rate	10.47%

CSC staff survey respondents

A questionnaire designed for CSC staff was circulated and 793 staff (internal to the CSC) were asked to complete the survey. Of the 793 there were 206 who completed the survey, indicating a response rate of 25.9%. This response rate is lower than the average 30%-40% band for internal surveys (Fryrear, 2015) but still useful. When one considers that internal staff were also given the opportunity to input into the evaluation through qualitative engagements with senior staff via focus groups and interviews, this response rate is not problematic, even if slightly below the average.

3.2.4 Secondary data and CSC documentation

In addition to the primary data collected as part of the fieldwork, a number of existing documents, reports and performance datasets were shared with the evaluation team. These documents were reviewed to provide some balance, corroboration and/or contrast to the historical processes, reflections and perspectives expressed during the primary data collection. See the appendix to the report for the hundreds of documents received from the CSC

3.2.5 Data analysis

The approach to data analysis can be broken down into three components: a qualitative description and thematic analysis of the CSC using interview and focus group data; a quantitative analysis of electronic survey results; and a desktop review and CSC documentation, performance information and

external reports. Together, these formed a mixed method analysis which triangulated various data sources via the overarching assessment framework.

In the case of the qualitative analysis, the team members used transcriptions of focus groups and interviews to describe and thematically code accounts of the CSC's design and implementation using NVivo software.

The results of the electronic surveys were subjected to descriptive statistical analysis in Microsoft Excel before being analysed according to the customised assessment framework.

Lastly, a desktop review and documentary analysis was undertaken of CSC related documentation. Where performance data existed, it was subjected to descriptive statistical analysis. Documentation was used to provide a more balanced and complete assessment of the CSC, triangulating and contrasting some of the findings.

The various analyses were then integrated according to the agreed assessment framework, focussing on both design and process issues related to the CSC's establishment; roles and responsibilities and implementation mechanisms. Each section of the analytical framework closes with a synthesis of the findings in relation to the assessment area.

3.2.6 Data challenges and limitations

Overall there were relatively minor challenges experienced over the course of data collection, the exception being around the communication of the electronic surveys which may account for the average, to just below average, response rates received.

Participation in focus groups and interviews was less than originally desired, but the variety of perspectives secured was consistent with what was intended. Only a few interview respondents did not participate as intended and for a variety of different reasons. In the case of the focus groups, close to half of the external stakeholders invited to participate did in fact attend.

The response rate for the CSC staff survey was slightly lower than the average response rate band for internal surveys. Nevertheless, the provision of alternative avenues for qualitative input and the subsequent push for completion certainly helped to mitigate these challenges and spikes in participation rates were noted at the time of subsequent reminder emails sent by the Department of the Premier.

A significant limitation in the data is the relatively small sample sizes per line function and particularly amongst Deputy Director-Generals and Chief Directors in the client departments. While a strong claim cannot be made as to the reliability of the data, it is nevertheless the data that is available and it does provide a useful indication of key respondent experience and positions on key CSC issues.

Another serious limitation is the proportion of respondents who responded "Don't know" or "Neutral" on the client survey. The proportion in this regard is substantial and reveals the extent to which many of the details related to the CSC were not well known amongst respondents. Again, although not ideal, this data was still useful in identifying specific trends, particularly

within certain functions by the relational proportions between certain responses, rather than the overall proportions.

An overall limitation of the study is that the scope and breadth of the subject of evaluation was so expansive that an in-depth analysis of all its different components per function was not possible, in part because many of those components had heretofore not been fully defined or were in different stages of conceptualisation and implementations. A call for additional documentation after the issuing of the draft evaluation report and follow-up engagements to mitigate and address some gaps in the received data provided for a richer dataset and strengthened the overall findings.

Lastly, the efficient scheduling of all the interviews and focus groups by the CSC was a great enabler of a relatively smooth data collection process, albeit with some minor changes and adaptations along the way. The coordination of venues and staff was a great benefit to the evaluation team and helped to avoid significant delays to the data collection schedule.

4 Findings and analysis

4.1 Establishment

This section will present findings in terms of the issues of establishment design and process as it relates to the location, functional areas, scope, institutional arrangements and resources (including the funding model) available to the CSC. It will be differentiated on a functional area basis (e.g. Legal Services; Corporate Assurance; People Management; Ce-I and Corporate Communications) and make determinations in relation to the establishment design as well as its operational roll-out in process. The section will conclude by synthesizing and summarizing the key findings on establishment.

4.1.1 Design

The findings and analysis on establishment design are structured according to establishment planning; strategic intent; functional design; and funding model. As per the agreed analytical framework, each of these areas is judged according to the sub-criteria: rationality of design; clarity of the design element/structure; and plausibility of design execution within the known prevailing conditions.

Establishment planning

Planning for the establishment of the CSC occurred as part of the Modernisation Programme via multiple work streams tasked with diagnosing and making proposals to enhance the functioning of the WCG (DotP, 2009). Of these original work streams, only 14 would produce a set of modernisation blueprints eventually approved by Cabinet and these blueprints formed the basis of CSC establishment planning insofar as it was documented.

The Organisational Capacity Building roll-out area encompassed a number of work streams which produced modernisation blueprints linked to the CSC, such as: Organisational Design; IT services; Legislation; Organisational Culture and Values; Provincial Training; Enterprise Risk Management and more. Each blueprint followed the basic structure of:

introducing the work stream and providing a background; explaining its methodology; presenting findings and undertaking discussion to diagnose the current state of affairs; arriving at a set of conclusions and recommendations; and then explaining the human resource and financial implications of those recommendations.

By design, the work-streams were led by qualified internal WCG staff that had the benefit of knowing and understanding the WCG (Respondents 6 & 24). Thus, the establishment planning was inclusive of senior managers by design (to an extent) and intended to foster a degree of ownership and credibility amongst WCG staff. The opportunity for comment and input on the modernisation blueprints was also sought. These, coupled with the purposeful designation of the acting Director-General as the manager of the process, were important design decisions related to leadership because of the later establishment planning implementation experience, discussed in the following section.

The modernisation blueprints included supporting reports and annexures detailing resource, organisational structure and governance implications of the recommendations but they did not include detailed transition planning, timeframes or costing as part of the transition to an overall shared services solution. The *Discussion document on the corporatisation of support functions* (WCG, 2009a: Annex B, henceforth referred to as the discussion document) only briefly mentions the transitional implementation arrangements. It notes that in the cases of communication services, enterprise risk management and Human Resource Management functions:

"A fine balancing exercise will therefore have to be undertaken to ensure that the Department of the Premier (as receiving department) is duly capacitated to render the particular services at the required quality and quantity levels. Service level agreements, standard operating procedures, technology requirements and accommodation needs are some of the matters that will have to be attended to. Likewise, it must be ensured that relinquishing departments are not disadvantaged by over-hasty implementation arrangements" (WCG, 2009a: Annex B, Sect 2.11.2)

The document goes on to propose "an incremental implementation approach...staggered over time" and that "detailed implementation plans [will] be drafted and consulted with the affected Heads of Department" (WCG, 2009a: Annex B, Sect 2.11.3). The explicit adoption of provision 2.11 of the discussion document in Cabinet Resolution 362 of 2009 requires that a set of detailed implementation plans would have been subsequently developed. However, interviews with respondents and requests to DOTP did not yield any such documentation and the available evidence indicates that no such implementation plans were developed beyond what was included in the approved modernisation blueprints. In this regard, all modernisation blueprints addressed some aspect of the CSC or line function in a piecemeal fashion. The only exception to this, and at the level of functional area, was the modernisation blueprint on Information Technology (IT) Services (WCG, 2009b). This document provided a detailed series of recommendations across people, processes and technology and included a historical costing analysis and proposed budget to execute its recommendations and effectively establish an enhanced Centre for e-Innovation within the CSC.

There is not a consolidated CSC establishment implementation plan or budget that sets out the transitional arrangements or details the timeframes and desired end-state of the CSC.³ This finding is corroborated by KPMG (2009: 14-15) in their *Review of the design of the corporatisation of support functions ("shared services")* (henceforth referred to as the KPMG report), which states that there is an absence of key transition planning around an implementation strategy, programme and change management, as well as key transition costing. Further, a lack of agreed "drivers"⁴ of the CSC also limited a shared understanding of what the desired results of corporatisation would be over the medium term.

In the absence of an overall implementation plan for the CSC transition, the planned timeframe of one financial year (April 2010-March 2011) for the execution of the initial functional relocation and transition of staff was comparatively short when considered against international literature and the case of Queensland, Australia. Even considering the delayed corporatisation of corporate communications, this appears to be at best ambitious, and at worst inconsistent, with the approach set out in the blueprint and supporting annexures.

The short time frame was attributed by most stakeholders to political leadership's awareness of the electoral cycle and the urgency of reform. Multiple Cabinet members spoke of a window of opportunity, as exemplified by the quote below:

"You have five years in government. You can't slowly let a decision progress. You've got to make it happen. This is key. Otherwise you wake up in your last year and then you're finished. You can't do anything in your last year. So when you make a decision you have to do it in a year. And that's how we have to work, always try to change it by the start of the financial year."
– Respondent 23

While there was a timeframe put on the restructuring and relocation, other aspects of the overall transition to CSC establishment were left undefined and subject to different understandings (Respondents 18 and 13). And while consultation and comment was provided for with regards to the blueprints themselves, some respondents claimed that these inputs were a perfunctory exercise that left a number of important questions unanswered and did not provide a meaningful opportunity to influence the design and planning of the CSC (Respondent 4 & Focus Group 1). Further, in the absence of an overarching and exclusively CSC focused policy (at the time) or establishment plan setting out the transition period, this contributed to a lack of clarity on the overall establishment and its intentions.⁵

Thus, in terms of establishment planning, because the CSC was part of the overarching modernisation programme of government reform with its respective roll-out areas and work-streams, there was a rationale for the

³ The notable exception in this regard is in terms of Information and Communication Technology

⁴ Referring to shared purposes or the driving imperatives of the organisation.

⁵ The purpose of the CSC and its objectives were only defined with the adoption of the *Provincial Policy for the rendering of Corporate Services by the Corporate Services Centre* in 8 October 2010, more than a half-year into the establishment process.

shared services solution more generally, particularly in the Organisation Design blueprint. However, because various related support functions were unpacked separately via the different work-streams, the shared services solution was not holistically or evenly conceived across its various elements. The urgency of the political imperatives and the year timeframe targeted for preliminary establishment limited the opportunity to consolidate the blueprints into an integrated and budgeted transitional plan for the CSC, as acknowledged by the majority of CSC interview respondents. This meant that the desired end-state of the CSC was never clearly or coherently articulated and this left some uncertainty in terms of a shared understanding of the process, its intentions and the associated changes.

In terms of design, there were therefore both strengths to the establishment planning (e.g. development of the blueprints, involvement of staff) and weaknesses (e.g. absence of a consolidated CSC establishment plan to detail the transition, lack of clarity around the desired end-state of the CSC) which have had clear implications for the establishment process. These are addressed and expanded upon in a later section.

Strategic intent

The CSC's strategic intent was informed by the *Programme: Modernisation of the public service institutions of the Western Cape*, as mandated by Cabinet memorandum BA 3/1/1 dated 27 June 2009. The modernisation programme set objectives that were threefold:

- "To bring provincial government institutions on par with international best practice;
- To ensure that they are fit for their respective intended purposes; and
- To ensure that they serve the public in a cost effective and efficient way" (DotP, 2009).

However, these broad overarching intentions applied to the entire modernisation programme, of which the establishment of the CSC was but a component. The discussion document included in the Organisational Design modernisation blueprint (WCG, 2009a: Annex B) goes further in setting out the intent of a shared services solution; it explains the broad aims of the CSC would be consolidated support functions to enhance efficiency, effectiveness and economies of scale within the WCG. Thus, in general terms, the CSC would:

"Consolidate staff support functions and processes that were previously performed by separate components/units into a single unit. An underlying premise is that available scarce resources must be optimally prioritised and utilised to ensure maximisation of externally directed service delivery (line functions) to the benefit of the public" (WCG, 2009a: Annex B, Sect. 2.2.2).

However, beyond these more general intentions of "efficiency, effectiveness and economies of scale", the strategic intent of the CSC was not formally documented until the *Provincial Policy for the Rendering of Corporate Services by the Corporate Services Centre* (hereafter referred to as the CSC Policy) in October 2010. The objectives set out in the policy refer to the objectives of the policy itself (e.g. establish guiding principles, identify

functional areas, set out roles and responsibilities, etc.), rather than the overarching policy intent of the CSC. As such, the best indications of the founding objectives for CSC are set out in section 5 of the policy that a potential corporate services functional area must (**bold** is evaluator's emphasis on objective):

- enable a **department to improve its core business** focus, by allowing it to focus on its primary line functions without having to manage high volume - low level impact corporate services;
- realise **standardisation and harmonisation through standardised processes** and systems, consistent policies, common ways of working and optimised monitoring and evaluation;
- enable the **consolidation of highly skilled, scarce specialist expertise**, thus enhancing knowledge and skills sharing, a professional way of working, the interchange ability of employees, professional/ethical standards and the quality of service;
- **achieve efficiencies** through, among other things, **economies of scale, greater utilisation of more effective processes** (including automated processes), elimination of duplication and smarter procurement; and
- **achieve cost optimisation** through, among other things, cost savings on transactional processes, financial translation of standardisation, effective utilisation of resources and smarter procurement (WCG, 2010: Sect. 5.2).

From the above it is clear that the general objectives of "efficiency, effectiveness and economies of scale" have been expanded upon with a more detailed set of objectives relating to the CSC's establishment: standardisation and harmonisation of processes; consolidation of scarce specialist skills and expertise; cost optimisation; and improvements in departmental core functioning. This is consistent with a recommendation made by KPMG (2009:11) that the CSC's "drivers" should be standardisation, human capital development, efficiencies and cost optimisation (KPMG, 2009: 11).

Thus, the CSC policy sets out objectives which are consistent with the guiding intentions of the modernisation programme, and are responsive to the problem statement and case for government reform used to justify the initiative. However, despite this consistency, the manner in which these objectives were documented and stated in the policy document (written subsequent to the decision taken to constitute and establish the CSC), and in the absence of any previous unifying document setting out the medium term strategic intentions or end-state for a shared services solution (KPMG, 2009), means these intentions were not clear to all parties. Even the language of "drivers" and "principles" for what are otherwise understood to be objectives, is unclear. While there is a clear rationale for the establishment of the CSC as a vehicle for driving these objectives, the evidence indicates that there was little basis to suggest these objectives were commonly understood amongst WCG staff at the start of the establishment of the CSC, and to this day there remains some ambiguity and varied understandings of the CSC's primary objectives.

Figure 4 below presents a graph illustrating the current understanding of the CSC's primary objectives amongst WCG staff (inclusive of clients and CSC staff).

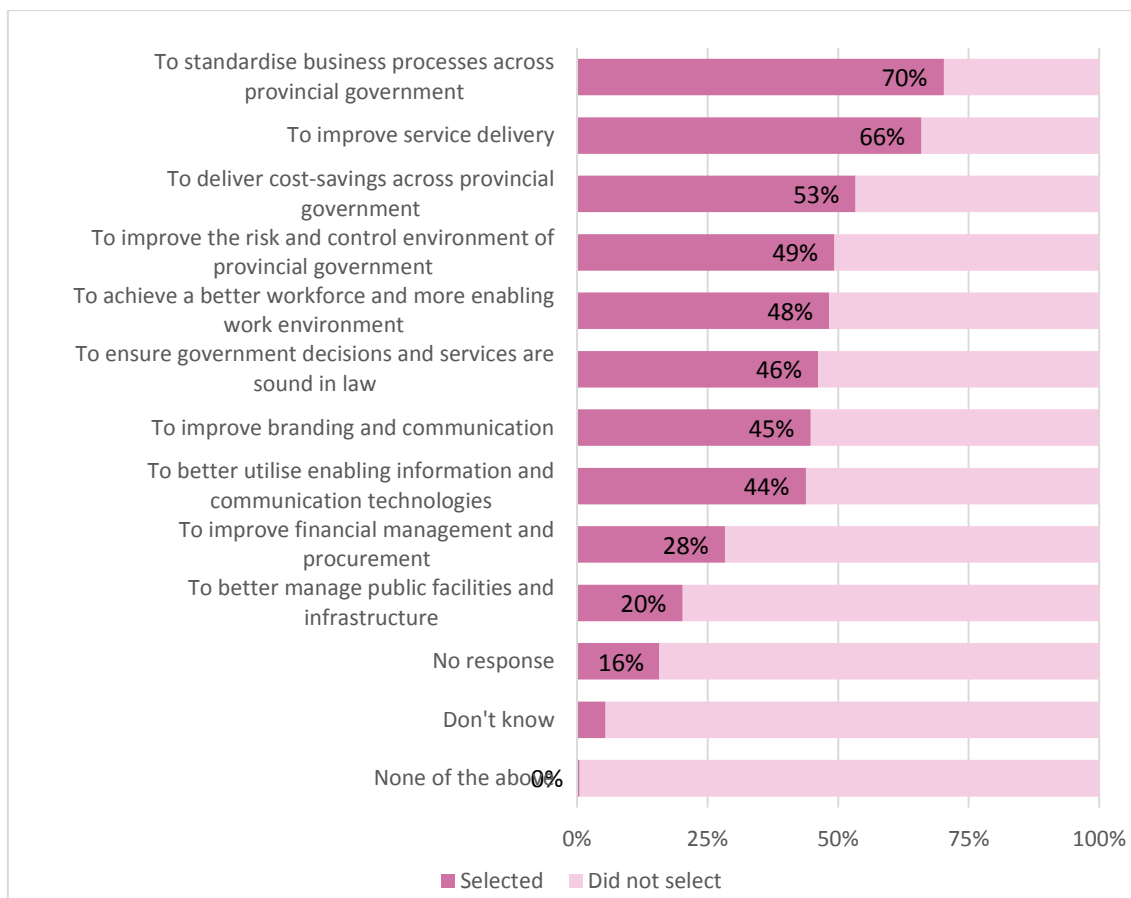


Figure 4. Responses to the question, "Which of the following do you understand to be the primary objectives of the CSC? (Select all that apply)"

The survey results shown in Figure 4 **Error! Reference source not found.**⁶ indicate that standardisation of business processes and improvement of service delivery (core department functions) is understood by between 66-70% of respondents to be the primary objectives of the CSC. Most of the other listed objectives were selected by about half of respondents, with the exception being the improvement of financial management and procurement, and better management of public facilities and infrastructure (which are not stated or implied objectives of the CSC or consistent with its functional composition). This spread of understanding of the primary objectives of the CSC, coupled with identification of objectives that are not within the scope of the CSC's work, are indicative of some degree of confusion and lack of clarity regarding the purpose and intention of the CSC that endures to this day. The qualitative data similarly confirmed that while stakeholders are aware of the cluster of objectives set out in the policy to

⁶ There was no significant difference between the answers from CSC staff and those in client departments, except that larger proportions of CSC staff selected the items on cost savings, better utilisation of information, and improvement of service delivery. The difference between CSC staff and client department responses did not exceed 10%. Non-responses (those who skipped this question entirely) were excluded from this graph. Sixty-six (66) out of 420 respondents skipped it.

varying degrees (and in relation to their functional line of work), that the CSC's intentions are not uniformly understood or clear, even to this day.

In terms of an assessment of the CSC's design as pertains to its strategic intent, there is a case and rationale for the establishment of the CSC put forth in terms of the modernisation blueprints for specific functions, but less coherently on the basis of the CSC as a whole. This may have contributed to what was at the time (based on the available documentation and qualitative data) a less than clear articulation of the CSC's strategic intentions. The fact that the objectives of the CSC were presented as an organising principle (and in less than clear terms) subsequent to the decision to establish the CSC, adds to the evidence that the strategic intentions of the CSC were not well understood or commonly shared at the time, and recent survey data further confirms this.

The focus groups and interviews also elicited considerable discussion around the question of whether the CSC's role is by design to fulfil operational / transactional tasks more efficiently, or to be involved in consultative/advisory work of a strategic nature, such as drafting policy. As per the provisions of the CSC policy, and as addressed in the functional criteria of the CSC, the CSC's intended role has been to execute both transactional/operational services as well as provide consultative/advisory services (WCG, 2010: 6). The strategic intentions identified are compatible with this service offering whether for transactional services (e.g. standardisation and greater efficiencies, etc.) or for advisory and consultative services (e.g. improve core business and cost optimisation, etc.).

Regarding the plausibility of meeting the strategic intentions or organising principles, of the CSC, the design was impaired. Shortcomings with regards to the design included: the aforementioned lack of clarity; failure to define the outcomes or results of the CSC in broad terms or according to any timeframes; the compacted process (borne out of the sense of political urgency); and the absence of any transition plan setting out how such a significant restructuring of the WCG would incrementally or immediately drive the kind of changes in the functional areas which it sought to achieve. However, these impairments were mitigated by provincial leadership's ownership the process and including senior managers from within the WCG, with the benefit of insights and understanding of the functional areas, in the discussions of design.

Functional design

The functional design of the CSC is understood to be inclusive of the broader positioning and location of the CSC within the WCG (the place from which it executes its various functions) on a departmental level, as well as the composition of those support functions that are a part of the CSC on an intra-departmental level.

Positioning of the CSC

When it comes to the positioning and location of the CSC within the WCG at departmental level, there were in essence three options for its location: within the Department of the Premier; as a standalone department(s) or entity; or within another department, such as Provincial Treasury. Since the establishment of a new department altogether would have had broader

oversight implications, potentially resulted in a range of new expenses associated with establishing a new department or new entity; and gone counter to the reformist objectives (including a leaner, fit for purpose administration) advanced by Cabinet, this option was therefore relatively quickly dismissed (Respondents 24, 11) and the discussion document (2009a: Annex B, Sect 2.10) clearly explains “no particular effectiveness and/or efficiency gains are to be realised by simply amalgamating the functions together in a separate department at this stage...this will be a more costly exercise because support infrastructure will have to be established”.

When considering Provincial Treasury or the Department of the Premier as either of the other possible options for a transversal shared service solution of this nature, there were potentially negating reasons for Provincial Treasury or any additional department. The department historically has a specialised financial function without any historical experience of some of the prospective functional areas and it has the responsibility of managing provincial budgeting and financial allocations. Considering the nature of the restructuring, along with other aspects of the modernisation programme, would inevitably have resulted in additional costs, this could have led to be a kind of conflict of roles (Respondent 11) where Provincial Treasury would have to fulfil its function related to budgeting and expenditure while at the same time appraise significant additional budgetary requests from within itself. This was not preferable and this option was ruled out (Respondent 6).

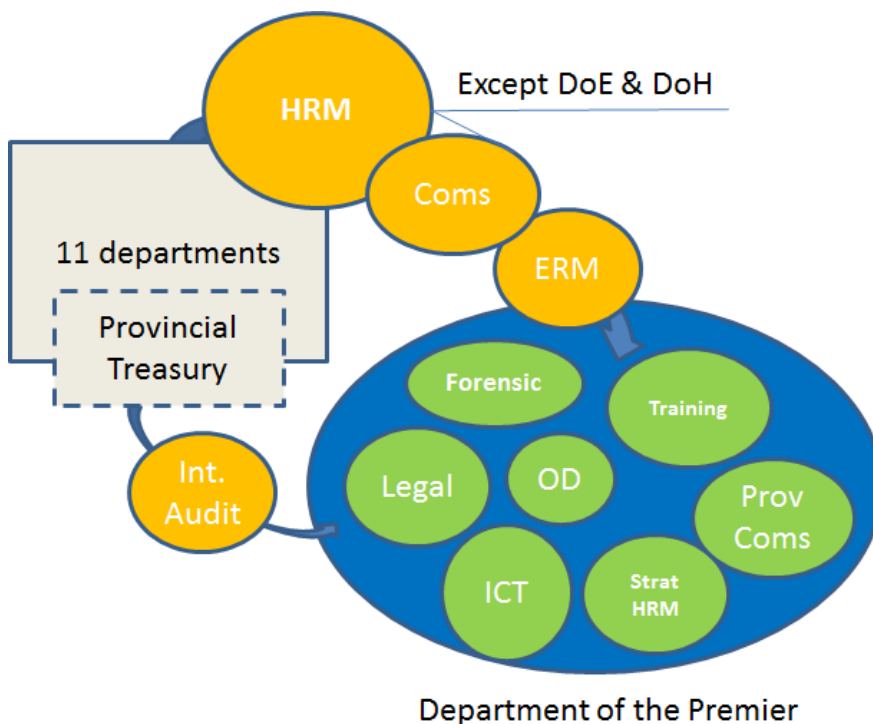


Figure 5: Functional (re) location and positioning at the establishment of the CSC⁷

Given that some functional elements of the CSC (e.g. Legal Services, Organisation Design, ICT etc.) were already offered on a shared service

⁷ The image illustrates the transition of functions from other departments to the Department of the Premier.

basis and “corporatized” in the Department of the Premier, there was also a practical consideration informing the positioning of the CSC. This practical consideration was compounded by the weight and institutional significance that being located within DOTP provides, a point that echoed across multiple respondents. As one such respondent explained:

“On policy matters, [being in DOTP] gives them clout which I would argue that they should have. It is the surest way to implement policy... if one accepts the underlying philosophy of a corporate centre, it’s the best department to be in” - Respondent 19.

The above statement resonated in support of the positioning of the CSC within DOTP given its coordinating and transversal role within provincial government. Thus, in assessing the design of the CSC, there was a clear rationale for the positioning of the CSC within DOTP and the location was both clear and deemed the most plausible arrangement of the various alternatives for practical and strategic reasons.

Functional composition of the CSC

The functional composition of the CSC is a defining feature of the overall design. The extent to which there is a case for a function to be delivered by the shared service arrangement, the clarity as to why that function is or is not being executed via a shared service arrangement, and the plausibility that such a function can be successfully executed within the prevailing context, all guide a determination as to the suitability of the CSC’s functional design for this assessment.

Much as in the cases of establishment planning and the strategic intentions of the CSC, the functional composition of the CSC was determined as part of the Organisation Design modernisation blueprint completed in November of 2009. Annexure B to the modernisation blueprint provides the first set of criteria around which determinations for the functional composition for the CSC were made. Sections 2.4.2 and 2.4.9 set out the criteria used for selection of functions in this regard. These criteria were used in a two stage fashion, firstly to broadly identify potential functional areas, then to identify individual functions for inclusion in the CSC within broader functional areas. Table 2 below illustrates the criteria applied for the CSC in the modernisation blueprint as well as in the final CSC Policy.

Table 2: Comparison of functional area criteria November 2009 and October 2010

Criteria to broadly demarcate potential shared services functional areas (Nov 2009)	Criteria to identify which individual functions within the broader functional area could be provided as shared services (Nov 2009)	CSC Policy criteria (Oct 2010)
May not form part of the department’s core line function business		Does not form part of a department’s core line function business;
Must be a staff support function of strategic concern (be it from a statutorily prescribed or a good practice point of view)	Does not detract from the decision-making and other management responsibilities of executive authorities, heads of department and line function managers;	Does not detract from the decision-making and other management responsibilities of executive authorities, heads of department and line function managers;

Criteria to broadly demarcate potential shared services functional areas (Nov 2009)	Criteria to identify which individual functions within the broader functional area could be provided as shared services (Nov 2009)	CSC Policy criteria (Oct 2010)
	Does not detract from a Head of Department's or Executive Authority's powers, duties, functions or accountability responsibilities in terms of section 38-43 of the PFMA, (1999) if the particular service is rendered on a shared services basis;	Does not detract from a Head of Department's or Executive Authority's powers, duties, functions or accountability responsibilities, as the case may be, in terms of all applicable legislation;
	Does not detract from a Head of Department's responsibilities in terms of section 7(3)(b) of the Public Service Act, 1995 "for the efficient management and administration of his or her department" if the particular service is rendered on a shared service basis;	
Must represent a core of professional employees/employees with specialised expertise		Represents an area of specialised knowledge and skills that necessitates a core of professional employees/employees with specialised expertise that are not readily available and therefore cannot readily be replicated across all departments;
Must represent an area of specialised knowledge and skills that are not readily available and therefore cannot readily be replicated across departments;	Is a typical candidate for outsourcing to external service providers from where service delivery can be managed by means of service level or similar agreement;	Is a typical candidate for outsourcing to external service providers from where service delivery can be managed by means of service level or similar agreement;
	Is transactional or consultative/advisory in nature;	Is transactional or consultative/advisory in nature;
Must require a large measure of standard operation across departments		Requires a large measure of standardised operations across all departments;
	Can be executed in a uniform manner by means of compatible and accessible operational systems and processes; and	Can be executed in a uniform manner by means of compatible and accessible operational systems and processes; and
Will realise economies of scale when organised into a shared services unit.		Will realise economies of scale when functions outside of the core business of Departments are organised into a corporate services unit;
	Can be organised into substantive/meaningful jobs and/or organisational units within the Centre.	Can be organised into substantive/meaningful jobs and/or organisational units within the Centre.

Table 2 illustrates how the various criteria from the discussion document (WCG, 2009a: Annex B) align with the criteria set out in the official CSC policy (WCG, 2010). The alignment of the respective "mutually inclusive criteria" illustrates the consistency between the respective documents in terms of determining the CSC design. Although there are differences, these are minor (e.g. instead of limiting legislation to the PFMA, it was made inclusive of all relevant legislation) and thus the stated criteria for the inclusion of functions within the CSC is explicit and transparent.

However, despite a set of criteria, evidence indicates that the application of these criteria for a decision-making model considered additional practical and historical factors in the CSC establishment. According to multiple respondents, the recent experience of the Gauteng shared services initiative

had a direct bearing on the decision to exclude supply chain management (Respondents 24, 18, 13 and 6), and it is explicitly addressed in the modernisation blueprint as a “benchmark” with key lessons having a formative influence while it was “stressed that the views...are based on own functional analyses and circumstances applicable to PGWC” (WCG, 2009a: Annex B. Sect. 2.13.3).

In the case of the supply chain management (SCM) modernisation blueprint (WCG, 2009d: 6) the decision to exclude SCM from the CSC is further elaborated on in terms of key concerns and potential risks that:

- Financial accountability rests with accounting officer in terms of sections 28 and 42 of the PFMA;
- Unique financial management requirements and mandates of departments; and
- The current levels of compliance, departmental SCM structures and capacity.

So, despite these motivating decisions to exclude SCM, it was established that SCM meets the aforementioned criteria in much the same manner as Human Resource Management and a design review conducted by KPMG (2009: 9) concluded that, “In general, transactional finance and SCM processes are suitable for a shared services environment...It is debatable whether the entire finance and supply chain function is not included in the scope of the corporate services model.” Thus, KPMG’s view on SCM was that this should be a sequential inclusion “following a feasibility assessment after the integration of other functions, and systems are in place up to the required standards” (KPMG, 2009: 9).

Although it was a recommendation, it was made along with a broader call for transparency and objectivity in terms of decision-making model guiding the composition of the CSC because “a transparent and consistent model enables stakeholders to not only individually assess a support function, but also to make a comparison across the scoped support functions” (KPMG, 2009: 12). Despite this call for a transparent assessment process and weighted ratings for certain criteria as part of the determinant functional analyses, prevailing contextual considerations have influenced the composition of the CSC.

The decision to exclude transactional finance and SCM from the design of the CSC was not the only decision that deviated from the aforementioned criteria. The decision to omit Health and Education from the broad Human Resource Management functional area of CSC was that they “be excluded from this arrangement due to their specific distinctive circumstances and relative size (economies of scale have already been realised)” (WCG, 2009a: Sect. 2.8.9). Again, the experience of the Gauteng Shared Services Centre (GSSC) was used as a lesson which the WCG took into consideration, noting “their [GSSC] views in respect... of transactional services to the Departments of Health and Education are, however, supported- hence the particular organisational scope and implementation approach as set out in this document” (WCG, 2009a: Annex B, Sect. 2.13.3). When respondents were probed on why these two departments were excluded, motivations

included that sector specific legislation affecting HRM was another consideration⁸, that the sheer scale of the services meant any related restructuring would have been overwhelming to the nascent CSC as a unit and that the importance of these two services meant that any potential disruptions as a result of restructuring were prohibitive until such time as there was certainty related to the CSC's ability to transition and render support services effectively (Respondents 32, 24 and 6). The implication is that the inclusion of these elements in the CSC design would have had the potential to collapse it.

The design of the CSC therefore reflects the following functional areas as set out in the CSC Policy (WCG, 2010: Section 6):

- Information and Communication Technology.
- Human Capital, with specific reference to:
 - Organisation Development.
 - Provincial Training (transversal) (to the extent provided for in the Service Schedule to the Service Level Agreement).
 - Human Resource Management (excepting Health and Education).
- Corporate Assurance, with specific reference to:
 - Enterprise Risk Management.
 - Internal Audit.
 - Forensic Investigations.
- Legal Services.
- Corporate Communication Services (excepting Health and Education).

The implications of this are that of the 13 provincial departments, only the Department of Education and Department of Health are exempted from the corporatisation of their HR Management and Corporate Communication Services (section 6.3.2). The Department of the Premier as the organisational home is also reliant on the CSC services like any other provincial department. Further, departments are prohibited from procuring external service providers in respect of the CSC's functional areas unless in consultation with the CSC (section 7.8).

Micro-functional design

Both the CSC Policy (WCG, 2010) and the various SLAs signed with departments refer to broad functional areas and do not list the comprising individual line functions within a given functional area. For instance, within the Organisation Development functional area, the Organisation Design, Organisational Behaviour and Process Design and Improvement line functions are all found. In this appraisal of the functional design, the evaluators were able to drill down to the individual line functions within the broad functional areas to appraise the micro-functional design.

A review of relevant historical documentation and an application of the aforementioned criteria did not flag any of the overarching functional areas as inappropriate for a shared services solution; however, there were clear

⁸ A detailed review of sector legislation would be required to determine the extent to which this is a real impediment or a perceived one.

indications from CSC staff and WCG clients that individual line functions within these functional areas were problematic by design, especially considering the decentralised nature of some departments.

WCG staff were surveyed as to whether there were any line functions within the CSC that, in their opinion “are not suitable for corporatisation”, and Figure 6 illustrates the results.⁹

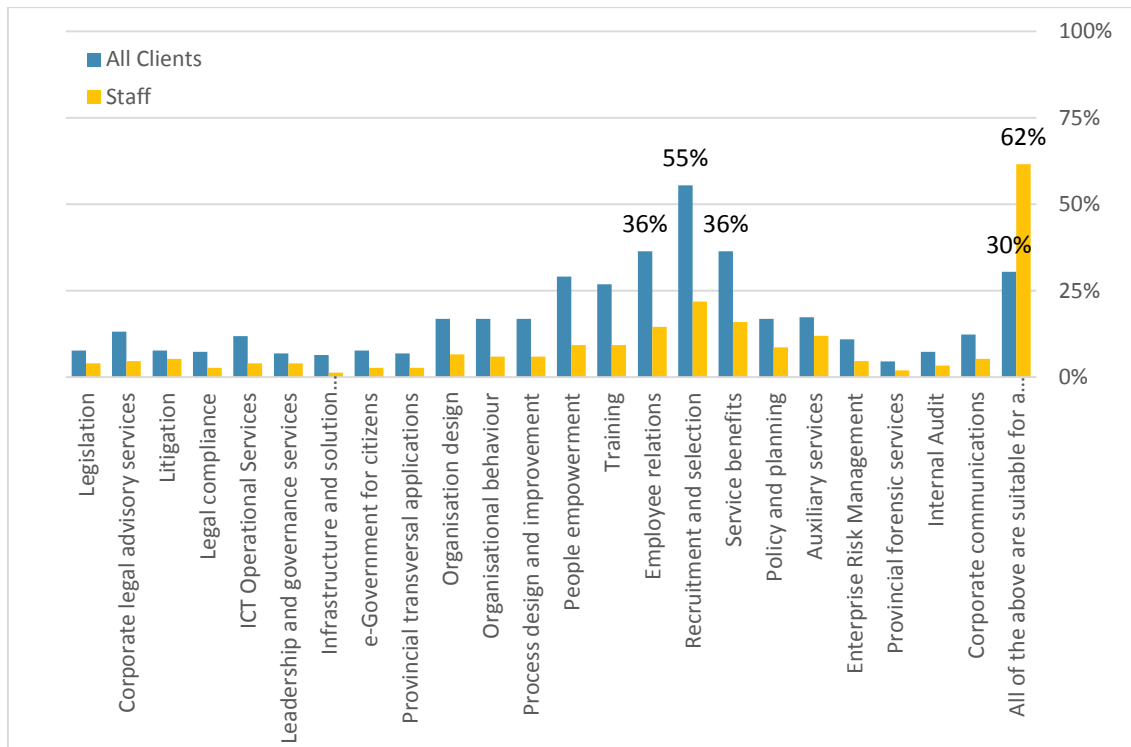


Figure 6. Responses to the question, "In your view, which line functions, if any, are not suitable for a corporate service centre model in the WCG? (Select all that apply)"

As shown in Figure 6, there is a consistent difference between CSC staff and client opinions regarding the suitability of CSC line functions for a corporate service centre model. In every instance the CSC line functions are deemed “unsuitable for corporatisation” by a larger proportion of clients than CSC staff. This reveals a consistent difference of judgement between CSC staff and clients that varies in a range between 3% at minimum and 33% at maximum. Nevertheless, there are only three instances where CSC clients identified a line function to be “not suitable” in a greater proportion than those that agreed all line functions “are suitable for corporatisation” (30% of clients, compared with 62% of CSC staff). The three line functions identified as “not suitable” in greater proportion than “all are suitable” happen to fall within the Human Resources Management functional area and include: employee relations (36% of clients, 15% of CSC staff); recruitment

⁹ Note that the responses are interpreted in relation to CSC design; however, it is also possible these are judgments based on implementation experiences rather than solely appraisals of the design. Regardless of whether the question was interpreted by respondents in a strictly design sense or as a referendum on the implementation of line functions, the findings are clearly significant to the design of the CSC as they represent an indication of where CSC staff and client departments believe certain functions are not suitable.

and selection (55% of clients, 22% of CSC staff); and service benefits (36% of clients, 16% of CSC staff). These also happen to be the three line functions where the greatest proportion of CSC staff believe the line functions to be unsuitable, requiring further scrutiny.¹⁰ From these finding it is apparent that according to WCG staff, those who consider certain line functions to be unsuitable by design are in the minority in all instances, excepting the three that require further scrutiny.

There were also examples of line functions that could arguably be corporatized according to the same criteria. Amongst additional line functions that could potentially benefit from being corporatised in the Western Cape Government, supply chain management was the function most frequently selected by CSC staff (38%), a finding consistent with KPMG’s (2009). This was the only instance where a greater proportion identified a line function more suitable than those that did not. This was also the line function with the greatest proportion of client respondents (15%) deeming it suitable. Overall, a third of staff and nearly two-thirds of clients indicated that none of the listed functions would benefit from corporatisation.

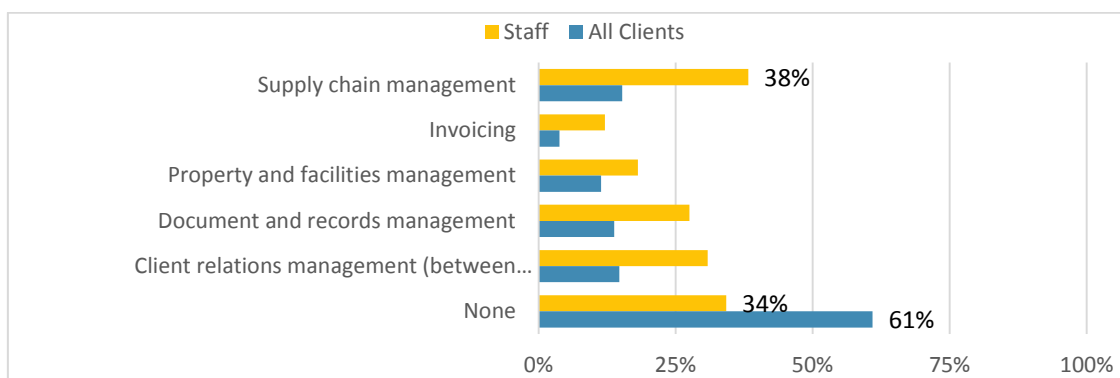


Figure 7. Additional line functions that would benefit from being corporatised in the WCG

In the course of qualitative data collection, one other possible line function was raised in relation to the communications functional area. Although there is no gauge of the extent of possible support WCG wide, and this line function could be interpreted as potentially conflicting with the “does not form part of a department’s core line function business”, language services was mooted in a focus group, with the experience of the City of Cape Town’s corporatized language services identified as a possible benchmark.

Outside of these line functions, there do not appear to be any other clear prospects for inclusion within the CSC, and none of these make a particularly strong case, with the exception of SCM. In this case, it meets the criteria set for the CSC, a previous external appraisal has recommended it (KPMG, 2009) and 38% of CSC staff and 15% of clients consider it to be suitable. If there was one additional function to consider, this would appear to be it as there is a case for it, it is clear what it would entail and a

¹⁰ It is likely that these judgments are informed by implementation experience rather than a pure design assessment and these findings will be dealt with further in the latter section where additional data identifies challenges in the establishment process.

feasibility study (as previously recommended) would clarify the plausibility of it being well-executed.

Otherwise, the CSC's overall functional design and composition is assessed as appropriate, in light of the contextual considerations and rationale given for its omissions and unique arrangements related to Health and Education. Although the decision-making around the functional composition has not always been entirely clear, there are motivating factors informed by evidence (both within the WCG and external to it) and thus the functional design determined at the time of establishing the CSC is considered appropriate.

Funding model

As noted in the literature review, shared services centres have adopted a variety of funding approaches without any one "model" considered better or deemed best practice. Although some examples like Queensland, Northern Territory and British Columbia operate on a fee-for-service model, funding arrangements are largely contextual, may utilise a range of funding arrangements and the design of the CSC is no different.

The CSC Policy (WCG, 2010) stipulates how the CSC should be financed, but it does not detail the specifics of how resources would be transferred at the time of establishing the CSC. Funds associated with the targeted services and people staffing the functions that were corporatised (Corporate Communications; Human Resource Management; ERM; as well as the Internal Audit transfer from Provincial Treasury) were wholesale transferred from the respective departments to DOTP. This in effect meant a deduction from an allocation on a Vote to a department on the basis of the allocated services and people, and an addition to Vote 1 for DOTP, based on an aggregate of all those deductions across the 12 other departments.

The CSC Policy (section 7.7) stipulates that the CSC should be financed via the normal provincial budget (Budget Vote 1). The only exception to this is in the case of financing of particular services in terms of "cost recovery" as approved and prescribed by the Provincial Treasury, although these particular services were not defined in the CSC Policy or in the SLAs. Implicit in this arrangement is that the proportion of funding allocated to corporate services and staff within client departments declines and by design, those people and services are budgeted for and placed by DOTP to fill vacancies without incurring additional costs.

The Budget Vote 1 funds are apportioned internally across DOTP's programme budget structure, which is determined and agreed as part of an annual MTEC process. At the start of the establishment of the CSC in April 2010, the funding of the CSC involved an apportioning of funds to two "programmes" within DOTP, that of Ce-I as a standalone programme and the Corporate Services Centre (sub-programmes inclusive of Human capital; Corporate Assurance; Legal Services; and corporate communication) (DOTP, 2010). Following the decision to corporatize, a 2010 submission to Provincial Treasury motivated for an amendment to the budget structure, the sub-division of the Corporate Service Centre sub-programme was motivated based on the cluttering of the "diverse functional domains that militate against sound financial and performance management- in terms of the in-year management and Annual Performance Plan". The amendment sought to "mitigate the weaknesses as described... by essentially separating

[the CSC programme] into two new programmes. In addition to improving management and control, the proposed amendment creates a better alignment of budget and organisational structures...[that] will result in improved accountability within the overall Vote” (DOTP, 2010: PMA5/2/P)¹¹. However, the accounting officer responsible for the CSC ultimately is the Director-General and not the Head of the CSC, and the split into three programmes allows for greater oversight in relation to the branch heads responsible for Ce-I and People Management, but not to the same extent for Corporate Assurance (Branch), Legal Services (Chief Directorate circa 2010) and Corporate Communications (Directorate) structures which remain combined in terms of the allocation under one budget programme.

Within the CSC, the funding arrangements set out in the IT Services modernisation blueprint (WCG, 2009b: Sect. 6.2) were the most detailed and presented potential financing options. Following from the recommendations, the WCG opted to continue with a hybrid of two funding models for Ce-I: the enterprise-wide funding model (i.e. the Ce-I is assigned resources via the Vote 1 budget process, intended to benefit multiple departments / agencies) and the line of business funding model (i.e. line departments’ budgets include an ICT component, as driven by Departmental needs and imperatives). Subsequent detail was later developed and confirmed, but at the time of establishing the CSC, this constituted the extent of what was defined of the CSC funding model, which was later described as a “subsidy model” approach (Arendse, 2015).

At the time of initiating the CSC in April of 2010, there was limited documentation beyond that which has been described that spoke to the funding model outside of the IT services blueprint. The Organisational Design modernisation blueprint reinforced this perception by explaining “The eventual financial implication of the implementation of the new corporatisation models cannot be accurately determined at this stage. Although no absolute guarantees can be provided at this stage, it is foreseen that financial savings could be realised over the longer term” (WCG, 2009a; Annex B, Sect 4). The basis on which the final statement is made is unclear as there does not seem to be costing for the CSC as a whole, but to limited degrees in relation to its various comprising elements.

Thus, in terms of the establishment design, there was not clarity on the CSC funding model beyond the Ce-I’s funding approach. The absence of a costed model or framework to further guide and elaborate on this funding makes it very unlikely that “financial savings could be realised over the longer term”. Despite the modernisation blueprint costing amounts in respect of compensation of employees based on changes to the Organisation Design, it was unable to set out a consolidated projection in relation to costs or anticipated savings, as in comparative cases like in Queensland, Australia. Although the crux of these shortcomings in the design of the CSC’s funding approach have remained, they have begun to be addressed to varying degrees over the process of establishment and are addressed in more detail in the following section.

¹¹ The MSWord draft of the document was available and not the final approved submission, although these are understood to be consistent in content and only lacking in terms of the official signatures.

4.1.2 Process

The preceding section on *Establishment: Design* sets out some of the central design features of the CSC and appraised their rationale, clarity and plausibility in light of what is known about the context of the WCG at the time. Following logically from this, and in line with the agreed assessment framework, this section presents an assessment of the process of establishment as it relates to the CSC overall and the respective functional areas and structures tasked with operationalizing its mandate.

Although the Organisation Design modernisation blueprint clearly sets out the functional composition of the CSC, it did not provide a “road map”, a clearly defined funding model or implementation plan for arriving at the envisioned structure, as previously noted. This assessment of the process of establishment is therefore based on what is known about the intended establishment process and judged against some of the good practices as set out in the literature review. The CSC establishment is further unpacked in relation to the respective functional areas and the strengths and weaknesses of the establishment process based on the available evidence.

Overall CSC establishment

Included in the Cabinet decision to proceed with the corporatisation of key functions was the mandate given to the Director-General “by way of special delegation” to pursue “incremental implementation arrangements” as set out in section 2.11 of the discussion document. Thus, from November 2009 until the appointment of the Superintendent-General (head of the CSC) in August of 2010, the Director-General fulfilled these responsibilities and directly coordinated the most intensive period of the CSC’s establishment. The special delegation and the initial positioning of the Director-General at the head of the CSC translated into perceived and real support from political leadership that provided a degree of “cover” during the transition which was particularly important given the “passive resistance” encountered and anxiety from senior management over the changes caused by the restructuring (Respondents 16, 27, 24 and 6).

Although departments were given the opportunity to comment on the modernisation blueprints, and these comments were presumably taken into account by Cabinet, the turnaround window to provide input on such substantial changes was extremely short (example documents providing comment supplied by a Department are dated three days before the Cabinet Resolution). Nevertheless, once the decision was made by Cabinet, HODs and their management teams were told to “make it happen” (Respondents 4, 6, and 23). Despite the absence of a detailed implementation plan, establishment did feature various communications with the affected parties and this reflected across all survey respondents.

Although there was some variability across levels, overall three-quarters (75%) of survey respondents¹² indicated that the reasons for corporatisation of services in the CSC were communicated to them.

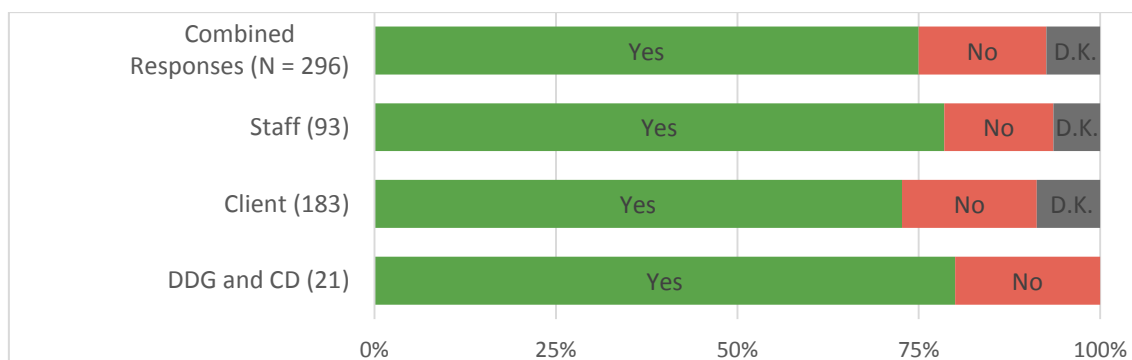


Figure 8. Responses to the question, "Were the reasons for the corporatisation of services in the Corporate Services Centre ever communicated to you?"

A staff briefing was the most commonly cited means of communicating the CSC establishment, and CSC staff (59%) are more likely than client staff (34%) to have attended a staff briefing where the reasons for corporatisation were discussed. Thereafter newsletters and word of mouth were almost equally common means of communication for between about a quarter and a third of CSC staff and clients.

However, in focus groups, it became clear that although there was considerable communication through multiple channels of the reasons for the change, it was not considered a well-consulted decision. The opportunity for high-level comments from departments appears not to have been sufficient to ensure broad-based buy-in at the time. In addition, the lack of a public or transitional change management plan made it more difficult for affected staff to understand how the change would affect them. The following quotes are representative of this finding across the qualitative data:

"The information was there, however it also created a lot of uncertainty in the process. The communication was around email, not person to person, in the sense of change management, etc. So it was this is what's been decided, you are going there." – Focus Group 10

"There was a lot of fears, speculation and rumours. What it would look like, implications and there were some high level meetings... A personnel plan was discussed with unions and there were those kind of engagements. There was concern over the change management process and not keeping track over rumours and speculation." – Focus Group 9

As a result of staff fears, a perceived lack of consultation and the limited detail conveyed through communication, the establishment of the CSC was met with some "passive resistance". The negative sentiments around the establishment of the CSC – particularly the corporatisation of HRM – proved

¹² About two-thirds of survey respondents indicated that they were involved before 2010 in the rendering, use, or management of the services now rendered by the CSC. These were asked about the period of establishment of the CSC.

strong and in some cases persistent. A number of stakeholders believe that the backlash against corporatisation was underestimated and not optimally managed, echoing a broad perception that provincial leadership "... just took a unilateral decision" (Respondent 17) and that this "...resonated very deeply with the HR people" (Respondent 4) given the scale of how they were affected by corporatisation.

One area that was consistently critiqued by respondents across focus groups and perspectives in the WCG was the perceived absence of planned change management around the establishment process. The absence of change management in the move to a shared services arrangement was a risk identified in international literature (Walsh, 2006), as a lesson from the GSSC (PDG, 2006) and the focus of specific recommendations given to the WCG prior to the establishment of the CSC in 2009 (KPMG, 2009). Despite the clear need for such a process, respondents identified this as a key weakness, while acknowledging that reforms are rarely embraced at the outset. The following quote explains:

"Any change meets resistance. The biggest part of any change is the change management process. I don't think they did enough recognising the resistance within that. And it's natural. You've been given this whole squad of people and have to deliver the goods and don't have tools... trying to get things happening while there's meanwhile resistance. It's natural for all organisations and a large one like this always. It's one of those realities of corporate life. Got to put a massive effort into it. So the biggest lesson is don't underestimate the amount of resistance to change. Pick it up early, recognise early, and address the gap." - Respondent 25

"Would be very strange if there were no complaints. But the other thing from my observation... when we introduce new systems, the soft side is [important]... Bringing people along in hearts and minds." - Focus Group 1

Given these circumstances, it is not surprising that client department staff viewed the reasons communicated for corporatisation with some scepticism. Around half of these respondents found the reasons only "slightly convincing", or "not at all convincing" (see Figure 9). CSC staff reported higher levels of agreement with the reasons communicated for corporatisation. Overall the largest portion of respondents (61%) indicated that they found the reasons "somewhat convincing" or more.

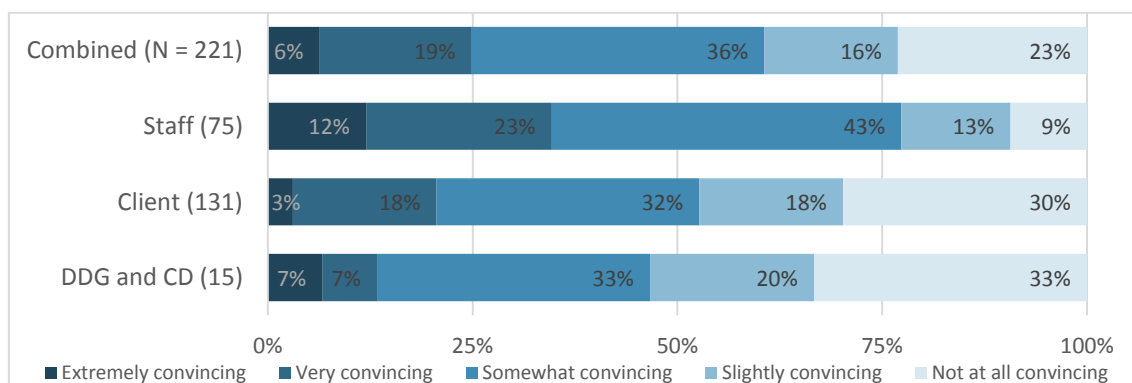


Figure 9. Responses to the question, "How convincing did you find the reasons communicated for corporatisation?"

While Figure 9 illustrates what WCG staff thought of the reasons communicated for corporatisation, Figure 10 shows the gap between the reasons communicated and the actual change in staff attitudes towards the CSC. In terms of *supporting* corporatisation, a very large portion – nearly half – of respondents reported they were neutral about corporatisation (Figure 10).

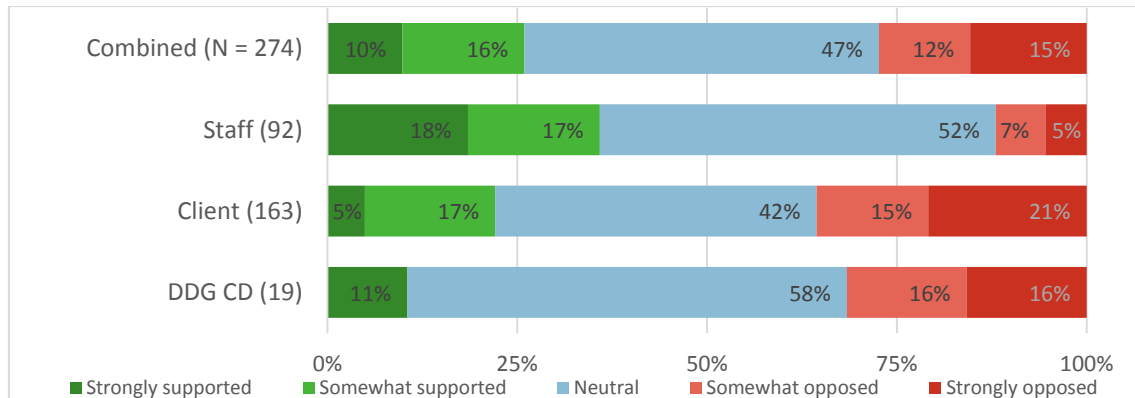


Figure 10. Responses to the question, "What was your level of support for the establishment of the CSC in 2010?"¹³

Figure 10 drives home the near equally opposing views on the CSC. Overall, roughly a quarter of respondents supported its establishment, while another quarter opposed it, and the remaining half did not have a position on it. This highlights where a change management process could have engendered sentiment in support of the reform process and bridged the gap between those who opposed it.

Beyond the challenges facing the overall process of CSC establishment, the difficulty associated with corporatising line functions varied considerably by the line function in question. This is made clear in Figure 11 where a significant proportion of respondents both within the CSC and client departments identified challenges with the People Management functional areas more generally.

¹³ The large section of "neutral" respondents may also be partly a result of the way in which the question was phrased. This question asked respondents to express one level of support for corporatisation as a whole and there may be differing levels of support for the corporatisation of different line functions.

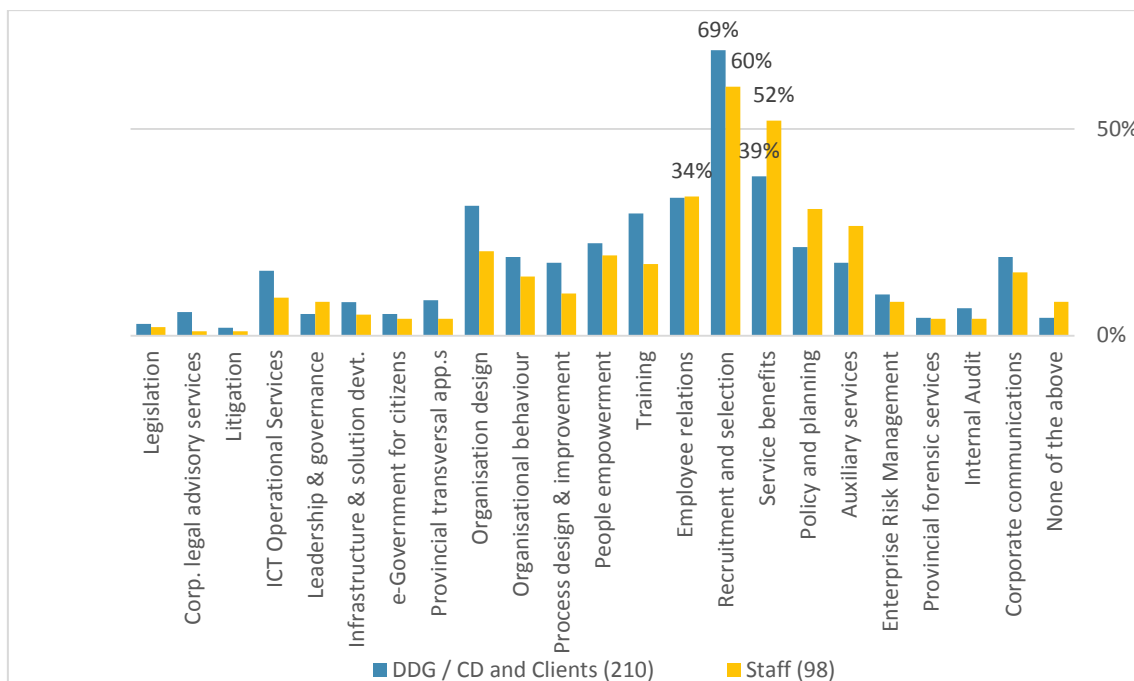


Figure 11. Responses to the question, "Based on your historical professional experience, which of the following corporate services line functions have faced significant implementation challenges in the process of establishing the CSC, if any?"¹⁴

It is clear from Figure 11 that the three areas of biggest implementation challenge according to survey respondents were Employee Relations, Recruitment and Selection, and Service Benefits, amongst both clients and CSC staff. This resonates with the three line functions deemed most unsuitable in the assessment of design, albeit to an amplified extent for implementation challenges both CSC staff and clients. It is therefore possible that individual respondents are conflating issues of design with implementation issues. The greater levels of implementation challenges noted do confirm that some respondents differentiated between those two functions and that in both instances common line functions were identified in significant proportions. However, these line functions are also at the heart of the most substantial restructuring associated with the CSC, and impact both clients and staff directly. Further, this data is sharply contrasted with the establishment experience related to other line functions that underwent significant restructuring. It is for this reason that the analysis will therefore drill down on a broad functional area basis.

Legal services

Prior to the modernisation initiative the Legal Services functional area was already based in the Department of the Premier. In terms of transitioning into the CSC as an organisational unit, there were comparatively few

¹⁴ When interpreting the data, it is also worth noting that different respondents may have had different levels of exposure to the respective functions on account of their roles and positions within WCG. Thus, the line functions falling under ICT and HRM are those that respondents would have been most likely to be familiar with, despite qualifiers that they should answer in relation to their professional responsibilities, rather than personal experiences.

challenges emerging from the recommendations of the modernisation blueprints. Although there were not substantial changes for Legal Services as a result of restructuring there were changes to the functional areas within its remit. One area of change within the broader ambit of the Legal Services function was with regard to Forensic Services. At the prerogative of historical executive authorities, Forensic Services was placed within DOTP with Legal Services. Although the strategic positioning of Forensic Services was confirmed via the modernisation blueprints (WCG, 2009c), the configuration within this functional area was considered inappropriate given the specialised nature of the service and its financial focus (Respondents 27 and 16). Recommendations in the modernisation blueprint (WCG, 2009c: 13) referred a determination on its placement to the Organisation Design unit and it was subsequently removed without significant issue.

The only significant micro-functional addition to the Legal Services functional area more generally was the introduction of Legal Compliance as a line function and unit. This addition occurred much later into the establishment (2014) and was enabled in part by changes affected in the service area. The introduction of Legal Compliance brought in an advisory service designed to play a proactive role (rather than a reactive one, thus mitigating potential work for other functions) and has been received positively according to respondents familiar with its work.

Stakeholders within the CSC as well as in client departments appear to have experienced a relatively smooth transition with regard to Legal Services. This may be in part because of the associated capacity increase to what was described as an understaffed functional area. Unless prompted, respondents in focus groups and interviews rarely discussed the shifts that took place with regards to Legal Services when the CSC was established. And, as Figure 11 showed above, very few survey respondents indicated that the three pre-existing Legal Services line functions experienced any significant challenges during the establishment of the CSC.

However, before the CSC's establishment, Legal Services had legal practitioners who were seconded to client departments. These individuals, although reporting to Legal Services, were assigned to and physically located within client departments. The process of constituting the CSC saw the termination of secondments and practitioners physically moved out of the client departments. The few respondents (6% of clients) who indicated that Corporate Legal Advisory Services experienced difficulty during the establishment of the CSC may be referring to the loss of their seconded legal practitioners. A Legal Services staff member explains a sentiment expressed by a number of respondents:

"The relationship overall with our unit was also very good with the clients, [but] sometimes the department do want their own in house sort of lawyer, always that talk of people wanting their own lawyers with them.. they fear that... so many laws governing processes, people [are] insecure [that] they need immediate access but overall I think the relationship with the departments is good..." - Focus Group 10

However, even with no formal secondments in place, the Branch: Legal Services still allocates legal practitioners to work with specific departments. This appears to have made the loss of access to "in-house" legal expertise

more palatable and eased the transition to the CSC. Further, concerns that the loss of access to internal legal expertise can also be countered with claims that Legal Services is now able to “distribute resources more efficiently, according to need and urgency, which is not possible when each department has a legal adviser in its own space, who is not always available, inevitably creating bottle-necks and delays” (Respondent 16).

Some departments have also reportedly appointed legal experts into other positions to get expertise back into their departments, although the exact extent and nature of this was not determined. Reports of internal legal expert appointments could also be seen as duplication of the legal function in departments, or a way of accessing informal advice internally before escalating to the CSC. Even considering this, the establishment of Legal Services as part of the CSC has been well-executed overall, and in line with guiding intent of the initiative.

Corporate communications

The Organisational Design blueprint described the intended structure of Communications in DOTP with the distinction between Strategic and Corporate Communications. A hybrid model was proposed with DOTP rendering strategic and specific corporate communications services, but departments retaining “minimum communications capacity... to strategically support HODs” (WCG, 2009a: Annex B, Sect. 2.5.3). There would nevertheless be implications for some communication staff (i.e. there was a need for matching and placing associated with the corporatisation of communications). Both Health and Education were exceptions in this regard since the Organisation Design modernisation blueprint (WCG, 2009a), CSC Policy (WCG, 2010) and various departmental SLAs (WCG, 2010) make specific provision for the exclusion of communication services from the CSC’s service offering to the Departments of Health and Education “due to their distinctive circumstances”. However, this was never further elaborated on.

Despite the approval of the CSC’s design, the corporatisation of Corporate Communications did not take place along with the other functions in the 2010/2011 financial year and CSC SLA addendums confirm that Corporate Communications corporatisation was deferred and only came into effect in October 2011. The DOTP Annual Report 2010/2011 stated that there had been delays in the finalisation of the WCG’s communication strategy and given the possible impact of the strategy on the final communication establishment, the corporatisation of the communication function (and matching and placing of communication staff) was postponed until 1 October 2011. Its approved organisation and establishment consisted of three sub-directorates: Production and Publications; Events and Public Participation; and Advertising, Marketing and Media Support.

In March 2013 (less than 1.5 years after the corporatisation) the Director-General submitted a Memorandum (3/1/3/1/W6) to propose amendments to the organisation and establishment of the Directorate: Corporate Communications. According to this it was found in practice that the “functional service delivery model” that was applied to Corporate Communications “does not lend itself as the optimal vehicle towards fulfilling the needs of the client”. At the same time the need for a dedicated

Events and Public Participation capacity at the corporate level had diminished. It was proposed that the media monitoring function be moved to Strategic Communications. The Directorate: Corporate Communications would be restructured to provide a single point of entry for client departments through a Sub-directorate: Relationship Management, which would then delegate tasks to a Sub-directorate: Creative Design. Relationship Management would also manage communication contracts. This proposal had the support of the Director: Corporate Communications and was apparently implemented and the Directorate restructured. In 2014 the responsibility for publications was also shifted to Corporate Communications.

In short, the establishment of the Corporate Communications function in the CSC experienced initial delays, and then there was a memorandum quite soon after the corporatisation stating that the model was not proving to be optimal. It is therefore not surprising that outside of the People Management macro-functional area, Corporate Communications was among the line functions most commonly believed to have experienced significant difficulties during the establishment of the CSC (see Figure 11). For 19% of CSC clients surveyed, Corporate Communications was challenged in this regard, and for 15% of CSC staff this was also the case. Similar to the experience of the CSC overall, those affected by the shifts identified the lack of consultation as a difficulty.

Furthermore, Heads of Communications indicated that the scope of communications work still to be performed by departmental communications units was underestimated. During the communication around the corporatisation and modernisation process, the expectation was created that a more in-depth volumetric study of departmental communications units' roles and tasks would follow in order to ensure an appropriate staff complement per department and in the CSC, but this did not take place. In this context, some client departments expressed a need to fill a perceived gap created as a result of this transition, and the delineation of roles between Corporate Communications and departmental communications staff has been, and remains, blurred. This is discussed further under the section on roles and responsibilities.

In summary there is evidence that establishing Corporate Communications proved challenging in terms of time frame and finding the optimal structural arrangement within this function. On the departments' side it resulted in a perceived service gap and there was an unmet expectation (at least in some departments) that a systematic volumetric study would address this. It appears that this was a prolonged establishment that still required consolidation after 2013 with more recent changes identified in relation to implementation mechanisms.

Corporate Assurance

As a macro-functional area Corporate Assurance only became functionally constituted in a coherent way with the establishment of the CSC on 1 April 2010. The binding logic of this functional area was best described as follows, "from a governance assurance point of view, the ERM, internal audit and forensic investigations do in a sense present a particular value chain, and as such effectiveness benefits could be realised by organisationally

grouping these functions closer together in a shared corporate services context” (WCG, 2009a: Annex B, Sect 2.10.5). Of the three comprising line functions: Enterprise Risk Management; Forensic Services and Internal Audit, only Forensic Services was previously corporatized within DOTP while ERM was decentralised and Internal Audit was based with Provincial Treasury and the Departments of Health and Education with the aim at the time to build decentralized capacity.

With regard to Internal Audit, the functions and resources from Provincial Treasury were effectively relocated wholesale to DOTP. In addition the Internal Audit functions of the Departments of Health and Education were amalgamated into the unit. Key respondents and focus groups did not see this transition to establishment as challenged and it “did not significantly change the way that this unit renders services” (Focus Group 10). This resonates with the findings of the survey which suggest that challenges associated with the shift were not significant for this line function (7% of CSC clients and 4% of CSC staff, see Figure 11).

While the transition itself was not experienced as particularly problematic, the capacity and funding of Internal Audit in the first years were constrained, and it was noted with concern that coverage of high risk areas in departments was therefore low (DOTP, 2011).

Given that the ERM function was decentralised across departments, this particular line function underwent a more significant restructuring and relocation in order to establish it within the CSC. Compared to Internal Audit, a slightly higher portion of respondents (10% of clients, 8% of CSC staff) believe that ERM experienced significant challenges when the CSC was established (see Figure 11). As the modernisation blueprint noted (WCG, 2009a: Annex B, Sect. 2.6), departments had widely varying approaches to ERM. Following the establishment of the entirely new ERM unit in the CSC and the relocation of some departmental staff to this unit, “Most of the [2010/2011 financial] year was dedicated to clarifying the methodology and approach to be followed in delivering this service to Departments” after which 6-month ERM implementation plans were developed with departments (DOTP, 2011). The fact that the methodology and approach took “most of the year” to clarify after the establishment of the unit (when departments were already dependent on the CSC for Chief Risk Officer responsibilities) reinforces the argument that a more prolonged incremental approach to establishing the CSC, with more detailed transition planning at the line function level, would have been beneficial.

Furthermore, when departmental ERM resources were corporatized, the total staff complement dedicated to ERM in the WCG was diminished from 44 to 11 staff, a quarter of the pre-existing capacity servicing the function (Focus group 10)¹⁵. It is unclear why this scale of capacity downsizing occurred and a reduction in staffing was not discussed or put forward as a coherent strategy in any of the documents made available for this evaluation. The drastic reduction in capacity may also in part account for the proportion of respondents who perceived challenges at the outset. The

¹⁵ The exact figure was contradicted by respondents, one had said 44-11 and others 40-10, but the ratio remained the same.

effects of this will be further addressed in the later sections on roles and responsibilities.

The Forensics function had previously rested with Legal Services and was strategically positioned in proximity to the Premier, but also lacking in terms of an approved mandate, capacity and its ability to retain skilled staff (WCG, 2009c: 6-7). Along with the relocation of the unit (the Forensic Investigation Unit, FIU) from the Legal Services unit to the Branch: Corporate Assurance, the job descriptions of the Forensic Investigators and the entire organisational structure of the unit was reviewed. The DOTP Annual Report (2010/2011) described the changes associated with FIU as a "major change" which "hampered service delivery" in the 2010/2011 year. It is interesting that these challenges are not reflected with a comparatively high rating in the survey results on challenges during establishment (Figure 11). This may be because Forensic services only affects a small subset of WCG staff at any one time and is usually dealt with at the most senior management levels within a department.

In the subsequent year, following also a poor response to the advertising of vacant Forensic Investigator posts, the FIU was abolished and forensic services outsourced with effect from December 2011 in an attempt "to strengthen investigative capacity". This did not represent a change in the SLAs or the relationship between client departments and the CSC; the Branch: Corporate Assurance remained accountable and responsible for Forensic Services and managed the outsourcing (to Deloitte, on the basis of a three-year contract). Following the commencement of the contract with Deloitte there was "a gradual decrease in investigation backlogs and an increase in the quality of investigations" (DOTP Annual Report 2011/2012). The FIU was only formally (re-)established internally in 2014.

The prolonged (re-)establishment process and outsourcing to Deloitte had the benefit of staggering the process and allowing key process work and skills transfer to occur. Specifically, a handover period between the outsourced staff and the appointed CSC staff ensured a smooth transition. For instance, notes from an FIU transition discussion of 6 May 2014 indicate that the underlying principle was to leave a fully functioning FIU behind on expiry of the Deloitte contract. This would be achieved, among others, by progressively assigning tasks to the newly appointed Chief Director and Directors after their appointment and by utilising short term contract positions for Deloitte staff as needed to ensure full establishment of the unit, with due regard for individual performance in the transition. Further, a Standard Operating Procedure (SOP) for the function was developed as part of the service provider's scope of work prior to the internal re-establishment of the FIU. The function was later described as "self-sufficient with no major misses during the transition period" (Respondent 27) and this was supported by findings from focus groups.

Information Communication Technology

The overarching functional area of ICT, housed in the Centre for E-Innovation (Ce-I), had the benefit of being a functional area already based within DOTP as well as having a modernisation blueprint dedicated exclusively to it. As such, the process of establishment was less about transition and restructuring, and instead focussed on executing recommendations arising from the modernisation blueprint which went

considerably further in terms of details and costing than the other related blueprints.

There is also evidence that the establishment of the CSC marked a turning point in terms of provincial government's approach to this functional area. Documentation and qualitative data have highlighted that the modernisation blueprint, and the decision to proceed with its recommendations during the establishment of the CSC, was the point at which ICT began "shifting Ce-I from a unit focusing on reactive ICT management to a proactive approach" (WCG, 2009b: 108). This represents a distinctly different establishment process because the focus is on building from existing assets and opportunities, rather than managing change in a time of transition. However, the incorporation into the CSC also had its consequences; a focus group discussed a shift in other departments' perception of ICT services following the establishment of the CSC: "Whereas Ce-I was seen as the [support] in DOTP and partner to the departments, we suddenly became a service provider. Changed the dynamic, we now become a service provider that departments are forced to use. Didn't have the dynamic before" (Focus Group 7). The shift in Ce-I's perceived role during CSC establishment amongst some stakeholders should be considered against findings of the subsequent section on roles and responsibilities.

Despite these perceptions around CSC establishment, Ce-I also had the benefit of a modernisation blueprint that went further in setting out the closest thing to a medium-term set of outcomes sought for WCG in this functional area:

A well-managed and secure IT infrastructure can be a catalyst for organisational growth, freeing time for IT professionals to develop strategic technology solutions that help achieve business goals. An optimized IT infrastructure is one that is automated, dynamic, and a strategic asset. It will improve security, reduce costs, and increase productivity (WCG, 2009b: 96).

It is therefore not surprising that in Figure 11, four out of the five Ce-I line functions were identified by less than 10% of respondents as having had challenges around the establishment of the CSC, especially considering how comparatively minor the changes to this functional area were compared to the restructuring associated with People Management and Corporate Assurance. Only ICT Operational Services was selected by 16% of client and 9% of CSC staff respondents as facing challenges at the time of establishment. There is limited primary data illuminating the reason for the higher rating of challenges for this line function – perhaps related to the migration and standardisation of the Microsoft operating system or the Application Management Portfolio process which entailed standardisation and rationalisation of applications according to a transparent process (Ce-I, 2013).

The Ce-I conducted a user perception survey of Ce-I services in 2009 and again in 2011 after the establishment of the CSC. User perceptions of the Ce-I's main services improved or remained steady across all services, with an overall improvement 58% to 72% over this two-year period (CSC, 2012b). This reinforces that the initial Ce-I changes associated with establishment of the CSC were mostly positively experienced by WCG staff.

People Management

The establishment of the People Management overarching functional area, itself made up of Organisation Development, Human Resource Management (HRM) and Training functional areas, was consistently referred across interviews, focus groups and in the surveys as the biggest challenge of the CSC's establishment and subsequent implementation. In particular, the corporatisation of the HRM function, and the related restructuring of staff, was arguably the most significant change associated with the establishment of the CSC.

Table 3 illustrates the scale of the human resource restructuring in comparison with the other affected functions. HRM represents more than three times the affected posts of its closest function in terms of individuals, and represents 61.1% of the total posts affected by the establishment of the CSC.

Table 3: Approved posts affected by corporatisation across function

Function	Number of approved posts
Communication	141
Enterprise risk management	54
Internal Audit	92
Human resource management	451
Total	738

It is therefore not surprising that within the macro-functional area of People Management, the HRM function and its comprising line functions be identified as the functions most challenged during the process of CSC establishment. As shown in Figure 11, recruitment and selection (69% of clients, 60% of CSC staff), service benefits (39% of clients, 52% of CSC staff) and employee relations (34% of clients and 33% of CSC staff) were identified as areas which experienced the greatest implementation challenges related to the establishment.

The qualitative data supports the notion that the corporatisation of HRM in particular, and People Management line functions in general, were among the more difficult aspects of establishing the CSC. The following general shortcomings of the CSC establishment process were conveyed by respondents with regards to People Management – lack of an implementation plan; insufficient analysis of the nature and volume of functional work as they existed in client departments; lack of clarity around processes and procedures for key services; and a perception of communication but not consultation about the process.

The transfer of strategic HR Management and transactional HRM functions was conducted as follows:

- 1 July 2010: HR Policy and Planning as well as Employee Relations
- 1 August 2010: Performance Management and Development
- 15 November 2010: HR Practices and Administration (CSC, 2012b).

As of 8 December 2010, CSC Circular No. 15 of 2010 (2010: 1) announced that the Human Resource Administration function was fully corporatised into the CSC, excepting Department of Health and Education. This marked 8 months after commencing the establishment of the CSC in April 2010. Despite the staggering of People Management sub-functional areas during the period, and considering the various steps noted in good practice examples (see Venter, 2011) and the explicitly acknowledged lesson from the GSSC experience of avoiding a “big bang” approach (WCG, 2009a), the 8 month overall timeframe between April and November (4 months between the July-November 2010 spread of the key functional relocations) appears short considering the comparative scale of this functional shift and the absence of transition planning or pre-determined business processes.

Further, the timeframes were already tight before the conditions inherited by the newly constituted People Management Branch put them at an immediate disadvantage, as detailed in the CSC Progress Report of 2012 (WCG, 2012a). Uncertainty over new processes, inherited backlogs, and a lack of established relationships left line managers and CSC staff to fill these gaps and navigate new procedural waters without being fully prepared.

Firstly there was the inconsistency across departments that formed part of the motivation for the corporatisation of these functions – such as inconsistent application of HR practices regarding process and collective matters, and non-compliance in regulated HR matters which had led to adverse findings against the province at national level and in audits (CSC, 2012b). Secondly within many of the departments there were significant challenges in the HRM space. As some client departments’ senior managers readily pointed out, “the fact is that things weren’t perfect before that either. The various HR units in the line departments were also chaotic even before that” (Respondent 15) and the departments transferred many pre-existing HRM backlogs and inconsistencies to the CSC.

Thus in addition to needing to design and establish its service delivery processes while dealing with the immediate workload of 11 departments’ normal HRM processes (e.g. advertised posts), the newly established Chief Directorate: Human Resource Management “inherited” among others, urgent overtime claim forms dating 5 months back; irregular acting appointments; a large backlog of injury on duty cases; employee relations grievances; uncaptured leave forms, etc. (CSC, 2012a).

The logistics and practical realities of working with decentralised departments were also recurring challenge noted by respondents in qualitative engagements. As the quote conveys, “How the thing was going to work was never thought through. Such as how the leave form would get from Moorreesburg to Cape Town. There were no SOPs in place” (Focus group 6). And since the Organisation Development functional area was directly involved in the Organisation Design and CSC establishment proposals, as well as held responsibility for producing the SOPs via the Process Development line function, the challenges related to day-to-day administration posed an additional burden on these reconfigured functional areas and reflected on them as well.

Another part of the challenge had to do with how departments had previously distributed the workload between their line managers and HR staff. Much of what was now considered “management responsibilities” had

previously been performed by HR staff; after the transition these tasks fell on the line managers and some managers were unfamiliar or had been shielded from these responsibilities by internal HR staff historically. The new responsibilities, addressed in more detail in the following section, were not clear to managers, and some tasks initially fell through the cracks, or added to the workload of newly constituted CRUs, addressed in more detail in a later section. The following quotes explain:

"On a philosophical level the basis of the centralisation idea was that 'Managers must manage'. Currently this is hampered by the fact that nobody told the Managers exactly what is now expected of them" – CRU department response 6.

"Also department management did not understand the split... at start of implementation a lot of managers didn't realise they still had the responsibility to discipline staff, especially progressive discipline. So there was poor understanding of roles and responsibilities that came with that. So that was another cost of significant period of turmoil and confusion and sense among some departments" – Respondent 15.

According to some client department responses, further tasks that had, over time, become part of historical HR staff's job descriptions in line departments and were perceived to add value, were not clearly reassigned during the transition to the CSC and this loss appeared to compound the challenge of establishment.

"[Those assessing the ratio of staff to HR staff] needed to take into consideration – the scope of work – you need to see the HR support function in relation to [a small team of managers with large volumes of staff to manage]... and [should have asked] was it all pure HR?... They didn't look at the additional services rendered by this group. [This department's HR team] did more than HR... archives, HR, gender focal point... all those softer things, but do you see it anywhere here done? No. [cites further examples]... We had those and lost all of it when we lost the people..." – Respondent 1

"Some of the functions just disappeared, such as human rights, the special programs, transformation, HIV... And EPWP [just disappeared]. We need to do it though" – Focus Group 6.

While additional evidence does not suggest that whole functions vanished (as implied in the above quote) but were rather absorbed, redesigned or combined, there is evidence that some areas of service where there was perceived HR value-add historically, such as transformation, gender and HIV, were not dealt with to the same level for all departments following corporatisation. Considering the variability and inconsistencies reported in HR approaches across the WCG department prior to corporatisation, this is not surprising.

Provincial training is the last sub-functional area within People Management affected by the establishment process as it shifted from the Chief Directorate Human and Social Capital (then) to the Chief Directorate People Empowerment and Training (now). While this move was considered to be largely consistent with the existing configuration which was already based

within DOTP, the relationship and links to the departments changed and with it there was a shift from a more decentralised planning arrangement coordinated with departments to a centralised planning arrangement driven by the CSC (Focus group 9). In this area too, serious shortfalls and weaknesses were transferred to the CSC. For instance the HR Plans of 4 departments had expired prior to corporatisation and those that were valid often demonstrated weak links between the HR Plan, the critical skills that the department would need in the future, and the training that officials were accessing through courses, seminars and bursaries. There were also some backlogs in bursary payments and considerable gaps in the supporting documentation for internships and bursaries (CSC, 2012a). In addition to the PTI needing to deal with these “inherited” issues, staff newly matched and placed at PTI during corporatisation in some instances produced work of insufficient quality and the DOTP Annual Report 2011/2012 reports that an urgent training intervention was therefore required to deliver on the APP at the outset.

The challenges associated with overcoming these issues may account for the 30% of CSC clients who identified Provincial Training as having experienced challenges during establishment (compared to 17% of CSC staff).

The overall picture that emerges for the establishment process of People Management is therefore one of a very intense period of initial re-orientation and problem-solving. The various approaches, administrative backlogs and lack of newly defined, understood processes put the function at an immediate disadvantage from the outset and this experience appears to have continued to influence client perceptions of the service, despite People Management registering a number of achievements and resolving the inherited backlogs.

Funding model

A lack of clarity on the details of an overall CSC funding model beyond the overall budget allocation process has endured since the adoption of the CSC Policy in 2010; a finding broadly reinforced during the focus group with WCG CFOs. However, there have been progressive efforts to better define, evolve and innovate with regards to the CSC’s funding arrangements over the course of implementation, even if no formal funding model has been adopted. Incremental attempts to define and differentiate the funding approach are evidenced by various references to a CSC funding model appearing in CSC meeting minutes, presentations and policies- although again, these vary by function and branch depending on the nature of the services rendered.

In November 2012, the CSC Executive Committee discussed the CSC funding model, coming to general agreement that “there isn’t one model that can be standard across the CSC” (Minutes 11/2/2/2 of CSC Exco) given the heterogeneity of services. Notes related to CSC thinking on a funding model also indicate an intention that a model only be formalised after a range of funding arrangements have come into place, driven in relation to services (CSC, 2012c). This has meant that while a subsidy model, derived from Vote 1, has generally defined the CSC, that the thinking in this area has evolved and new funding streams introduced.

The CSC agreement and understanding circa 2012 paved the way for varied funding approaches per branch, with the greatest detail in this regard provided in relation to Ce-I and People Management. A presentation to the Standing Committee on Public Accounts (CSC, 2012b) identified that the Provincial Training Institute consulted on the introduction of a claim-back arrangement related to its services. CSC management in interviews also identified the Assessment Centre as an area where a cost-recovery arrangement was subsequently introduced, more in line with some of the fee-for-service arrangements set out in the comparative literature review.

A recent submission to Provincial Treasury for the adoption of the IT Tariff Policy (2015) has provided for the formalised approval of Ce-I tariffs and the chargeback process for IT services rendered to the WCG in terms of National Treasury Regulation 7.3.1 and Provincial Treasury Regulation 7.1.2. This has clarified the historical funding model for the ICT function in terms of a subsidy model (established in 2010) which involves the allocation of IT costs but no chargeback, resulting in low administrative overheads. However, it has had the disadvantage that there are constant pressures to limit costs and a reluctance to reinvest in IT (Arendse, 2015).

From April 2015/16, the Ce-I introduced a cost-centre model for “the addition of new sites users, selected devices and services” which formalised a chargeback mechanism to manage demand. This was introduced alongside the existing subsidy model and applies an asset-based approach allocating costs by headcount. Cost elements used to determine a cost per user are capital expenditure, services desk support, licencing, internet and mobile device support. The chargeback process and implications are also set out in detail in the policy.

In this regard, the branches Ce-I and People Management have made the most progress in terms of a “hybrid” funding model rather than relying solely on subsidy. The following quote summarises the establishment process relating to funding well:

“Funding the CSC has however evolved beyond the CSC Policy positions in to a multiple and hybrid set of funding arrangements including: cost recovery, claim backs, user pay, budget shifts, top slicing, ring-fencing etc. This multiple and hybrid funding arrangement is best suited to respond to the multiple and diverse service nature of the CSC” (CSC email submission, 2015).

However, while the CSC funding approach has evolved, with the exception of Ce-I, the details and exact arrangements in this regard are still not formalised and documented for scrutiny on a consolidated basis. Formalising and compiling a differentiated, hybrid funding model has clear implications for the desired result of cost-optimisation sought at the establishment of the CSC and remains an outstanding initiative of the establishment process.

4.1.3 Synthesis

In summation, the CSC establishment, and particularly the window of time from the decision to proceed with corporatisation (November 2009) to the conclusion of the Human Resource Administration corporatisation (December 2010) was a crucial period when key features of the CSC design

and establishment process were resolved and finalised, to an extent. Decisions were taken with regards to timeframes and transition planning that proved challenging for such a significant restructuring, especially for the People Management function. Despite considerable work put into the Organisation Design work-stream in a relatively short period of time, there was insufficient transitional planning and key financial determinations, such as a defined funding model and overall cost implications/savings, were not known or determined, even while the stated intention was cost optimisation.

At the same time, the strategic intentions of the CSC were not clearly communicated nor were its desired results well-defined. This ambiguity around intended results and differing expectations has since endured, in part because there was inadequate communication about the CSC holistically, and limited or absent change management during the establishment. Since the CSC was essentially conceptualised in portions, with some functions diagnosed and recommendations made in greater detail in the modernisation blueprints (e.g. ICT, ERM, etc.) than for others (e.g. HRM, Corporate Communications, etc.), establishment has been uneven. There was a differential experience of establishment process by function that was a product of the scope of change compared to historical arrangements, the extent to which new functional processes and roles were planned for and existing backlogs and maladministration inherited. The scope and nature of the HRM functional area affects all WCG staff, and because it was the most substantive change arising from corporatisation, respondents have linked the CSC to this experience, more so than for any other functions.

A review of the CSC policy and related modernisation documents shows that the parameters for the macro-functional scope of the CSC allow space for contextual considerations or judgments beyond those of strict CSC policy criteria, and are not the product of a static decision-making model. However, this is not problematic as there is no "best practice" shared services structure and international experience demonstrates that these organisations are usually hybrid models informed by multiple process and functional considerations (KPMG, 2009: 7). Thus, decisions to exclude SCM as a functional area and Health and Education from the scope of work of the CSC are not necessarily problematic, especially given that the reasons for this were substantiated and clear.

The CSC funding model, although still undefined overall, appears increasingly informally established within the Ce-I and People Management branches as a hybrid model that has introduced a range of cost-recovery mechanisms on a service by service basis. While this reflects progress, defining a financial model on a branch and service differentiated basis is still an outstanding task of the establishment process requisite to support the stated intention of cost-optimisation.

Despite claims that lessons were learnt from the GSSC "big bang" approach and that the CSC would take an "incremental" approach (WCG, 2009a), the timeframes and sequence of the key restructuring associated with this initiative appears to contradict this in some respects. The functional relocations were mostly concluded within 8 months of the start (excepting Corporate Communications) and while some placement and establishment processes dragged on over the past 5 years, the big organisational changes happened right away, and in the absence of transitional roadmaps, SOPs or

shared understandings of how those challenges would be navigated. For the People Management branch, this delivered them a substantial historical backlog to dig themselves out of, while having to navigate varying degrees of historical maladministration to resolve them. Compared with the case study experience of Queensland, Australia which had three to five years for this process, the CSC was comparatively less prepared and hurried in its execution for certain functional areas (e.g. HRM), and the motivation for this approach appeared to be guided by a perceived political impetus to “make it happen,” rather than what was recommended in terms of transition planning and recognised good practice.

4.2 Roles and responsibilities

This section addresses the extent to which the duties of all stakeholders involved with the CSC are defined and well conceptualised, and how these have been executed over the CSC’s lifespan.

4.2.1 Design

The design findings on roles and responsibilities firstly describe the responsibilities of the respective role-players, before making appraisals related to the rationale for the roles and responsibilities; clarity of the roles and responsibilities; and plausibility of the roles and responsibilities within the current institutional environment.

CSC Policy

The CSC Policy (WCG, 2010) and its supporting annexure demarcate in broad terms how the roles and responsibilities related to the CSC functions will be distributed. In each instance, these roles and responsibilities distinguish between the different actors, the relevant structures within the CSC and those external to it. Where there is legislation and regulations that specifically regulate certain functions and responsibilities, as in the case of the Public Service Act (PSA) of 1995 and the Public Finance Management Act (PFMA) of 1999 with regards to Heads of Department, responsibilities are specifically set out for role-players in relation to their fiduciary duties.

The responsibilities stipulated are general and concise in relation to each one of the nine functional areas (within five overarching functional areas) specified in the CSC Policy (WCG, 2010). However, there is some inconsistency in terms of the level of detail provided in setting out responsibilities for key role-players. The detail of Corporate Communications distinguishes between internal structures and actors (e.g. Ministerial officers, departmental units, etc.) instead of more general roles (e.g. “departmental management”) and provides comparatively more detail. This contrasts with general responsibilities apportioned in relation to the HRM function, where the extent of departmental management’s responsibility is limited to “Execute normal operational human resources management and supervisory responsibilities as per departmental delegations and individual performance agreements with the support of the Corporate Service Centre” (WCG, 2010: Annex B2). While there are limitations to what can be concisely presented in respect of role-player responsibilities, this is indicative of some degree of unevenness in setting out detailed responsibilities, as well as an assumed pre-existing understanding of “normal human resources management and supervisory responsibilities”.

The following table illustrates the distribution of roles and responsibilities according to the CSC Policy at the time of its adoption.

Table 4: Distribution of roles & responsibilities by functional areas in CSC Policy (WCG, 2010)

		Functional responsibilities								Corp. Coms	
		People Man.				Corp. Assurance					
		ICT	OD	HRM	PT	ERM	IA	FS	LS		
Role-players	Premier		X	X							
	Executive authorities		X	X	X	X	X		X		
	Director General	X	X	X	X			X	X	X	
	CSC	CSC Branch	X								
	CSC Chief Directorate		X	X	X		X		X		
	CSC Directorate					X		X		X	
	Departments	Heads of Department	X	X	X	X	X	X	X	X	X
	Departmental man.	X	X	X	X	X	X	X	X	X	X
	Min. Media Officer									X	
	Dept. Coms Unit									X	
	DOTP Strat. Coms									X	
	Provincial Treasury					X					
	Audit committee					X	X				

In Table 4 above it is clear that from the CSC's outset roles and responsibilities were more or less uniformly structured and defined, even if variable in terms of the level of detail. The table also illustrates that in respect of each functional area, a different CSC organisational structure was given exclusive responsibility within the CSC (the Policy did not identify any responsibilities that were shared between CSC structures but set out responsibilities of organisational form following from each function). Without examining the scope or nature of the responsibilities, it is also clear that both Heads of Department and Departmental Management continue to have responsibilities across every one of the functional areas. While part of the rationale for the CSC was to free-up departments to focus on core business, this mapping to set parameters to "manage the operational working relationships" exercise illustrates that however reduced the scope or volume of these responsibilities may be by comparison, that some responsibilities endured in all instances and that there is an inevitable overlap and sharing of responsibilities between the CSC, HODs and departmental managers in every function. This overlap and sharing of responsibilities introduces a degree of complexity to the accountability arrangements and has implications for how the CSC is conceptualised with regards to its role as a service provider, which is address in more detail in a later section.

SLAs and Service Schedules

The SLAs, signed between the CSC and departments in November 2010, were put in place as per the terms of the CSC policy (WCG, 2010) with the expressed intention between the CSC and departments. Policy prescribes the structure of the SLAs, that they should be signed between the Superintendent-General of the CSC and Department HODs and how they

should be monitored and reported on. The SLAs do not go into further detail on the specification of roles and responsibilities but refer to Service Schedules, included as annexures to the SLAs, which set out the scope of services.

The SLAs are explicit that the roles and obligations of both the CSC and the departments are set out in the Service Schedules and that these service obligations are mutually reinforcing and binding. Further, the SLAs clarify that “the Client [department] must submit any request for services not covered by the Service Schedules in writing to the Head: CSC” (WCG, 2010b: Sect. 5.2). The SLAs also bind both parties to upholding prescribed legal and policy frameworks, responding timeously, ensuring consultation, supporting the audit process and reporting, as well as generally acting in good faith, amongst other obligations.

The SLAs set out these areas in broad strokes, but the detail rests in how these functional areas are designed to be operationalised and the Service Schedules provide the most comprehensive breakdown of the micro-functional areas and the respective services. Each Service Schedule is aligned to one of the five broad functional areas of the CSC, themselves apportioned to a business unit, as indicated in the earlier table. At the level of line function, roles and responsibilities are then broken down by the key services offered across each of the respective functional areas as allocated to the different structures.

Table 5 provides a breakdown of the number of services rendered per functional area according to the three iterations of the Service Schedules, illustrating the scale of responsibility for distinct service offerings within the CSC and how this has been refined and consolidated over time.

Table 5: Responsibility for number of services per macro-functional area from 2010/11-2015/16 (CSC, 2012b; 2015)

		2010/11	2012/13	2015/16
	Ce-I	35	16	20
	Corporate Communications	3	6	4
	Legal Services	14	14	16
Corporate Assurance	ERM	28	11	4
	IA			4
	FIU			4
People Management	OD	20	9	9
	PTE	6	4	6
	HRM	33	18	15
Total		139	78	82

The following example of a Service Schedule illustrates how the responsibilities or “obligations” in respect of a specific service are shared between the Department and the CSC in the latest iteration (April 2015). While some responsibilities are indicated in respect of specific parties (e.g. Head of Department or delegate), these obligations are generally at a high level and do not apportion responsibilities in great detail. However, the Service Schedule does set out a standard for the CSC’s rendering of the service and proposes a set of measures for tracking, meant as indicators of whether obligations have been fulfilled as per the service standard.

BUSINESS UNIT:		LEGAL SERVICES	
SERVICE OBLIGATIONS		SERVICE STANDARD	MEASURES
DEPARTMENT OBLIGATION	CSC OBLIGATION		
LINE FUNCTION 1: LEGISLATION			
Service 1: Co-ordinate the provincial legislative programme			
<ul style="list-style-type: none"> The Head of Department / his or her delegate to identify and nominate a departmental representative of sufficient seniority and with relevant knowledge and experience to manage the legislative project. Provide a project plan and timeframes for proposed draft legislation (including regulations) under the guidance of and in consultation with Legal Services at the commencement of the project. 	<ul style="list-style-type: none"> Liaise with the departmental representatives and the Provincial Parliament and co-ordinate the provincial legislative programme with the programme of the Provincial Parliament when required. Monitor the legislative process and programme of Provincial Parliament and provide the department with information when necessary. Project plan template provided by Legal Services. 	Provincial legislative programme 100% co-ordinated in accordance with drafting practice, process and the Constitution.	<ul style="list-style-type: none"> 100% co-ordination and facilitation of provincial legislative processes. Provincial Legislative programme 100% monitored.

Figure 12: Example Legal Services Service Schedule (CSC, 2015A4)

For more detail in relation to responsibilities for specific services, SOPs go furthest in clarifying the roles and responsibilities of different actors in relation to services. These documents are critical in distinguishing between the different process responsibilities in relation to key services, particularly those that are operational or transactional in nature.

Although the Service Schedules go some way to setting out the roles and responsibilities with regards to specific functions, the realities of a new organisational configuration with a centralised administrative processing element has meant that new procedures were introduced for accessing and rendering services and these were not entirely clear at the time of establishment, particularly for those functions most affected by corporatisation.

The CSC Policy, SLAs and Service Schedules (circa 2010/2011) represent the extent to which roles and responsibilities were documented in relation to the CSC’s functional areas at the time of establishment. Subsequent revisions to the Service Schedules in August 2012 and April 2015 provided an opportunity for client departments to give input on their functional obligations and have been credited by CSC management with better refining and clarifying those obligations. However, SOPs, providing critical operational and procedural detail, and distinguishing between individual roles, as well as accountability arrangements, were not in place at the time of the signing of the SLAs. The implication of this is that roles and responsibilities, while set out in general terms and revised in terms of the obligations included in the Service Schedules in 2012 and 2015, were not fully understood at the time of CSC establishment.

There was a clear rationale for the apportioning of the different roles, particularly with regards to areas where HODs have statutory responsibilities. Still, the corporatized shared services arrangement entailed many shared responsibilities due to the accounting responsibilities of HODs, as well as the “normal...management and supervisory responsibilities” of senior and departmental managers. The nature and the exact modalities of responsibility sharing with HODs (and by extension managers) was not entirely clear, nor were the new arrangements for the CSC processes and procedures. The SLAs that were signed in November 2010, with their affixed Service Schedules, by their very nature omitted much of the detail, relationships and processes that were needed in order to ensure that standards could realistically be met and accounting officers held answerable. In the absence of this critical detail at the time of these functions being corporatized, it was inevitable that challenges would arise during implementation, especially given backlogs received. The design of roles and responsibilities at the time was therefore inadequate, particularly in the areas where corporatisation entailed the biggest restructuring: HRM in 2010 and Corporate Communications in 2011.

Subsequent revisions to the Service Schedules in August 2012 and August 2015, and the development of SOPs have gone some way to addressing roles and responsibilities and afforded role-players the opportunity to mutually agree to sharing of responsibilities although these are not necessarily commonly understood in practice. The following sections will address responsibilities as they are currently formulated per functional area.

Legal Services

The appropriateness of the allocation of roles and responsibilities to the CSC is not a serious point of contention in the Legal Services functional area. The CDs and DDGs completing the online survey were largely in agreement that the latest Service Schedule distributes responsibilities appropriately (Figure 13¹⁶). These are the highest rates of CD and DDG agreement on the distribution of responsibilities across the CSC’s line functions, except for Internal Audit and Forensics.

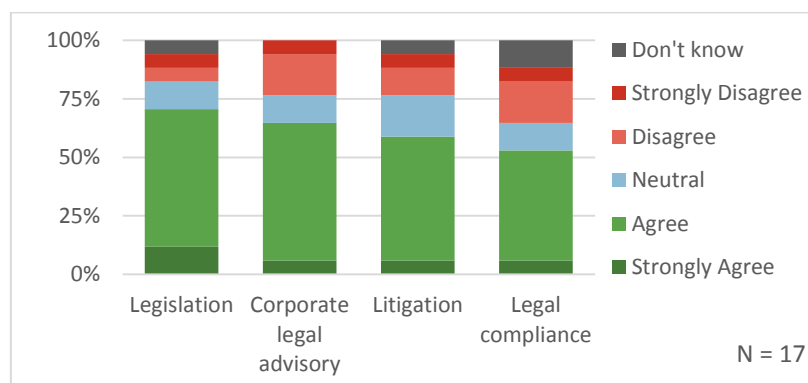


Figure 13. Legal Services: CD and DDG perspectives per line function on the statement: "The latest Service Schedule distributes responsibilities between the CSC and my department appropriately"

¹⁶ When interpreting **Error! Reference source not found.**, as well as all other graphs on D and DDG agreement with statements, it should be noted that it represents the responses of a relatively small sample (17 to 19 respondents, if non-responses are excluded).

There is a somewhat lower rate of agreement on this statement regarding Legal Compliance. Qualitative data suggests that this lower rate of agreement is not likely a result of disagreement with the corporate provision of such a line function. Instead it may reflect concerns as to whether the unit is appropriately resourced to fulfil its assigned responsibilities. Legal Compliance is a relatively new unit and departments have been accessing this service for not more than a year. Amongst responses related to the need for this unit, Respondent 4 emphasised that the Legal Compliance Unit “needs to grow... we need you, but... we need you for way more than three months [which you allocated to our department].” Similarly, a focus group participant explained: “there is huge demand for that unit. They render a very good service... and departments just want more... and there isn’t capacity to drive that” (Focus group 10).

Supporting the notion that there is still some uncertainty as to what can be expected of the Legal Compliance Unit, there was less agreement among service users that they understand the responsibilities of CSC staff with regards to Legal Compliance than the agreement regarding other Legal Services line functions (see section 4.2.2).

As shown in Figure 14, half of CSC Legal Services staff expresses agreement that client departments have sufficient opportunity to shape the distribution of responsibilities and obligations as set out in the Service Schedule. The other half is divided between being neutral and indicating that they don’t know.

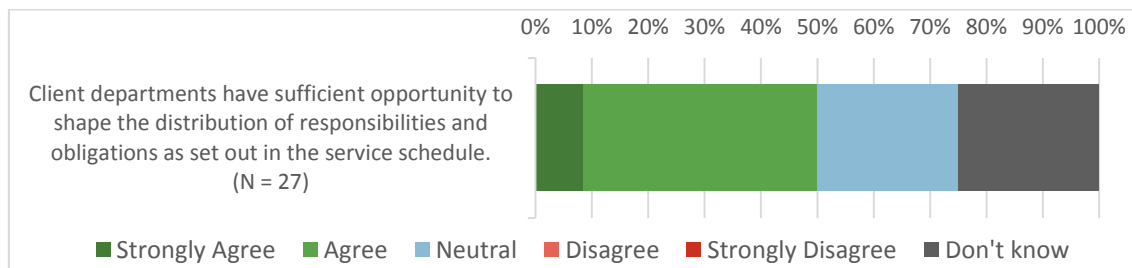


Figure 14. Legal Services staff’s agreement that client departments have sufficient opportunity to shape the distribution of responsibilities and obligations.

Clients are somewhat in agreement that their departments have sufficient opportunity to shape the distribution of responsibilities, although very large percentages indicated that they “don’t know” or are neutral. This is perhaps understandable as not all clients are directly involved in giving input to the Service Schedules in its various iterations, nor would all clients who make use of the services have insight into the development of the Service Schedules.

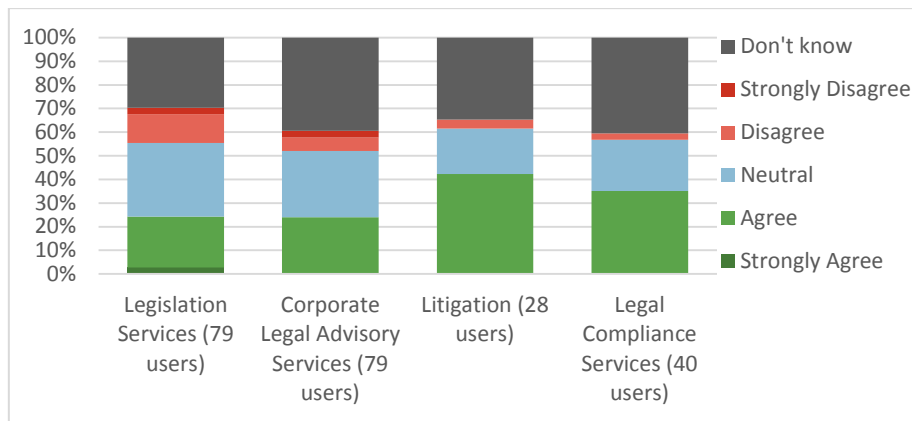


Figure 15. Legal services clients' agreement with statement: "My department has sufficient opportunity to shape distribution of roles and responsibilities in the Service Schedule"

The 13.9% of respondents who expressed disagreement with regards to Legislation Services is echoed in section 4.2.2 where slightly larger percentages of clients express disagreement that they understand the distribution of this line function's roles and responsibilities. There is also a larger percentage of clients strongly agreeing that their departments are doing some tasks that the CSC is responsible for. This is discussed further in the section on process.

The key takeaways in terms of CSC design are that there is general agreement on the distribution of roles and responsibilities between client departments and the CSC on Legal Services, noting some minor disagreement or lack of common understanding. However, client departments and CSC staff are not always aware of the Service Schedules or the manner in which client departments have an opportunity to influence them. For those that do have an opinion on the Service Schedules, those that find them inappropriate or believe they have not had an opportunity to shape the distribution of roles and responsibilities are in the minority. This is indicative of the Legal Services allocation of roles and responsibilities enjoying design legitimacy amongst WCG staff.

Corporate communications

The largest proportion of DDGs and CDs are neutral on whether the distribution of Corporate Communications functions between the CSC and their department (Figure 16) is appropriate. This may be because they do not regularly work directly with this unit or because they are unclear on what that distribution actually entails. A few indicated that they don't know, while the remainder (approximately a quarter each) are more or less evenly divided between expressing agreement and disagreement with the distribution of responsibilities.

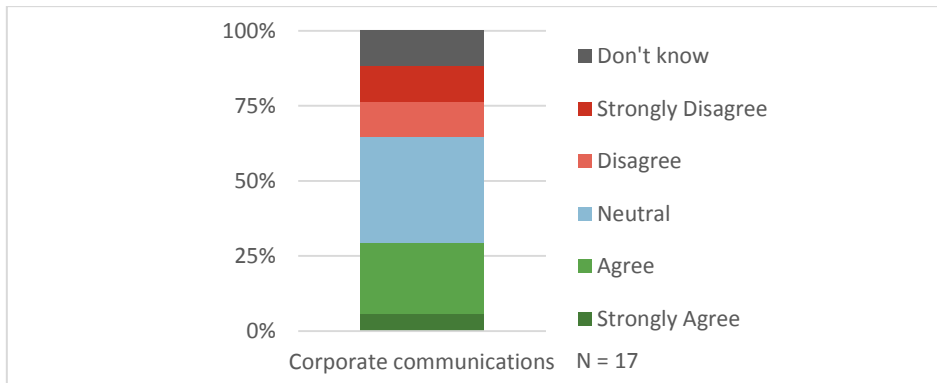


Figure 16. DDGs and CDs' agreement with the statement: "The latest Service Schedule distributes responsibilities between the CSC and my department appropriately"

The Corporate Communications Service Schedule assigns client departments the responsibility of providing an appropriate brief for internal creative design or design by an external agency, but does not indicate that these departments need to perform creative design tasks themselves. As will be discussed further in 4.2.2, departments are finding in practice that they do need to capacitate their own communications units as the CSC does not have the staff to deliver on all the design and content creation needs of client departments.

Among clients there is almost no disagreement that their departments have sufficient opportunity to shape the distribution of Corporate Communications responsibilities (Figure 17) but the distribution of responses suggests that very few clients are themselves familiar with the responsibilities as set out in the Service Schedules. The exception being for those using Client-Service Management services where 50% agree that roles and responsibilities are appropriately distributed, while 6.3% (1 respondent) disagreed. For their part, all four of the CSC Corporate Communications staff who responded to the survey indicated that they "agree" that client departments have sufficient opportunity to input into the formulation of the Service Schedules.

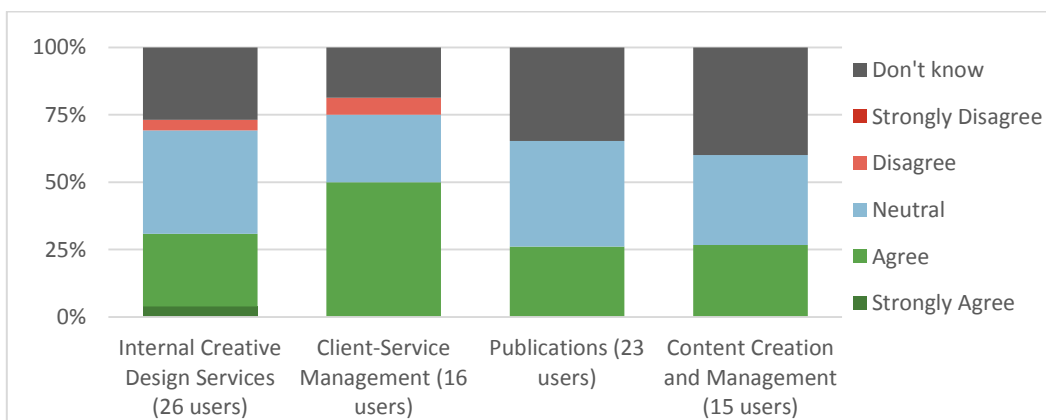


Figure 17. Corporate Communications service users' agreement with the statement: "My department has sufficient opportunity to shape distribution of roles and responsibilities in the Service Schedule"

In summary, the majority of respondents do not have an opinion or are not informed enough to comment on the Service Schedules. For those that do have an opinion, DDGs and CDs were more or less evenly split on whether

Corporate Communications roles and responsibilities are apportioned appropriately, while clients at lower staff levels were mostly in agreement. This suggests that the current formulation of roles and responsibilities is less commonly understood and agreed at senior management level than below.

Corporate assurance

With regard to Corporate Assurance, CDs and DDGs generally agree with the distribution of roles and responsibilities for Provincial Forensic Services and Internal Audit. However, there is a higher rate of disagreement (5 out of 17) regarding Enterprise Risk Management.

As mentioned earlier, ERM is the one Corporate Assurance line function that each department had managed internally before the establishment of the CSC. CDs' and DDGs' disagreement about the distribution of ERM responsibilities may be reflecting an enduring preference for the historical decentralisation. Alternatively, there is also a view that responsibility for ERMCO secretariat functions, assigned to client departments according to the Service Schedule, should rest with the CSC.

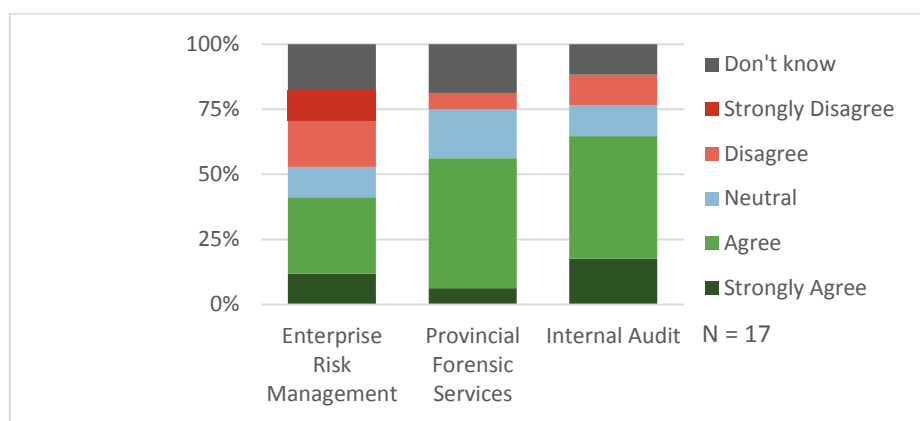


Figure 18. CD and DDG agreement with the statement: "The latest Service Schedule distributes responsibilities between the CSC and my department appropriately"

Furthermore, a number of respondents (Respondent 3, Focus Group 10, and client survey respondents who noted it as a matter for "urgent attention") are of the view that ERM has a small staff complement in relation to its responsibilities. A small ERM unit, as a design element, is believed to restrict the effectiveness of the ERM line function in implementation, according to these respondents. On the other hand, one could take the view that since ERM should in principle become integrated with line managers' responsibilities, the CSC's ERM staff should remain small and work to empower, not replace, managers in these processes. This is discussed further under in the later section under process.

Among Corporate Assurance staff, about 60% expressed agreement that client departments have sufficient opportunity to shape the distribution of responsibilities and obligations in the Service Schedule.

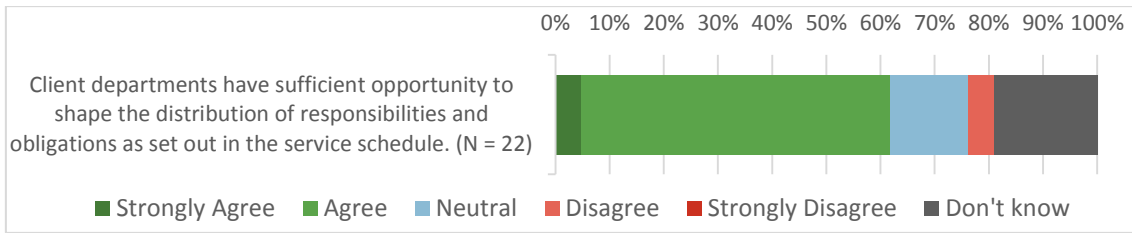


Figure 19. Corporate Assurance staff's agreement that client departments have sufficient opportunity to shape distribution of responsibilities.

Clients expressed similar views with only a few disagreements related to ERM, although "neutral" responses make up a larger portion (22.8%-28%) of their responses. This is understandable as not many client department staff would be involved in developing these schedules.

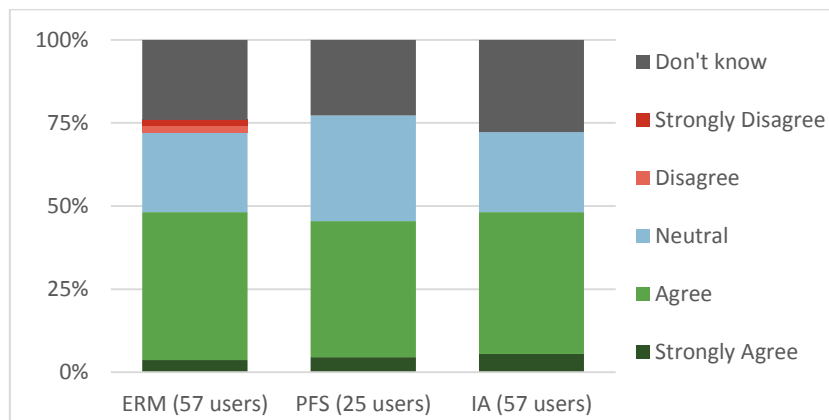


Figure 20. Clients' agreement with the statement: "My department has sufficient opportunity to shape distribution of responsibilities in the Service Schedule"

In summary, CDs and DDGs tended to be in greater agreement with the distribution of roles and responsibilities across the line functions in Corporate Assurance, excepting ERM with more than a quarter disagreeing with the current distribution of roles and responsibilities. About half of other client staff tended to be in agreement, while half were neutral on the distribution or did not express a position. The CDs and DDGs' disagreement around the distribution of ERM responsibilities may impact on their implementation of this line function in client departments. This is further discussed in the section on process.

ICT (Ce-I)

Just under 50% of DDGs and CDs are in agreement with the appropriateness of ICT roles and responsibilities as distributed by the latest Service Schedule. Relatively large percentages however express disagreement – particularly regarding ICT Operational Services, Leadership and Governance Services, and Infrastructure and Solution Development. This is striking considering that most ICT human and financial resources have been corporatized since the early 2000s.

Interviews and focus groups suggest that some departments find it inappropriate that they are entirely dependent on the Ce-I for Operational Services and Infrastructure and Solution Development Services instead of being able to appoint some of their own IT personnel.

CSC staff indicated some awareness that client departments are dissatisfied with the fact that the majority of ICT functions and resources are assigned to the CSC. One respondent framed this as a change management issue related to roles and responsibilities: “We haven’t properly communicated why they have to work with us. They will all tell you they want their own IT unit but they don’t know the back end, they don’t understand the challenges and complexities” (Focus Group 7).

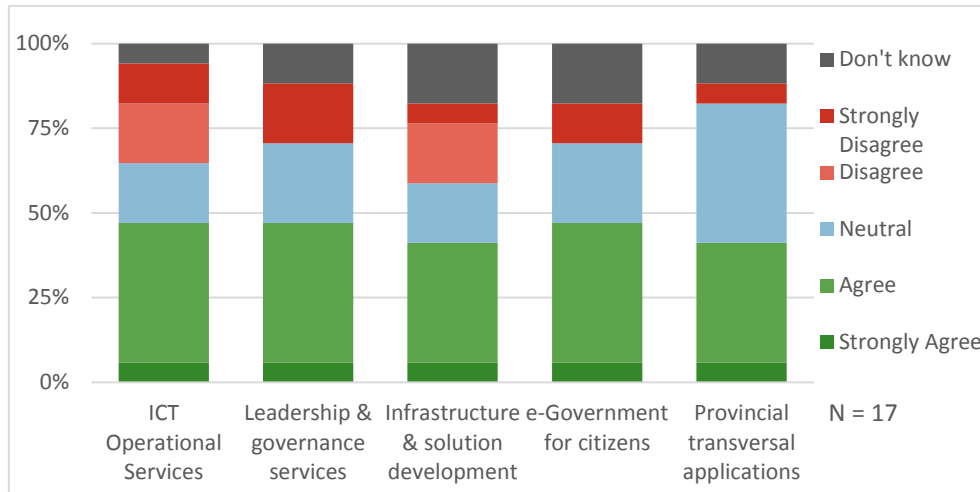


Figure 21. DDGs' and CDs' agreement with the statement: "The latest Service Schedule distributes responsibilities between the CSC and my department appropriately"

For their part, half of Ce-I staff are of the view that client departments have sufficient opportunity to shape the distribution of responsibilities (Figure 22) while the other half are neutral or do not claim to have a position.

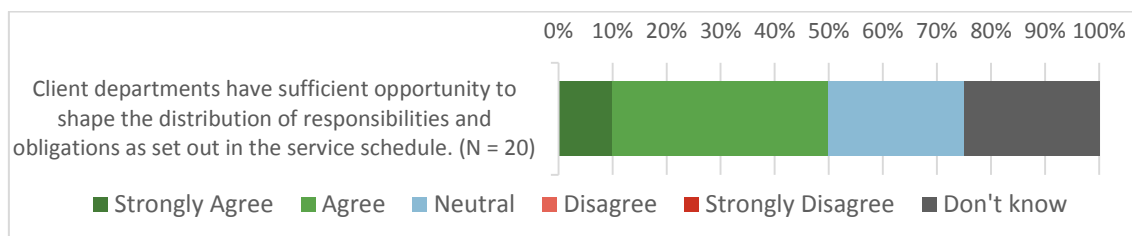


Figure 22. Ce-I staff's agreement that client departments have sufficient opportunity to shape the distribution of Ce-I responsibilities.

In clients’ responses to the question of whether their departments have sufficient opportunity to shape the distribution of ICT responsibilities, there is some variation by line function, but there was a high rate of “neutral” responses across line functions. Regarding ICT Operational Services and e-Government for Citizens, the percentage of clients expressing agreement is low and “don’t know” is high. About 11% (9 out of 75 service users) disagreed that they have sufficient opportunity to shape ICT Operational Services responsibilities. Nearly 50% of client respondents expressed agreement, and very few disagreed, that they have sufficient opportunity to shape the distribution of responsibilities with regards to Leadership and Governance Services and Provincial Transversal Applications.

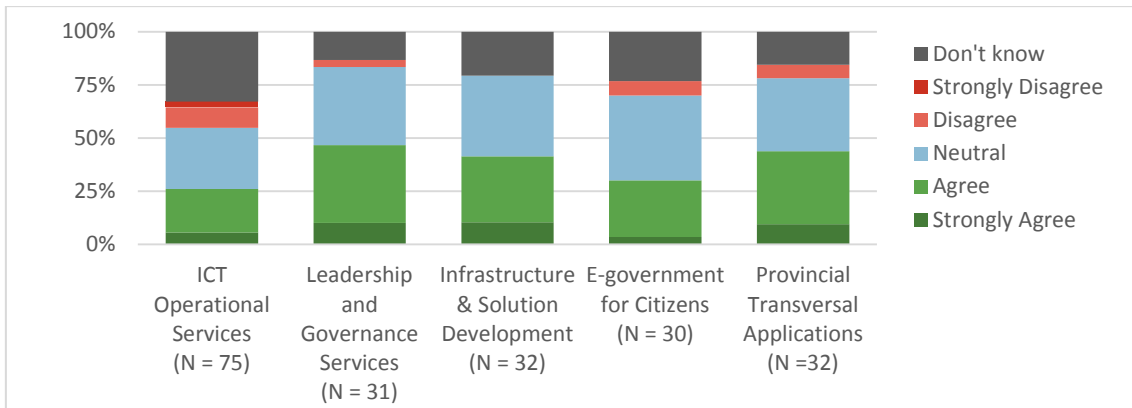


Figure 23. Clients' agreement with the statement: "My department has sufficient opportunity to shape distribution of responsibilities in the Service Schedule"

For the ICT functional area, client staff were generally in agreement with the distribution of roles and responsibilities for ICT line functions, or were neutral or did not have a position. However, for senior managers at DDG and CD level, there were some notable disagreements across line functions, particularly in relation to ICT Operational Services and Infrastructure and Solution Development. This is indicative of either a misunderstanding, lack of clarity or registered disagreement with the distribution of responsibilities related to this function with potential implications for implementation.

People management

When it comes to the current distribution of People Management responsibilities, DDGs and CDs disagree with their distribution in much greater proportions. Rates of disagreement exceed 50% for Organisation Design, Recruitment and Selection and Service Benefits (see Figure 24) and are generally higher across this macro-functional area overall. This reflects the strong critiques across departments of People Management line functions, both in design and implementation challenges.

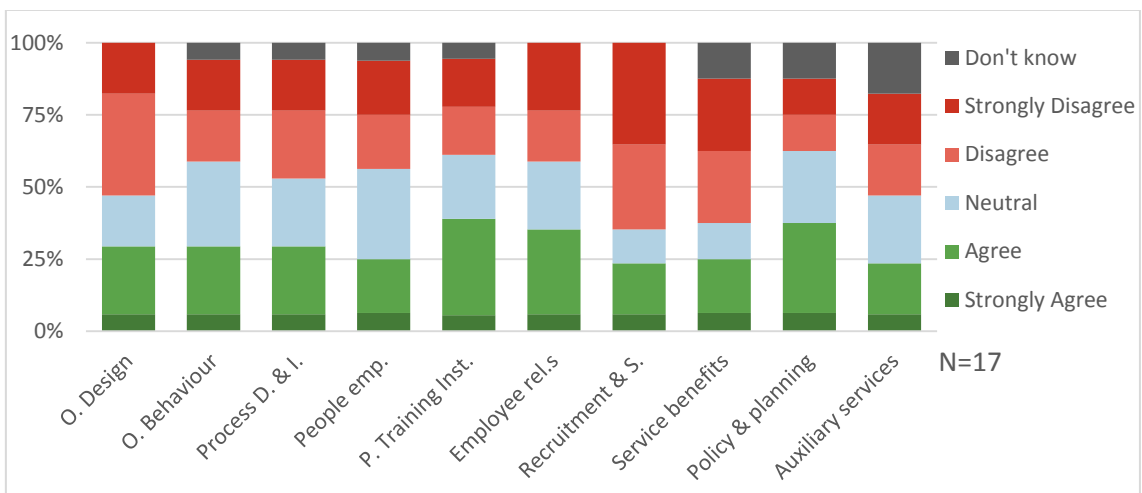


Figure 24. DDGs' and CDs' agreement with the statement: "The latest Service Schedule distributes responsibilities between the CSC and my department appropriately"

As discussed in section 4.1, there is an enduring view among some senior managers that some line functions were not appropriate for corporatisation and that significant establishment challenges were experienced. Some

respondents maintain that the distribution of responsibilities before corporatisation of the function was more appropriate, and this could account for some of the disagreement over the distribution of roles and responsibilities. However, the extent of the current disagreement is proportionally much more substantial across all line functions within People Management that. One respondent reflected the following sentiment that tapped into this: “If you were to canvas the bulk of my management team they’d say I should lobby to get that function [People Management] back. A lot of our problems could be minimised if we had this in-house” – (Respondent 12). While this view may be held by some client departments, it is not the case with CSC staff.

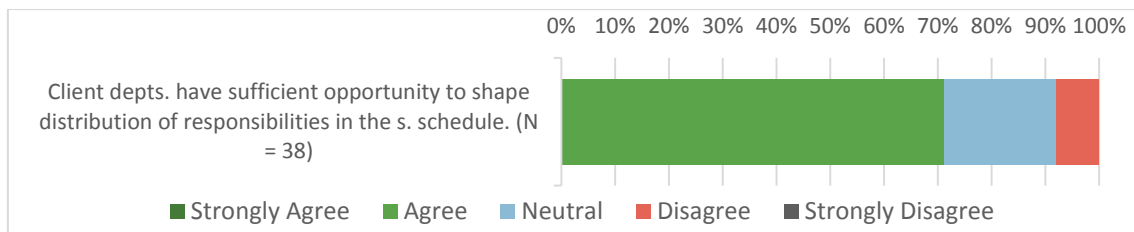


Figure 25: CSC staff agreement with the statement: “Client departments have sufficient opportunity to shape distribution of responsibilities in the Service Schedule”

Among CSC staff a large majority (70%) agree that client departments have sufficient opportunity to shape the distribution of People Management responsibilities in general, while less than 10% disagree. This is indicative that from the side of the CSC, respondents believe there is sufficient input on roles and responsibilities for this macro-functional area.

Among People Management line functions’ users in client departments there were low levels of agreement coupled with large “don’t know” and “neutral” responses as to whether their departments have sufficient opportunity to shape the distribution of responsibilities. This suggests that the majority of service users are not aware of the extent to which the department is able to shape the Service Schedules. A disagreement rate of 16% among Recruitment and Selection service users stands out as reflecting the biggest proportional disagreement over this line function, and feeds into discussions of implementation challenges, which is discussed further under section 4.2.2.

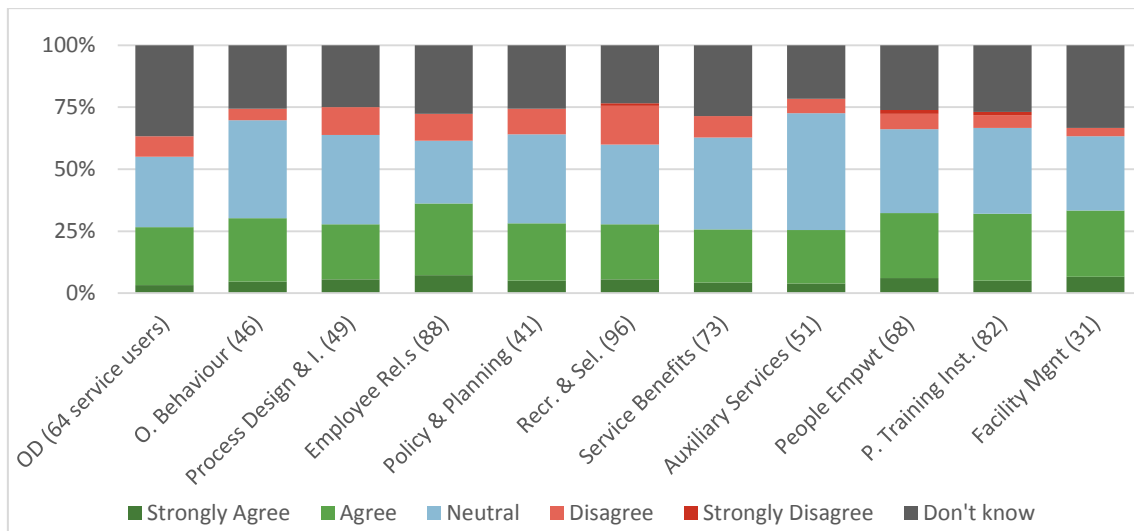


Figure 26: Clients' agreement with the statement: "My department has sufficient opportunity to shape the distribution of responsibilities in the Service Schedule"

In summary, it is apparent that across all of the macro-functional areas, and for most of the line functions, there is some level of fundamental disagreement related to the roles and responsibilities for People Management. Both CSC and client staff generally that there are opportunities to give input on roles or responsibilities (or are unaware of it). However, there is still a significant proportion of senior managers that disagree with the distribution of responsibilities. This data is consistent with the findings arising from the establishment and indicative of how design and establishment issues may continue to influence how the distribution of roles and responsibilities are currently understood.

4.2.2 Process

The process of executing roles and responsibilities inevitably follows from how those roles and responsibilities are defined and distributed. Given that part of the stated intent of the CSC is to more efficiently, effectively and economically render corporate support functions, and that the roles and responsibilities related to these functions are formulated as shared between multiple actors, how well WCG staff believe the respective role-players are executing those responsibilities and evidence of this is central to an evaluation of the CSC's implementation.

Familiarity with Service Schedules

In the client survey, in the case of each macro-functional area, only the respondents who made use of those services were asked whether they had read the Service Schedule for the associated business unit. Since having an understanding of the shared distribution of roles and responsibilities is an important foundation and starting point from which to implement, this is considered a critical pre-condition. When aggregate measures on whether clients had read the Service Schedules were compiled across functions, a common range of 4-5% was found for each type of response. Figure 27 presents the overall proportion of clients who are familiar with the April 2015 Service Schedules.

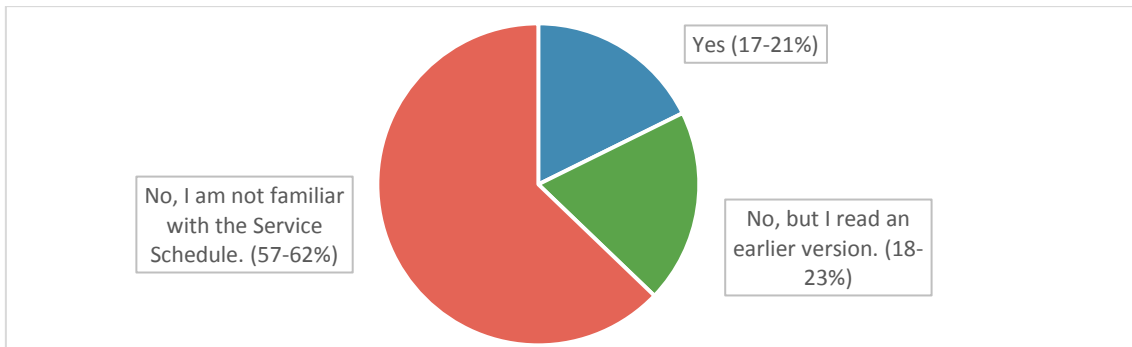


Figure 27. Summary of clients' responses to whether they have read the 2015 version of the Service Schedules (range across branches)

Nearly 2/3 of all client respondents are not familiar with the Service Schedules, while only about 1/5 have read the most recent Service Schedules, and the remainder claim to be familiar with one of the earlier versions (November 2010 or August 2012 versions ostensibly). This stark unfamiliarity does not invalidate the aforementioned clients' views on the distribution of roles and responsibilities but means that some clients have shaped their understanding through different means than the Service Schedules, such as verbal communication with CSC staff, documents other than Service Schedules or have responded based on assumed roles and responsibilities. Further, this helps to illuminate the large sections of respondents who choose not to express a view about roles and responsibilities by indicating they "don't know" or remain "neutral". However, it also indicates that amongst clients there is not a common basis for understanding their obligations in respect of the CSC. Any opinions or positions expressed by respondents must therefore be weighed against the finding that the vast majority either do not have a common frame of reference as per the Service Schedules (57-62%) for their position on the CSC, or that their frame of reference is not up to date (18-23%).

At the time of adopting the first revisions to the Service Schedules in August of 2012, the CSC reported on how departmental inputs were integrated into the Schedules and noted that most departmental input was of a "technical" nature. The HRM schedules were identified by the CSC as the area receiving the most comment, and it was noted that these Service Schedules needed to be supported by SOPs, templates and clear and consistent communication. It also noted that the "role of the CRU unit in the department with regards to logistical arrangements needs clarity" (WCG, 2012), a point that will be further discussed in section 4.3 of the report.

Revisions to the Service Schedules were credited by the CSC as being more credible, resulting in a rationalisation of services and service standards, and set out a better defined set of obligations between the CSC and client departments. These refinements were considered necessary to enable the development and uptake of SOPs according to the CSC (2012b). Figure 28 below illustrates the process of developing the SOPs.

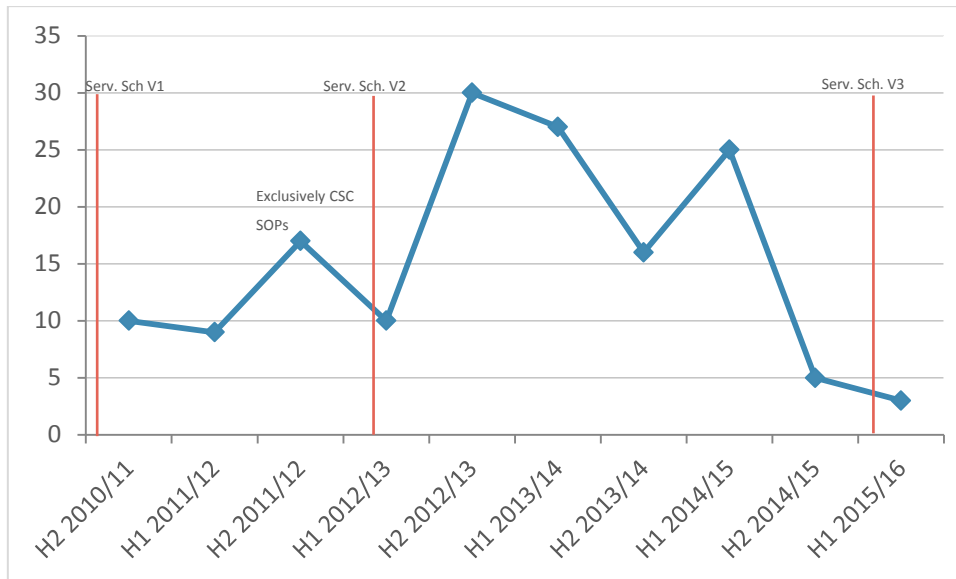


Figure 28: Number of SOPs completed per half year (FY 2010/11-FY 2015/16)

Figure 28 above shows the output of SOPs per half of the financial year since the establishment of the CSC. While a simple count of these outputs over time does not say anything about the quality, uptake or utility of these documents, it does indicate at what point in time certain details relating to the roles and responsibilities of key CSC processes and procedures would have been documented and made available to different parties. The graph is therefore useful in what it conveys about when the documentation and clarification of certain roles and responsibilities for key services occurred via SOP. Firstly, it is useful to note that of the first 37 SOPs completed between March of 2011 and August 2012 (adoption of the second Service Schedule), 36 of those SOPs were for CSC related processes whose ownership rested with staff within DOTP.¹⁷ Considering that the corporatisation process began in April of 2010, this means that for nearly the first two and a half years, the work of documenting and setting out the operating procedures focused almost exclusively on CSC services. In fact, 20 of the first 37 SOPs focused on processes under the Organisation Development functional area (8) or HRM (12).

In terms of the fulfilling of roles and responsibilities, the implication of this is that a significant portion of time and energy in those first years went towards making sure the CSC had clarified its own procedures before being able to offer and provide value-added services to clients. This distinction is important because it also speaks to the extent to which the CSC has been able to fulfil its conceptualised role as a service provider to client departments.

CSC as a "service provider"

One of the sources of tension between the CSC and departments rests in the nature of the relationship between the two and the philosophical underpinnings of the service relationship within the context of the South

¹⁷ The one SOP produced for another department was for Department of Transport and Public Works for an ad hoc process to administer subsidised public transport in December 2011.

African public service. Despite the fact that the SLAs, Service Schedules and SOPs identify and document the shared nature (at least to some degree) of the roles and responsibilities in nearly all instances, the establishment of the CSC has put an emphasis on the “service provider: client” relationship, in part because the terms of the SLA bar the departments from outsourcing any services offered by the CSC unless pre-approved with the CSC and have removed their capacity to internally undertake these functions (excepting where responsibilities are shared and mutually understood).

One respondent expressed what is perceived as the corporate principle of competitiveness that was introduced with the CSC, explaining this as follows:

“...even the name CSC, I think the disjuncture was also this is the public service, we have a particular way of working, and ethos of what service delivery should be. This idea of a business element drawn into it was maybe not managed properly with people understanding it... people didn’t understand why. You were also saying about departments having to pay for a service... now you become competitive instead of partners... that’s a problem dynamic... it’s not just communication around processes you follow but the ethos you’re trying to do.” – Focus Group 7

A number of respondents expressed a dissonance between the CSC as a “service provider” and their experience with its staff. They claimed that there was not a sufficient service orientation and that departments were not treated as “clients” whose interests (potentially at the expense of standardisation and good practice) were always upheld. Much of this dissonance centred around a perception that CSC staff do not understand client departments’ context and only in exceptional circumstances, or following the intervention of senior managers, make an attempt to. This theme came out repeatedly in the survey and across the qualitative data as the following quotes reflect:

“I don’t believe they knew the business of the department, notwithstanding engagements with them.” – Respondent 12

“[A CSC branch’s] people are too far removed from the line department’s core business and not having any context.” – Client survey respondent

However, there was also acknowledgement that senior management within the CSC are committed to better understanding departments and providing contextually informed services, only that this does not always manifest at service interface level. This should also be considered against later findings on responsiveness. The following quote expresses the solution-oriented approach of the CSC conveyed by some respondents:

“They are very solution focused at the top, but not at the bottom. Lower levels have less decision making power... the discretion is not there to solve things... [this results in] fighting between officials... As soon as it gets escalated, it gets sorted. We can talk. But at lower level, why is it not sorted there?” – Respondent 17

Nevertheless, some client department staff also claim to experience insufficient communication from the CSC which reflects poorly on the CSC

as a provider of “good service”. For instance, clients identified communication related to staff turnover and handover as a challenge and indicated that they do not always get the message when a CSC staff member, with whom they have been working, leaves or is reassigned to a different client department. This is particularly significant in relation to conceptualisations of “partnership” between the CSC and departments. A focus group participant explained how this phenomenon is experienced by departments:

“You get to know [a CSC staff member]. You like her... build a relationship, phone a lot, and then a month later her phone just rings... you email and get no reply... eventually after calling around you find out she’s been moved. There’s a void... and you have to find a new ‘buddy’” (Focus group 1).

This is indicative of the importance of maintaining relationships and suggests that the relationship also operates on mutually beneficial terms. Further, if there is a turnover or internal reallocation of CSC staff, clients understand that it may take a new CSC staff member some time to get to know their organisation well. Department respondents recognise that it takes time to get to know their business, and therefore “understanding your business... comes and goes in cycles linked to individuals”. But they do expect CSC team leaders to support the handover process and provide continuity in the interests of maintaining relationships.

Respondents also noted that there is a perception that some officials in the CSC don’t view themselves in a “service provider: client” relationship, or even a cooperative partnership, but instead as a higher authority. References were made to a perceived “police/watchdog role” and a refusal to “implement instructions of the client” on account of an elevated position. The following quote explains:

“Some department officials responded to corporate services as an authority figure, and have allowed CSC to instruct them beyond what they should. Sometimes CSC embraces that for its own convenience.” - Respondent 15

The differing nature of the CSC’s functions and services (ranging from transactional, to advisory services and specialist services) mean that there is inevitably a plurality of relationships, and differentiating these are critical to understanding how well roles and responsibilities have been implemented.

As discussed earlier, it is clear that the CSC’s function is partly one of aligning departments with transversal mandates, harmonising and standardising certain processes and developing transversal strategies and policies. As one CSC staff member put it, CSC officials are also “change leaders... [who] need to invest in departments to help them align to higher level strategies and objectives... a more conscious awareness of the CSC’s strategic role” (Focus Group 3). But the sentiments expressed in many focus groups and interviews suggest that the application of such standards and policies, unless very carefully approached by the CSC, can be misinterpreted as an effort simply to enforce rules. The quotes below show stakeholders insisting that the CSC’s work – even its application of transversal policies – must be done with recognition of departments’ mandates. There is a clear tension between the CSC’s mandate to improve

standardisation and departments' accountability for accomplishing their mandate efficiently and appropriately.

"CSC must be sensitive of the mandates that guide us and need to be sensitive to align continuously around that." - Focus Group 3

"You become the clerk running around to get docs that CSC wants. Become a response to the CSC. The decision must still be made by those who are paid to make the decisions." - Respondent 5

While rejecting the notion that departments should conform to policies that do not optimally serve their mandates, some senior managers do envision a stronger "expert consultant" role for the CSC, and would like better access to specialists who can advise them in complex situations. There were also perspectives that note the need for greater partnership and cooperation between the CSC and departments, portraying the relationship as one between equals who would like to mutually support another. The following quotes explain:

"[They need to be] thinking with HODs about why they're making changes in their departments. [For instance, if a Branch Head realised the workload] has picked up. Speak to HODs and consult. If it's a corporate shared service... joint responsibility but also responsibility about what is the service available, capacity available. They haven't understood [so] they go to Treasury and battle this issue. I would like to say we've analysed what you've said, help priority setting and... And also to say to HODs I don't have the money and be honest about challenges and constraints they're facing so that HODs understand." - Respondent 4

"It comes down to the people side. I'm not comfortable... comfort level of 5 or 6... not more than 70% at all comfortable. Because there's too many things changing all the time. Approaches, their views, and because I don't feel the value add. Yes I get the report on stuff every month, that doesn't help me, what are you doing to be my partner, help me tackle the difficult issues." - Respondent 12

A key finding arising from the qualitative engagements reflecting on the CSC's role as a "service provider" is that there is a multitude of understandings related to both the CSC's roles and responsibilities and a department's in terms of partnership, service provider: client and specialist authority on certain matters. Further, a recurring issue noted was that problematic engagements tended to occur at the lower level of operations and both good communication and a problem-solving approach that takes cognisance of the diverse contexts was perceived to be absent in many instances, except when matters were escalated to senior management.

Legal services

Not many clients indicated that they do not understand the distribution of responsibilities between the CSC staff and client departments (Figure 29), however relatively large proportions were neutral or "don't know" whether they understand these responsibilities. This is perhaps a result of the fact that Legal Services does not work closely with all staff that use their

services. There appears to be more certainty about the responsibilities of Litigation, which is a more visible service.

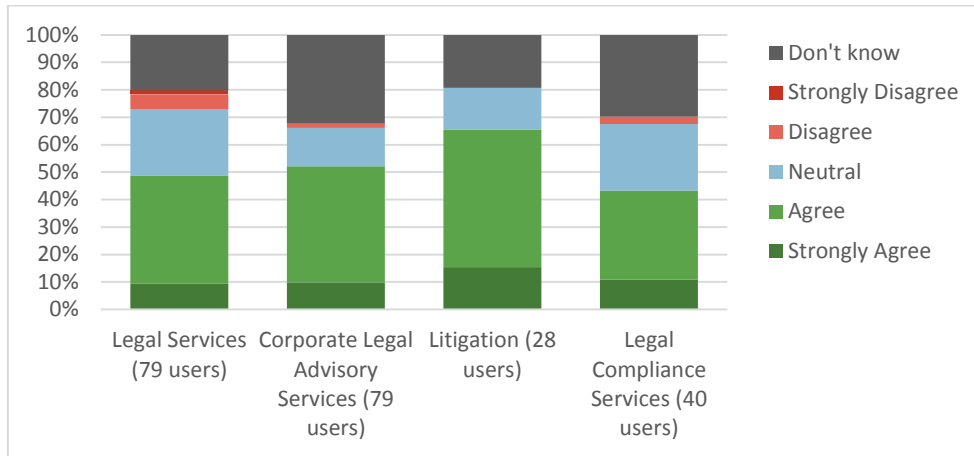


Figure 29. Client's reported agreement with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule."

Agreement with the statement, "I understand my department's obligations to the CSC as per the schedule" were near identical to this, for each line function (see Appendix).

In terms of actually fulfilling the responsibilities as distributed in the Service Schedule, about half of Legal Services own staff express the view that they are fulfilling theirs while a large proportion "don't know". In fact, Legal Services staff tend to be more certain that client departments are fulfilling their responsibilities, with 18 out of 23 strongly agreeing or agreeing with this statement.

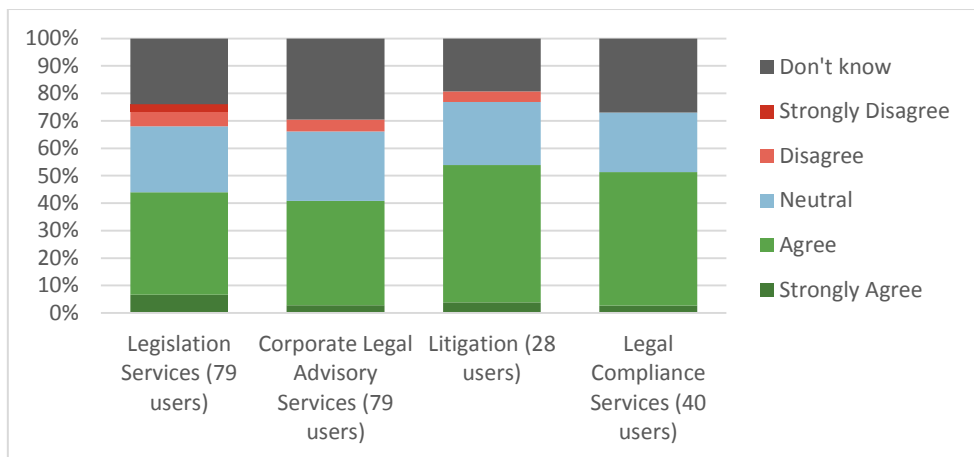


Figure 30. Client respondents' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"

Figure 30 shows that among client departments, too, about half of respondents agree that the CSC is fulfilling its Legal Services responsibilities while large portions indicate they "don't know". Legislation staff as well as Legislation service users indicated that adherence to timeframes for draft law comments are currently a challenge – a CSC staff member described it as a "huge challenge" to obtain consolidated comments from departments, despite the Directorate: Legislation's efforts in providing guidance and identifying contact persons within each departments; and a client flagged the short time frames that departments are given to provide comments as a

matter for urgent attention. Multiple clients were of the view that the timeframes for departments to provide comments to the Directorate: Legislation were short (noting that this would have implications for the overall turnaround time). As it stands, it was noted that “the shortened time periods to provide comments mean that all the potential impacts are not necessarily properly assessed within the department” and that this has implications for the departments successfully fulfilling their responsibilities in this regard. Suggestions for more face-to-face meetings were also motivated.

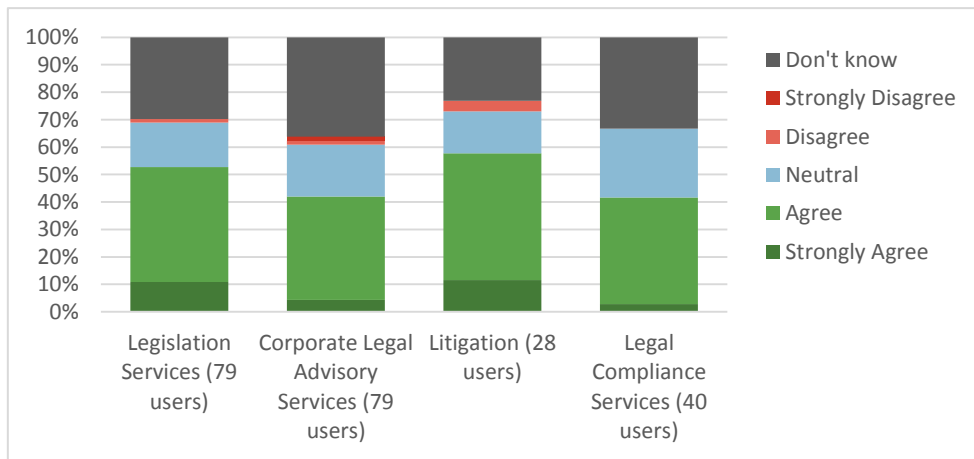


Figure 31: Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"

Even larger portions of clients “don’t know” whether their own departments are fulfilling their obligations as per the Service Schedule, but again, about half of clients agreed that their departments are fulfilling their obligations, with litigation clients agreeing at nearly 60%.

As shown in Figure 32 nearly half of Legal Services staff agree that the CSC is doing some of the work that client departments are obliged to do in terms of the Service Schedule. Only one survey respondent disagreed while just over half did not know, or are neutral towards the statement.

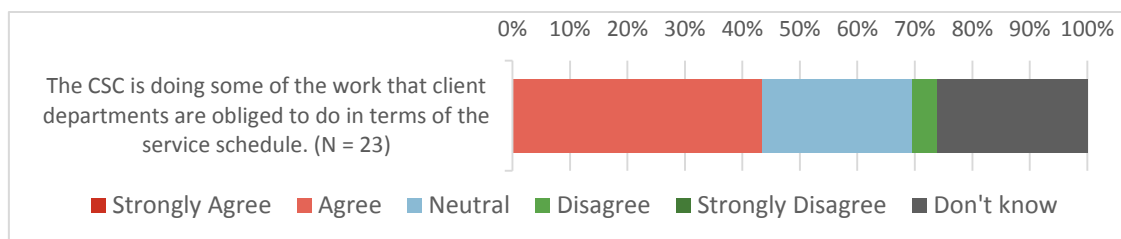


Figure 32. Legal Services staff agreement that the CSC is doing some of the work that client departments are obliged to do as per the Service Schedule¹⁸

Clients, for their part, are less inclined to believe that their department is doing some of the work that the CSC is obliged to do in terms of the Service Schedule. Agreement rates (coloured red in Figure 33) are lower at about 25% per line function, and a notable portion of respondents disagree.

¹⁸ It is important here to note the reversed colours – agreement with this statement indicates a problem and is therefore coloured red instead of green.

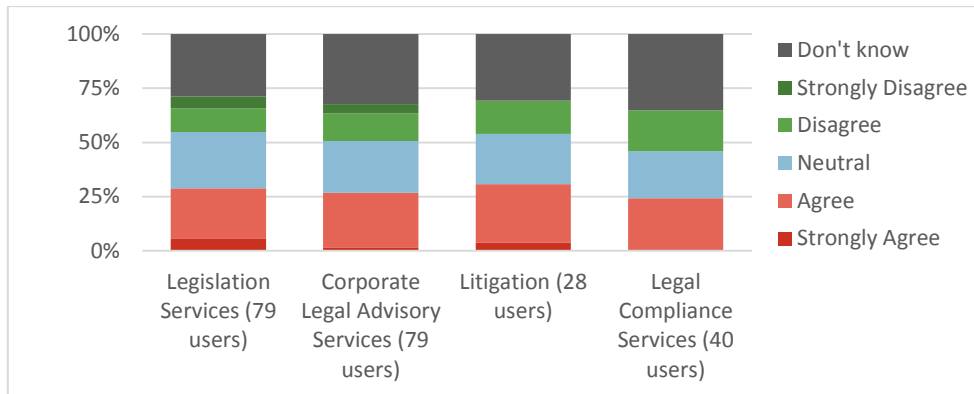


Figure 33. Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"

Across all the questions on Legal Services roles and responsibilities, "don't know" is a common response. There appears to be room for all parties to gain more clarity as to what is expected from each role player. This is reinforced by results in Figure 34 which show that unfamiliarity with the Service Schedule was one of the most commonly cited barriers to client departments fulfilling their responsibilities, rivalled only by a claim of inefficiency in processing in "things take long to be signed off"¹⁹. However, this could also be considered in relation to the earlier finding that some departments claim they have too short a time comment, while acknowledging that responsibility for sign-off may not be limited to only one role-player.

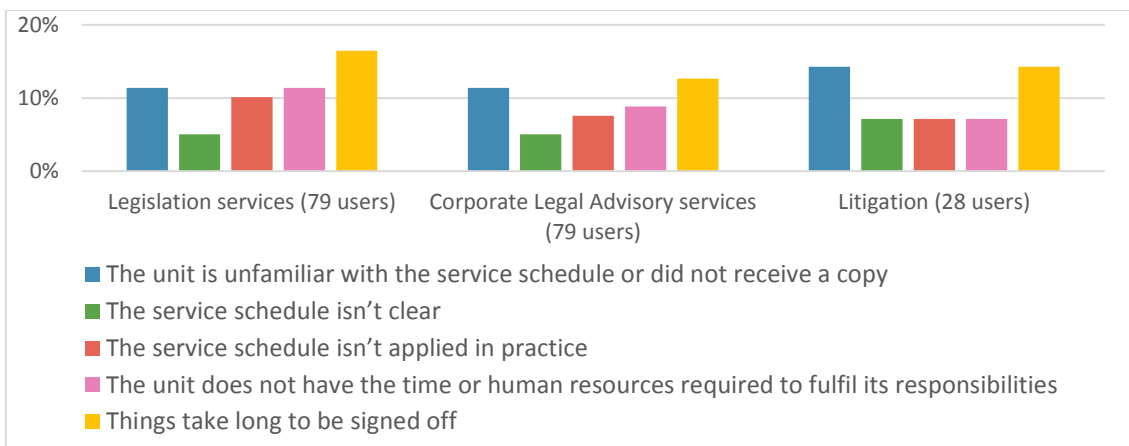


Figure 34. Client departments' barriers to fulfilling their Legal Services responsibilities

¹⁹ In interpreting Figure 34, it is important to bear in mind an error in how the survey was answered. The survey question was: "If you selected Disagree or Strongly Disagree for statement (e) above, which of the following are barriers to your unit's effective execution of its obligations with regard to this line function (select all that apply)?" In other words, the question should have been answered only by clients who "disagree" or "disagree strongly" with statement (e): "My department is fulfilling its obligations as set out in the Service Schedule for this line function." However, many respondents who did not disagree with statement (e) nevertheless answered the question on barriers. Figure 34 includes these respondents' answers. The most cited barriers can be compared to the less cited barriers, and tentative comparisons can be made across line functions. However it is not advised to attach meaning to the percentages in themselves (i.e. the fact that 10% and not 60% of service users cited a particular barrier).

On the whole, however, there is a finding that both parties are fulfilling their responsibilities, although CSC staff do express that they are fulfilling responsibilities of departments in a greater proportion. Combined with the relatively large percentage of “neutral” responses and minimal disagreeing responses the survey results indicate that Legal Services line functions are not a source of significant tension and disagreement amongst respondents.

All four Legal Services line functions were believed to be delivered at least “adequately” by the majority of client survey respondents (service users only) and DDGs/CDs. For all line functions, DDGs/CDs were slightly more critical of performance while a minority of all respondents indicated “poor” performance, with Corporate Legal Advisory Services and Legal Compliance areas with the most potential for improvement in the eyes of client department staff.

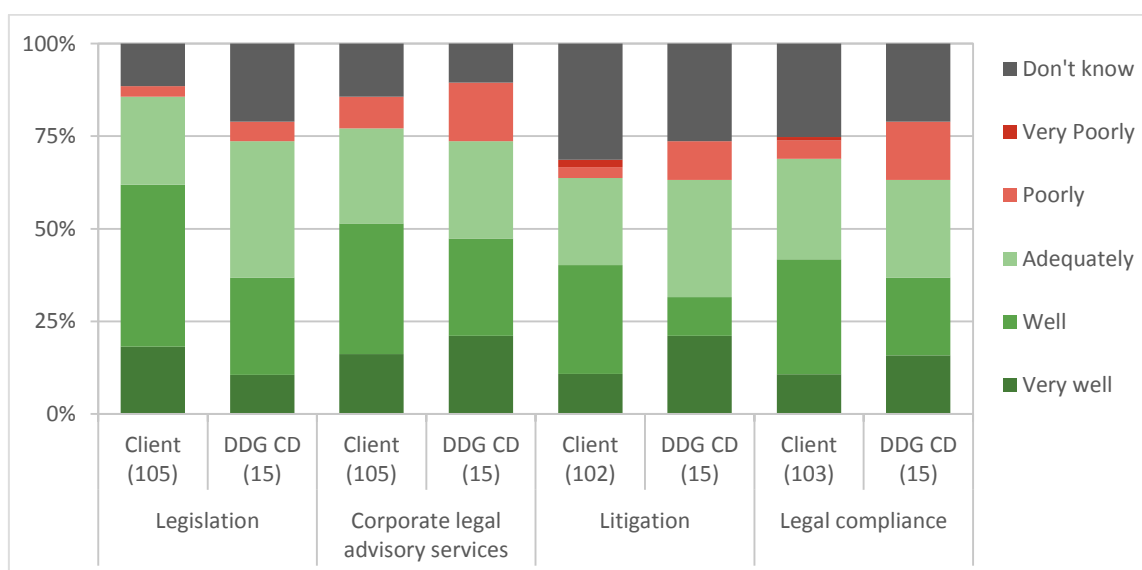


Figure 35. Clients and DDGs/CDs ratings of how well Legal Services line functions are currently being implemented by the CSC.

This positive perspective is reinforced by the qualitative results from interviews, focus groups and open survey questions. Legal Services is described as “absolutely brilliant... responsive, professional, very good... respond as fast as they can” (Respondent 26). Responsiveness was a key theme arising from the qualitative data in relation to Legal Services.

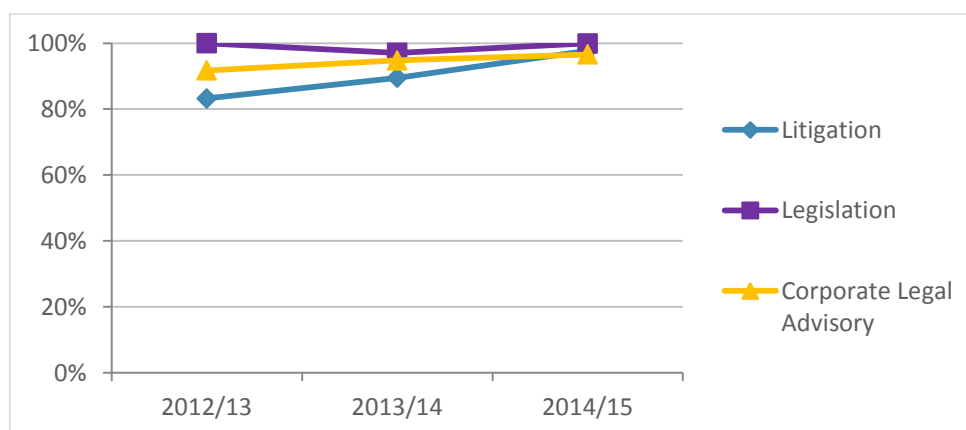


Figure 36: Legal Services overall performance of standards by line function according to CSC reporting

Using the CSC's own internal monitoring of its performance with the standard measures set out in the Service Schedules, Legal Services performance across its line functions²⁰ appears to be excellent. All composite measures near 100% achievement and the marginal trend has been towards improvement over the last three years. This would appear consistent with much of the qualitative data, although some challenges were noted by respondents.

The main challenge highlighted in qualitative results on Legal Services is capacity: stakeholders outside the CSC perceive problems firstly with the level of specialisation and skills of Legal Services staff, and secondly with the number of staff.

The matter of insufficient specialisation or an insufficient understanding of the legal context within which a particular department operates was mentioned as requiring "urgent attention" with regard to Litigation and Corporate Legal Advisory Services by a number of clients from different departments.

On the other hand, it is reasonable that Legal Services staff require guidance and cooperation from client departments in order to render a good service. A CSC staff member explained, using Legislation as an example:

"The most frustrating thing is... receiving detailed instructions. There's this myth that we should know everything. If they want a law on something, what must go into that law? It's policy driven. We don't develop policy. But they give us a one liner... but ... we can say it's in the competency of the province but we need details and then the pains start... staff, they get so frustrated the lengths they have to go to try and elicit information....then on the other side it causes frustration: 'why is Legal Services there then?' That's the biggest challenge in that relationship. [We host training on the legal process with client departments] to give some understanding on the process to build the thinking around these things, but it's very frustrating and demotivating for us." - Focus group 10

While there appears to be a need for better understanding on the part of clients and further specialisation on the part of Legal Services staff, an HOD who flagged this problem also added that the situation is gradually improving. Another respondent indicated it has been useful to assign legal practitioners to departments in whose field they have a particular interest (Respondent 30).

Legal Services staff are also aware that client departments expect faster turnaround times, but called for clients to be reasonable: "[Legal Compliance is a] new component, I think the roles and responsibilities there are not always clear for the client departments... there is huge demand for that unit... because they render a very good service and the more you get the more you want" (Focus Group 10). "Same for contracts, legal opinions,

²⁰ Note that performance data for the line functions only began being tracked on a uniform basis from 2012/13, a point addressed under the following section on implementation mechanisms. Also, note that legal compliance is missing on account it being a relatively new function for which there is not historical trend data.

it's always urgent... I mention this because now you have to maintain a level of professionalism, 'please furnish us with some detail'... huge challenge" (Focus Group 10). Thus on the CSC side, there was some concern that clients do not understand the limits of what Legal Services is responsible for and capable of doing – particularly in Legal Compliance which is a relatively new service – which leads to undue pressure on staff or disillusionment in the client.

The matter of an insufficient number of staff was raised frequently in the qualitative data. The problem is not limited to a single line function and under-staffing was noted, with acknowledgement that a micro-organisational review in 2016/17 is scheduled that will address capacity issues. Most clients that raised capacity went on by linking capacity it to perceived response and turnaround times (and reinforced in Figure 34), but these perceptions are countered by the CSC's internal monitoring.

Notably, despite these challenges, no respondents called for better or clearer communication from the branch: Legal Services. One HOD specifically pointed out: "they either have the capability to do something, and they say quickly 'we can do it in-house', or tell us there is a need to appoint [external] counsel."

Clients and staff alike appreciated that at a high level, the head of the Legal Services branch acts as first port of call to receive requests, clarifies the role and capacity of the branch if needed, and manages the delegation of the tasks within the branch as appropriate. It appears that friction and misunderstandings about Legal Services' capabilities are more common at the operational level and can be clarified with the support of top management.

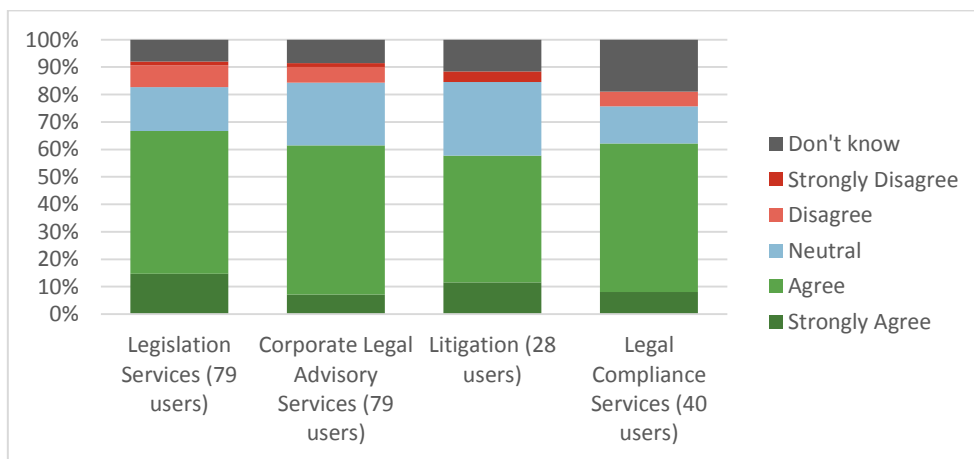


Figure 37. Legal Services clients' agreement with the statement: "CSC staff are responsive to my request to resolve challenges"

Finally, if there are challenges, the general view among clients is that Legal Services staff do respond to requests to resolve them, with about 60% of clients expressing agreement with this statement (Figure 37).

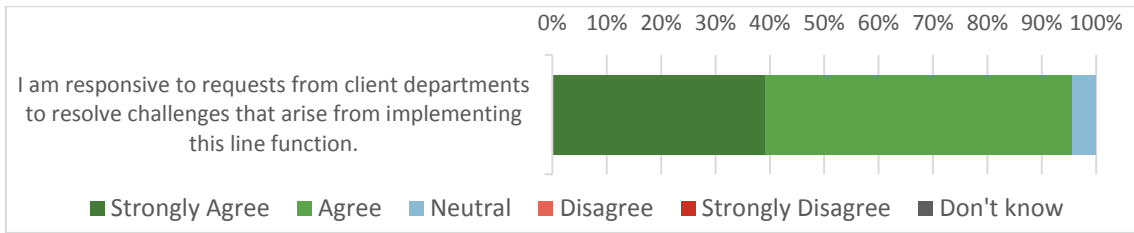


Figure 38. Legal Services staff's agreement that they are responsive to clients' requests to resolve challenges (N = 27).

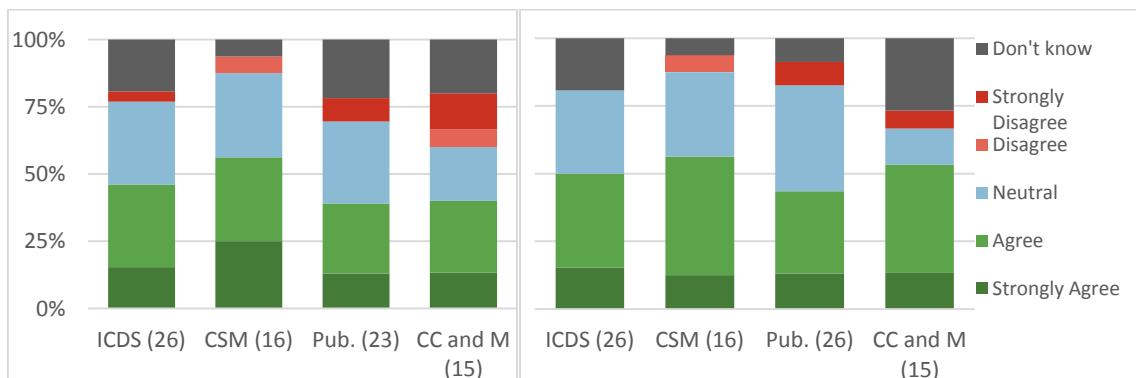
Among Legal Services staff, agreement was even higher (Figure 38). Legal Services staff are confident about their responsiveness to such requests, with 30% (9 out of 27) strongly agreeing that they are responsive and a further 48% (13 out of 27) agreeing.

Corporate communications

As described earlier, the corporatisation of communications entailed the moving of most, but not all, departmental communications staff to the CSC.

The client survey questions on this Directorate received a relatively small number of responses (see the "N" at the bottom of each bar for the number of responses). Nevertheless the general distribution of answers can be useful to consider. Only 4 Corporate Communications staff completed the staff questionnaire, and these results are mentioned in the discussion that follows but should be balanced with qualitative and other data.

Figure 39 shows that between 39% and 56% of service users agreed or strongly agreed that they understand the responsibilities of CSC staff as set out in the Service Schedule. Client-Service Management users appear to be more familiar with this Service Schedule, as only 1 Client-Service Management service user indicated that they "don't know". Out of the 15 clients using Content Creation and Management services, 1 disagreed and 2 strongly disagreed with the statement – this is not a high rate of disagreement, but is higher than for the other line functions. Among staff, all 4 respondents agreed that they understand the responsibilities of both the CSC and client departments as per the Service Schedule.



Abbreviations: ICDS: Internal Creative Design Services; CSM: Client-Service Management; Pub.: Publications; CC and M: Content Creation and Management. Figures in brackets indicate the number of responses (N-value).

Figure 39. Client agreement with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule"

Figure 40. Client agreement the statement: "I understand my departments obligations to the CSC as per the Service Schedule"

Clients are similarly confident that they understand their own departments' obligations to the CSC, with about half agreeing or strongly agreeing that they do (Figure 40). However a large section is neutral, especially in Publications. The rendering of Corporate Communications services are mostly channelled through departmental Heads of Communications (and their units). The "neutral" responses may reflect that other client department staff members are not overly concerned with understanding the Service Schedules, knowing they can rely on the support of departmental Heads of Communications if anything is unclear. Similarly a staff member in the Directorate: Corporate Communications indicated that they rely less on documentation and more on the liaison role of the Heads of Communication to communicate the details of client departments' roles.

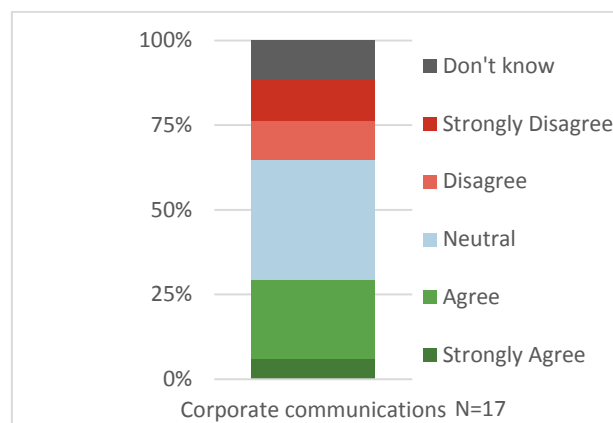


Figure 41. DDGs and CDs' agreement with the statement: "The latest Service Schedule is clearly understood by staff within my department" (N=17)

Among DDGs and CDs, opinion is more divided on the question of whether the Service Schedule is understood, with a higher rate of disagreement and lower rates of agreement. This may support the notion that not all senior managers buy into the role that the Directorate: Corporate Communications is meant to play. A Head of Communications in a client department explained how this can lead to misunderstandings and non-compliance:

"It is maybe not explained to general staff the role that Corporate Communications does. Everyone understands HR, but not everyone understands Corporate Communications. I have to explain to my senior managers who [the Director: Corporate Communications] is and why I have to check things with her."
 –Focus group 2

Other qualitative data supported the finding that HOCs at times feel conflicted between accounting to HODs within departments while simultaneously answering to the Director: Corporate Communications on matters where there may be a conflict between interests.

Moving on to whether the responsibilities and obligations as per the Service Schedule is adhered to in practice, about half of clients agree that CSC staff are fulfilling their responsibilities, while the other half are either "neutral" or "don't know". There is a very low rate of disagreement across line functions. On the part of the staff, while the response rate was too low to draw any reliable findings, all staff agreed that the CSC is fulfilling its responsibilities.

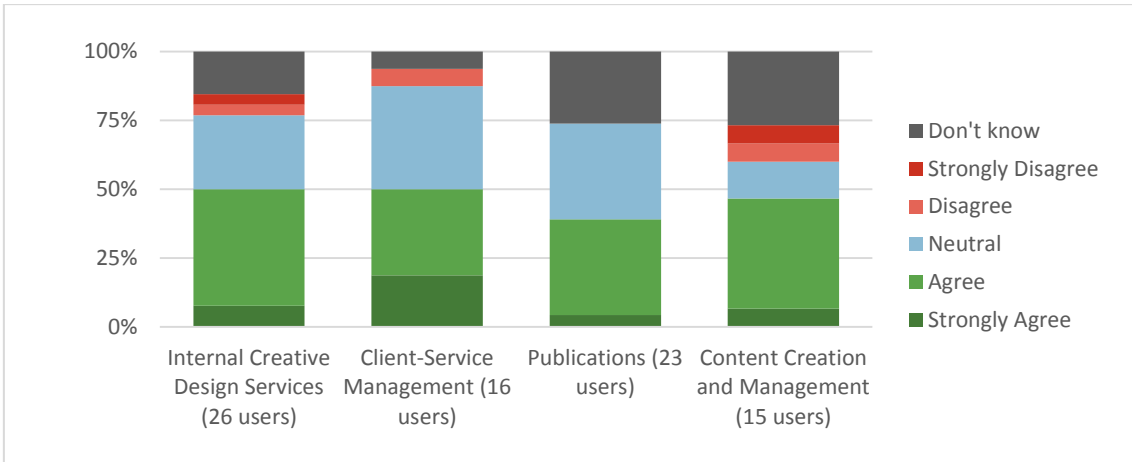


Figure 42. Clients' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"

Clients' responses on whether their own departments are fulfilling their obligations with regard to the CSC were similar. About half agree or strongly agree, with the remainder mostly responding "neutral" and "don't know". Staff agreed that clients are fulfilling their responsibilities on Publications, but disagreed that clients are fulfilling their responsibilities on Internal Creative Design Services.

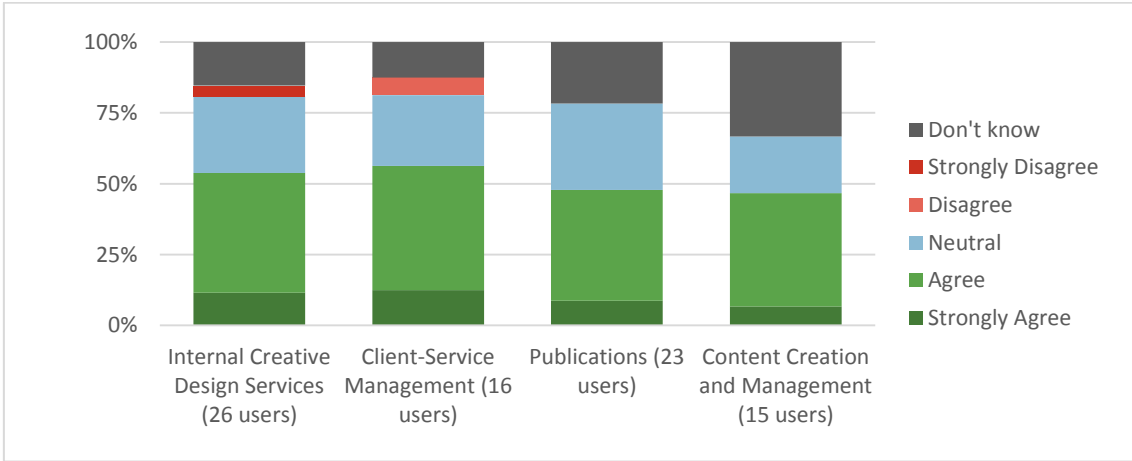


Figure 43. Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"

When it comes to the overlapping of roles – whether departments are performing some of the CSC's work - a considerable number of clients agree they are doing the work of the CSC, especially with regard to Internal Creative Design Services and Client-Service Management (note that the colours are reversed here – agreement with this statement suggests a problem, therefore agreement is coloured red). Across line functions there was a large section (between 37% and 43% per function) of neutral respondents on the question of whether their departments are doing work that the CSC is obliged to do. CSC staff on the other hand expressed agreement that the CSC is fulfilling some of the tasks that client departments should be doing with regard to Client Service Management and Content Creation and Management.

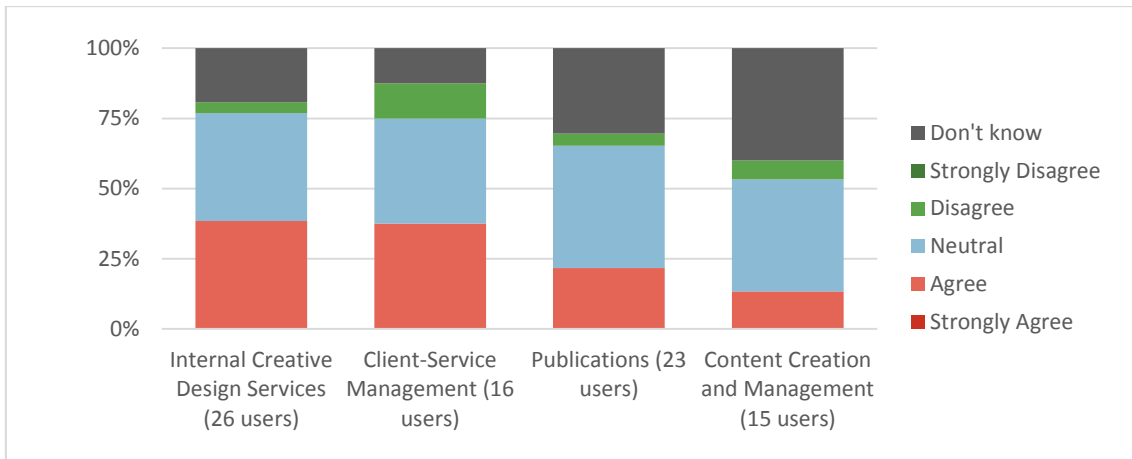


Figure 44: Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"

Taken together, the results suggest roles and responsibilities are not clearly separated, with client departments and staff sharing the workload as needed (a possible exception is Publications, which is largely performed by the CSC).

The quantitative findings above echo qualitative discussions of Corporate Communications roles and responsibilities. As described earlier, there was an expectation that a more comprehensive investigation of the roles of departmental communications staff would be conducted, so that capacity could be assigned to departments and the CSC appropriately. Client survey respondents cite budgets and staffing as matters that require urgent attention in this directorate. In the meantime, the roles assumed by departments and the CSC have been guided by the needs as they arise. This has included a gradually increasing complement of Communications staff in some departments and a tendency for departments to "make do" regardless of the formal distribution of roles and responsibilities. The following quote reflects the experience conveyed:

"Not their fault but they didn't foresee the amount of capacity needed in back office to deliver on that work. Total mismatch with demand and supply. Meantime, the departments just capacitated themselves. You can only wait so long, then you think things need to happen." –Focus group 2

As the above quote suggests, turnaround times are a source of tension with client departments. Qualitative data indicated that the CSC's limited number of staff is not the only problem, but that "clients put our staff under pressure because of very poor planning, and refuse to acknowledge the pressure they put our staff and clients under". This comment referred specifically to Client-Service Management.

A Head of Communications echoed the need to ensure clients throughout their department understand the scheduling of Corporate Communications requests:

"The problem is I think we know what's expected of us, the process. Not sure if it's written down, for me it works, in our unit it's a bit different. It's continuous education of how the process works, the timelines. Because [we're a] smaller communications

team as well, we can't turn out things very quickly, very reliant on [the Directorate] and get a good service there and it works. But people in our unit don't understand there's scheduling involved. So I understand fine but deeper in [my department] it's a bit watered down." (Focus Group 2)

There is a general critique that the CSC by its very nature has to deal with requests from multiple departments and therefore its priorities will sometimes differ from that of client departments. This is perhaps unavoidable given the CSC's design. However in the case of Corporate Communications there is a further, more specific critique. There is a sense that the directorate: Corporate Communications prioritises requests from DOTP before responding to those of other departments and may even reshuffle its schedule if an unexpected request comes from DOTP:

"the DOTP units expect to be helped first, and then it comes from DDGs, parachuting things in. That's how it works. They can't understand that there's a work schedule. They do know the Service Schedule and timelines, the units in DOTP. They say I'm in DOTP and you're in there, so you got to do it. Sometimes they go directly to the staff. And then you have to bump down a job."
-Focus group 2

Despite these concerns about the way Corporate Communications services are rendered, clients express a fair degree of agreement that the CSC's Corporate Communications staff are responsive to requests to resolve challenges as shown in Figure 45. In Client-Service Management, where the Directorate: Corporate Communications plays an intermediary role, clients expressed appreciation with a larger percentage strongly agreeing, while at the same time, nearly 20% disagreed.

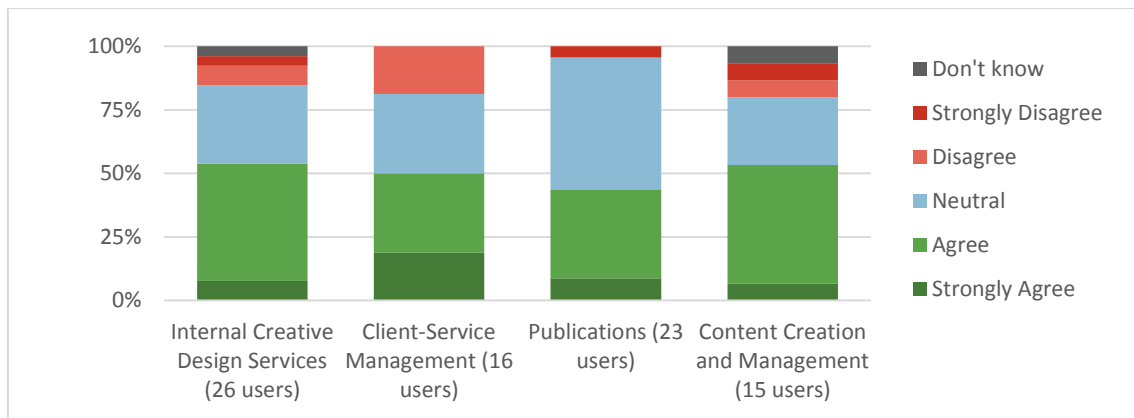


Figure 45. Corporate Communications clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"

While the Directorate: Corporate Communications is seen to be resource-constrained for design and content creation according to respondents, it has been visible and believed to be instrumental in improving the uniformity of the Western Cape Government's corporate identity. In some cases this is seen as necessary and appreciated as the following quote reflects an acknowledgement of the progress made in this area:

"Corporate identity... I think it's small but important, and I think it's taken a long time to land... taking us even longer to get it

right, pulled right through into practice in designing our [office spaces]" - Respondent 30

A counter theme that current Corporate Communications arrangements are prohibitive for departments to efficiently issue communications was expressed in client survey responses. Corporate Communications staff note that there is a perception that the CSC introduces another layer of bureaucracy or potential redundancy.

"There's still a bit of resistance... because [approval by the CSC adds] another cog in the wheel... so ... now we insist they have to adhere to our rules. Some departments are really excellent in adhering to our processes... others... you still find people emailing [material for approval by the CSC] directly. We follow process and refer it back to the HOC... I think people say they have a communication unit, why do they need someone on top of them?"
- Focus group 2

A further challenge in the implementation of Corporate Communications line functions lies in the positioning of the departmental Heads of Communications. As the discussion has already shown, Heads of Communications play a vital role in managing the relationship between the CSC and client departments. However, not all Heads of Communications are equally senior in their departments:

"They find sometimes communication is not placed high enough in their structures, don't report directly to the HOD, etc. So that can dilute what they need to do, can't put communication and authority where they need it, where they can't veto the logo, etc. So they have their own internal struggles people don't adhere to them..." -Focus group 2

This reinforces the need for senior managers, and not just Heads of Communications, to be better informed of the need and importance of the Directorate: Corporate Communications.

Despite these challenges, most DDGs/CDs as well as other client service users are satisfied that Corporate Communications line function is currently being implemented "adequately" by the CSC. At the same time, nearly a quarter of DDGs/CDs believe Corporate Communications is performing poorly, and a slightly smaller proportion amongst other clients.

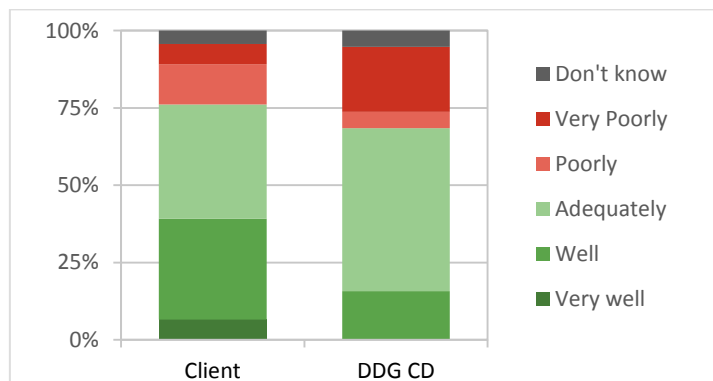


Figure 46. Clients' and DDG/CDs' ratings of the current implementation of Corporate Communications line functions by the CSC

Comparing these ratings with the CSC’s self-reporting on Corporate Communications based on its Service Schedule standards via a composite indicator, there is a serious disjuncture between external ratings of its implementation of functions and its own performance reporting (98.7%; 94.8%; 92%) over 2012/13-2014/15. The qualitative data has highlighted where some of these issues may reside, but another possible explanation for this may be linked to the formulation of standard measures and will be discussed in the later section on implementation mechanisms.

Corporate assurance

The role of Corporate Assurance, as per its line functions, is relatively clear. Among CDs and DDGs, there were few who disagree that their staff understand the latest Corporate Assurance Service Schedule. However, a large section were neutral or indicated that they “don’t know”. This suggests that while the roles and responsibilities set out in the Service Schedule are not a point of contention, there is a low level of awareness of this Service Schedule, or limited discussion of it between CDs / DDGs and staff. The “neutral” respondents are a particularly large proportion for Forensic Services. This may be simply because when it comes to responding to alleged fraud, theft or corruption, Provincial Forensic Services (PFS)²¹ are normally required to report to the accounting officer directly and thus would have limited contact with other staff in client departments. Others will mostly have occasional contact with PFS through its forensic education and fraud prevention initiatives but might not refer to the Service Schedule when engaging at that level.

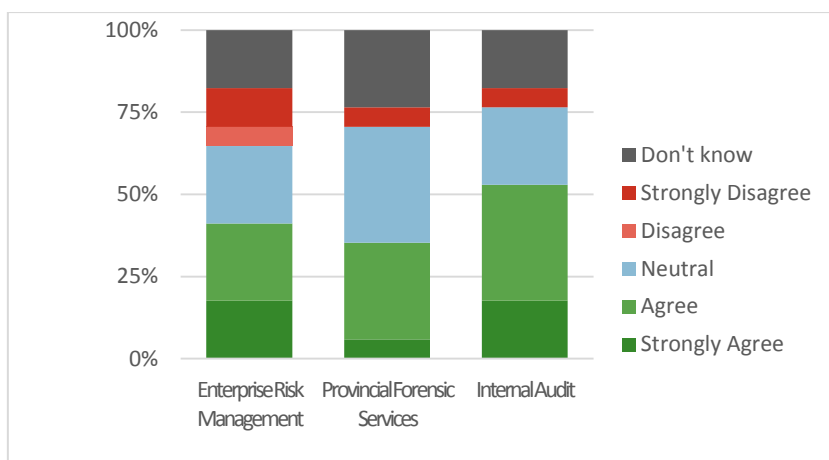


Figure 47. DDGs' and CDs' agreement with the statement: "The latest Service Schedule is clearly understood by staff within my department" (N=17)

As shown in Figure 48 and Figure 49, respondents to the Client Survey are more comfortable than DDGs and CDs with their level of understanding of Corporate Assurance roles and responsibilities. Compared to other line functions of the CSC, these are the highest rates of agreement among clients that they understand their own as well as the CSC’s responsibilities and obligations, with the exception of Litigation in Legal Services.

²¹ It is noted that Forensic Investigation Unit (FIU) was the name of the structure prior and during outsourcing but that this changed to Provincial Forensic Services (PFS) after re-establishing internally.

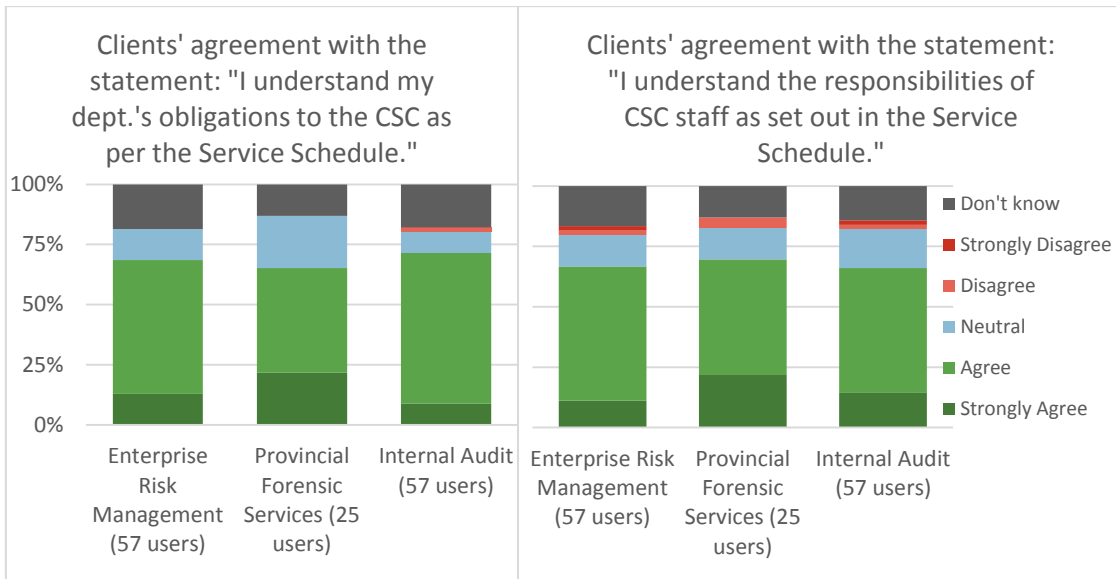


Figure 48. Client respondents' agreement with the statement: "I understand my departments obligations to the CSC as per the Service Schedule"

Figure 49. Client respondents' agreements with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule"

Corporate Assurance staff, who answered questions only about their own line function, expressed high levels of agreement that they understand the CSC's responsibilities as well as that of client departments (Figure 50). There was slightly more uncertainty as to the responsibilities of client departments, with 4 respondents out of 22 being "neutral" and 2 indicating that they "don't know". Still there was widespread agreement among Corporate Assurance staff on both these statements.

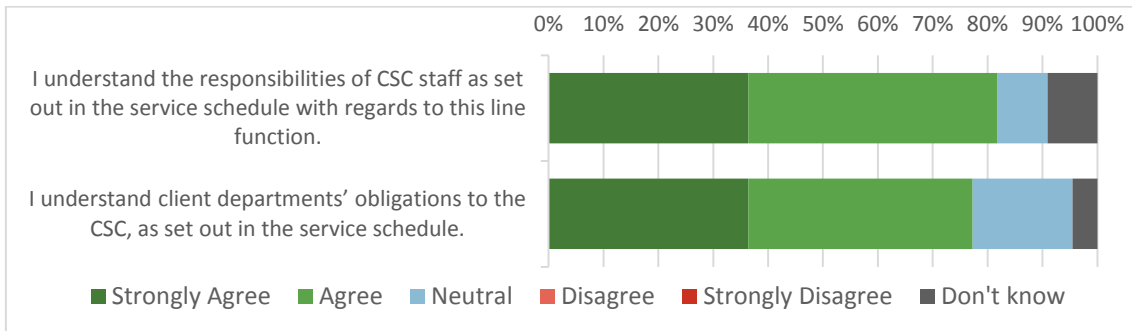


Figure 50. Corporate Assurance staff's agreement that they understand the distribution of their line function responsibilities (N = 22)

The mostly affirmative responses from both clients and staff on the understanding of their responsibilities can be attributed not only to the Service Schedules but also to other documents and activities that have sought to delineate these responsibilities. In the ERM space the ERM Policy Statement and the recent revision/publishing of each departmental ERMCO's ToR will have supported (at least for ERMCO members) the increasing clarity that comes from participating in the annual process of identifying, managing and reporting on risks in collaboration with the CSC. In the Internal Audit Space the CSC has recently (2014) reviewed its Internal Audit Charter and had it approved by the WCG Audit Committees. These documents align to, but go into more detail on, the responsibilities

and obligations as set out in the Service Schedules. Stakeholders who were involved in their revision would have had the opportunity to discuss these in more detail.

Moving on to whether Corporate Assurance staff are fulfilling their responsibilities, over 90% of staff expressed agreement that they are doing so. Nearly 60% of staff also strongly agreed or agreed that client departments are fulfilling their responsibilities, although here a larger portion (nearly 30%) were neutral. Upon further analysis, most of the “neutral” responses were from staff working in Internal Audit. The low rate of disagreement suggests that while staff may not be convinced that client departments are fulfilling all their responsibilities, it is a minority who disagree.

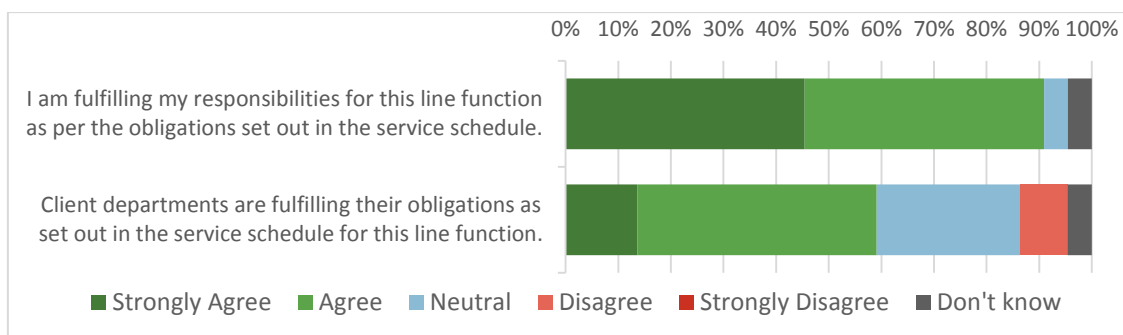


Figure 51. Corporate Assurance staff's agreement that responsibilities are being fulfilled (N=22)

Clients also largely agree that CSC staff are fulfilling their responsibilities. Responses regarding ERM and Internal Audit are virtually identically distributed with nearly 75% in agreement, 1% in disagreement, and the remainder split between “neutral” and “don't know”. Again a somewhat larger percentage is “neutral” when it comes to Provincial Forensics – which is not an on-going service. The nature and circumstances around which PFS are required may also contribute to this variance as compared to the other line functions.

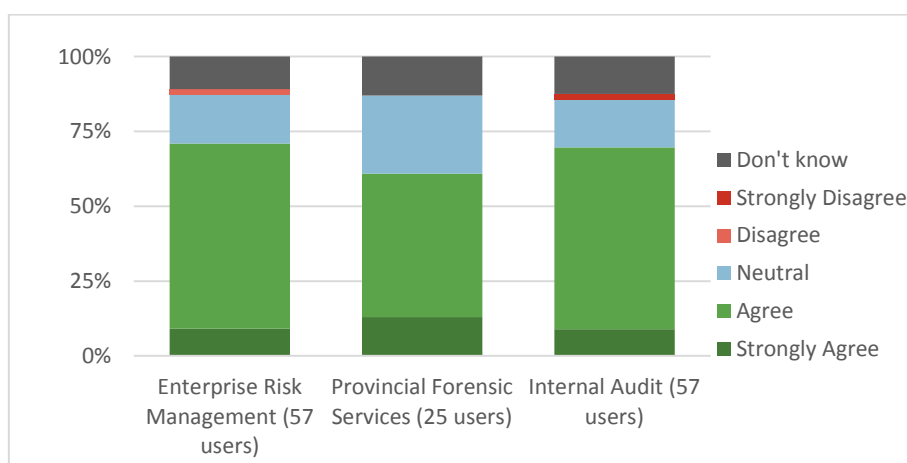


Figure 52. Clients' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"

Clients are also mostly in agreement that their own departments are fulfilling their obligations (Figure 53), although for ERM the agreement is

slightly lower here than in Figure 52. This is a very small difference but it may hint at clients' own perception that there is room for departments to take greater ownership of ERM, as discussed below.

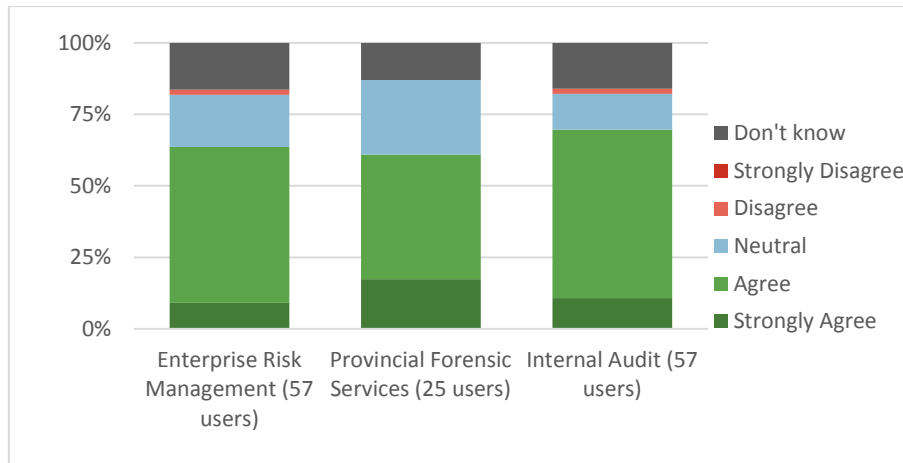


Figure 53. Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"

Quite a large percentage of clients believe that their departments are doing some work that the CSC is obliged to do. In the case of ERM and Internal Audit there are also small sections (about 13%) that disagree. Again a very large percentage is neutral with regard to Forensics, reinforcing the notion that these are the respondents who have not yet worked closely with this unit.

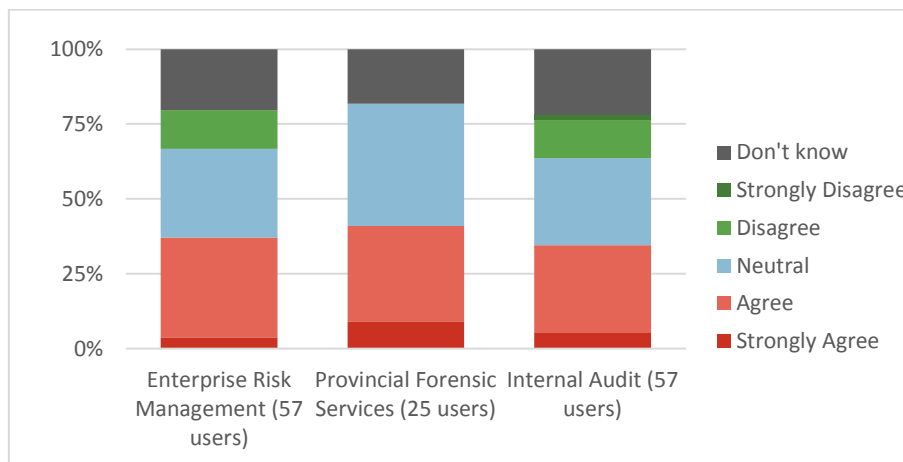


Figure 54. Clients' agreement with the statement: "My department is doing some of the work that the CSC is obliged to do in terms of the Service Schedule"

About 41% of CSC staff also agree that this is the case for their line function. Further analysis reveals that each line function's staff is divided on this topic. Taken with the views of clients above, these results suggest that there is some perceived overlap of tasks and that a portion of stakeholders feel strongly that they are doing work that should be performed by the other party as per the terms of the Service Schedule.

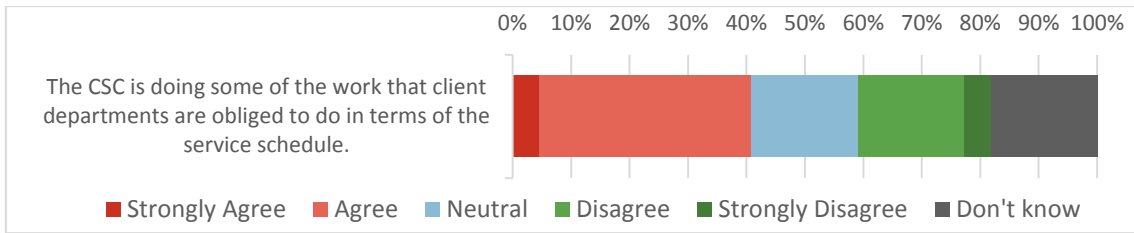


Figure 55. Corporate Assurance Staff's agreement that the CSC is doing some work that client departments should be doing (N = 22).

Overall ratings of how well Corporate Assurance services are currently being delivered are shown in Figure 56. It shows positive evaluations of Internal Audit from nearly half of DDGs and CDs, as well as nearly half of other client respondents. Taking into account the sections of respondents who rated implementation at least "adequate", 72% of CDs and DDGs and 82% of clients are satisfied with Internal Audit.

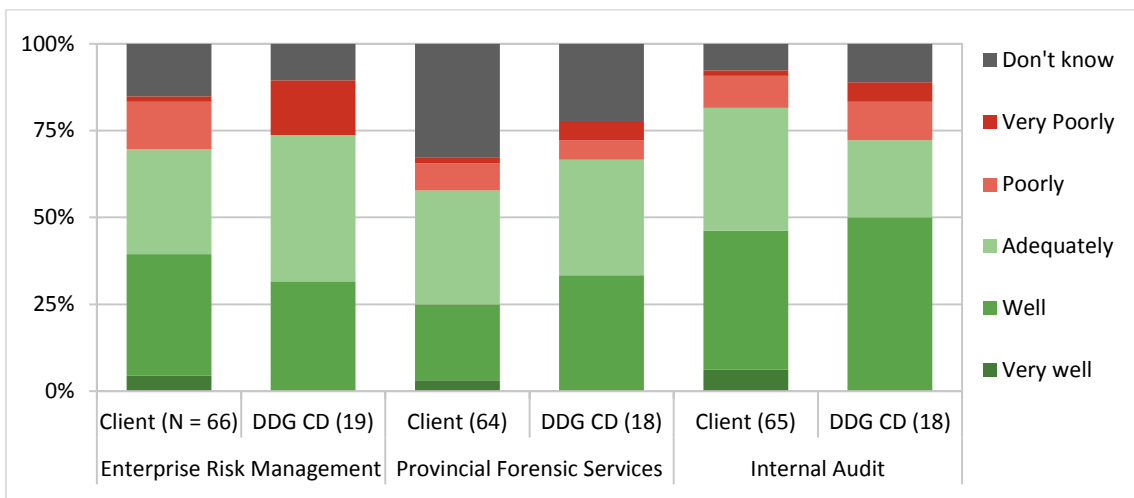


Figure 56. DDG/CDs' and Corporate Assurance Clients' ratings of the current implementation of Corporate Assurance line functions by the CSC

Forensic Services stands out from the proportion of respondents from both clients and DDGs/CDs who don't know how well the function is being implemented. Although there are proportionally lower percentages that describe it as "adequate" or better, there are also few who believe it is being implemented poorly. Considering the recent commencement of full insourcing of the Forensic Services function, its internal performance trajectory against standards (see Figure 57), and qualitative descriptions of the function, it is apparent that this function is still consolidating its role, but that improvements are being achieved.

ERM had proportionally more "very poor" ratings amongst DDGs/CDs. Nearly 70% of client survey respondents and over 70% of DDGs/CDs still gave an adequate rating of performance or above. A notably large set of "adequate" accompanied by a large set of "very poorly" ratings came from DDGs/CDs regarding ERM.

Several stakeholders have mentioned that problems faced earlier in the life of the Internal Audit unit were resolved, identifying a tendency over time to "sort it out". This appears consistent with the internal performance reporting of the CSC documented in Figure 57. Whereas according to this

graph ERM has consistently performed near excellent, while both Internal Audit and Forensic Services have a sharp improvement trajectory over the previous three years.

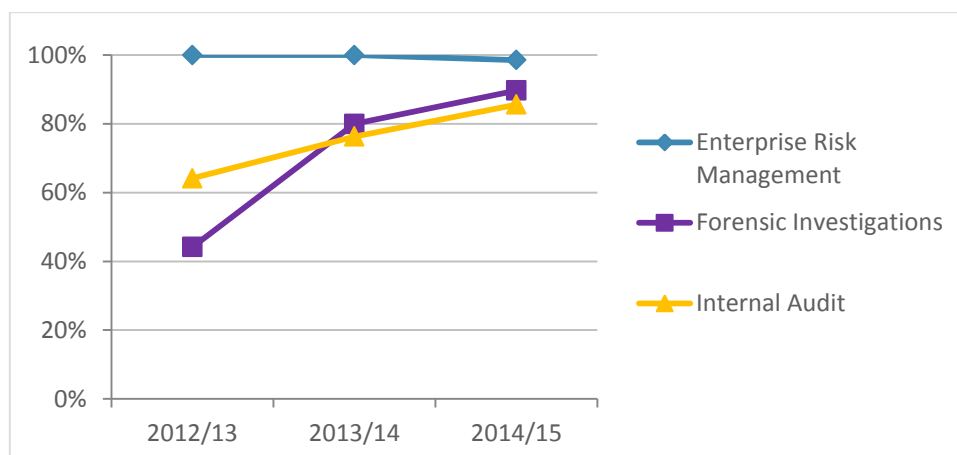


Figure 57: Corporate Assurance overall performance against standards by line function according to CSC reporting

Some stakeholders also believe that an effective working relationship between the Internal Audit staff and departmental Internal Control Units (ICUs) have supported the fulfilment of responsibilities in this regard. In some departments these units are close to the Internal Audit process, for instance attending the normal IA progress meetings, which is likely to support alignment where the work of the ICUs have relevance for the function. The recent promulgation of the Combined Assurance Framework describes the role of ICUs in relation to IA and other assurance providers which should further support coordination between IA's and other assurance providers' responsibilities.

The results of an Internal Audit Quality Assurance Review undertaken by PwC (2014) further confirms that the Internal Audit function is now meeting standards for Internal Audit practice. Table 6 demonstrates that WCG Internal Audit generally conforms to the Standards for Professional Practice of Internal Auditing, only noting two areas in which it partially conforms (Independence and Objectives²²; as well as Quality Assurance and Improvement Programme²³), whereas all other areas generally conform.

²² The report did not identify any independence concerns, but nonetheless recommended that the organisational positioning of the Chief Audit Executive (CAE) should be at the DDG level and that a policy and standard operating procedure should be developed to cover all aspects of independence. The Management Response indicated how it would act on both these recommendations and set the target date for 31 March 2015.

²³ The review made recommendations regarding the Quality Assurance and Improvement Plan (QAIP) including expanding the QAIP team, formal approval by the CAE of the annual QAIP plan and quality assurance timelines, reporting of QAIP results not only to IA senior management but also to the Audit Committee and Accounting Officers. The Management Response indicated that IA Management would implement these recommendations (for the expansion of the QAIP team this would entail escalating the proposal to the DotP Exco for consideration).

Standards	Rating
Attribute	
1000 – Purpose, Authority and Responsibility (Charter)	GC
1100 – Independence and Objectivity	PC
1200 – Proficiency and Due Professional Care	GC
1300 – Quality Assurance and Improvement Programme	PC
Performance	
2000 – Managing the Internal Audit Activity	GC
2100 – Nature of Work	GC
2200 – Engagement Planning	GC
2300 – Performing the Engagement	GC
2400 – Communicating Results	GC
2500 – Monitoring Progress	GC
2600 – Communicating the Acceptance of Risks	GC

Key

GC	Generally conforms
PC	Partially conforms
DNC	Does not conform

Table 6: Internal Audit Quality Assurance Review (PwC, 2014:9)

The PwC Quality Assurance Review noted that the Internal Audit function demonstrated high-performance in four areas relevant to roles and responsibilities:

- IA demonstrates strong foundational capabilities from which to make further incremental improvements;
- IA coordinates governance, risk and compliance activities well;
- IA incorporates emerging risks more effectively into audit areas; and
- IA partners with those they serve in a proactive manner (PwC, 2014: 12)

Notwithstanding the above, Internal Audit has struggled with capacity. The Annual Report 2011/12 (DOTP, 2012) notes that the issue was raised by SCOPA as a concern and subsequent annual reporting highlighted “the current capacity does not allow for the full execution of the mandate as captured in the legislative framework” (DOTP, 2014). Despite these capacity limitations, the evidence suggests that roles and responsibilities for IA have been increasingly taken on and that progress has been made despite capacity limitations.

The recent internal audit review of the Enterprise Risk Management process included in the DOTP Internal Audit plan for 2014/15 outsourced to KPMG (2015) supports clients’ notions that there is room for improvement in the implementation of ERM. It indicates that the ERM policy, strategy, and implementation plans are compliant with the National Treasury Public Sector

Risk Management Framework (with minor policy enhancements). However the embedding of risk management varies between departments “based on their understanding and buy-in of the process”.

As mentioned earlier, the Service Schedules, ERM Policy Statement and other documents describes who should take responsibility for “embedding” risk management in departments. On the departments’ side, Risk Management should be an integrated part of everyday management for Accounting Officers and all staff depending on their responsibilities. On the CSC’s side, the Chief Risk Officer (i.e. the D: ERM) is responsible for systems, tools, frameworks, training, etc, to ensure, support and drive this in departments. Effectively, therefore, the responsibility for ensuring that departments understand and buy into ERM is shared. The interviews and focus groups conducted for this evaluation suggest that in practice it has been a challenging process to work out the implications of this and what can then be expected of departments and what of the CSC in order to support growing maturity of ERM in the WCG.

KPMG’s (2015) finding that there is still room for better embedding of risk was echoed by stakeholders participating in this evaluation – both in the CSC and in departments. A number of departmental stakeholders perceive ERM (as promoted by the CSC and implemented by their own departments) to be mostly a compliance exercise that stops short of being the kind of strategic activity that they believe departments require (and the ERM Policy Statement and other documents envision). CSC staff also perceive that ERM has not been “embraced” and “embedded” in departments as intended, and suggest this has to do with how departments prioritise and interpret existing guidance. One staff member also attributed the challenge to design, i.e. the corporatisation of some ERM functions makes it easy to misconstrue ERM as being mostly the responsibility of the CSC when this is a shared responsibility.

Several focus group participants from different client departments attributed the challenges with getting their departments to embed ERM into day-to-day management to what they described as the changing ERM methodologies or changing approaches to ERM over the past few years. Instead it appears that departmental stakeholders who engage with the CSC’s ERM unit perceived significant changes in emphasis at the time of the initial shift (from Treasury’s guidance to departments before corporatisation to the CSC’s approach); and then subsequently when there was a change in the ERM unit’s leadership. In some departments these perceived changes may have disrupted the process of taking ownership of the risk management process as they were beginning to understand it, thus disrupting an embedding of responsibility and ownership.

Another key part of the difficulty for departments to internalise ERM is the need to find the resources to devote to this process. While the ERM Policy Statement (2012) emphasises that “risk management is a core business skill” and should be actualised “as an integral part of day to day activities” there are nonetheless perceptions that the loss of ERM staff and funding reduced departments’ resourcing for risk management and that this could not simply be absorbed by assigning it to managers as part of their day to day activities. Accounts were received of departments appointing additional staff to address risk and support IA.

While Risk Champions in departments appear to work well as contact persons and drivers for the risk agenda, when these individuals take responsibility for something, there are also time and resource implications. These and other instances suggest that some departments experienced a real demand for someone to devote time to departmental risk management (not merely each manager in their own line function).

The one ERM responsibility that is non-managerial (thus outside the principle of integrating ERM into managers' regular activities) and is expected to be performed by departments is the secretariat functions of the departmental ERMCO. ERMCOs are internal departmental committees but several client departments object to needing to fulfil secretariat functions for these seeing that they gave up any ERM administrative capacity they had at the time of corporatisation. This function was originally envisaged as something that would be assigned to CRUs, but since CRUs have come to focus almost exclusively on HRM, departments have needed to fulfil it using other staff.²⁴

The challenge with internalising and the resourcing of ERM is not only capacity (availability and time) of the existing managers and staff, but also their expertise. Some respondents expressed a concern that they do not (or no longer) have the requisite expertise for risk management. The ERM Service Schedule indicates the responsibilities of departments and the CSC with regards to ERM training needs and planning. It makes it clear that the D: ERM will support departments and provide specific agreed training, but that departments must pro-actively and consultatively identify their own training needs. It does not commit the CSC to paying for any required training that it cannot provide in-house or through PTE. While some departments might not have commented on this because they don't have a problem in this regard, respondents from three departments in different ways implied that their departments had initially expected more support and/or funds to build their ERM capacity.

Taken together, these experiences suggest that it was not initially clear to departments exactly which ERM responsibilities would still rest with departments after corporatisation. Over time departmental stakeholders came to the realisation that for them to implement ERM effectively in cooperation with the CSC, there are resource implications, but given the initial lack of clarity departments did not plan appropriately for this. They have had to react to the need for resources and expertise when it was recognised.

Despite challenges with resourcing and the perceived change in approach, many senior managers and clients have positive views on the working relationship with the directorate and there was a prevalent theme that the CSC's implementation of ERM has improved over time. Furthermore, not a single client who makes use of ERM services disagreed that CSC staff are responsive to requests to resolve challenges (Figure 58).

²⁴ It is striking that none of the departmental respondents who mentioned the ERMCO secretariat functions added that they understood it originally to have been a CRU function. Among CRUs only the Provincial Treasury submission included mention that the CRU is involved with ERMCO (attending meetings and submitting a report on PMP risks).

While departments are constrained in terms of resources for ERM, there are also concerns about the CSC's own ERM resourcing. The drastically reduced staffing complement that this unit started with, as discussed in the section on its establishment, has still not been significantly augmented. In line with the integration of ERM into management it may be argued that the CSC should take a more strategic and consultative role that requires a few experts instead of a larger team of implementers. A number of clients believe the CSC could support them better if its staff were up-skilled or augmented with more experienced staff, while within the CSC there are varied perspectives on what type of capacity constraint there is and how it should be addressed. The Service Schedules' service standards are apparently fully attainable within the confines of the unit's current capacity since it has maintained a near-perfect score on the Dashboard. This may well speak to the output-driven nature of the service standards which do not give much weight perceptions of the quality of implementation. The varied interpretations of what exactly ERM's resource constraints are and how they can best be addressed will require further investigation.

Forensic services is considered to be in the process of consolidating its function on account of the recent end of outsourcing, but qualitative data and CSC internal monitoring suggest that it is currently considered to be executing its responsibilities and obligations appropriately.

Across both client and Corporate Assurance staff (graph not featured), there was no disagreement that CSC staff are responsive to such requests to resolve challenges. Ten out of 22 CSC staff strongly agreed and a further 10 agreed with this statement, while the following figure illustrates that not a single client indicated that any of the Corporate Assurance line functions are not responsive.

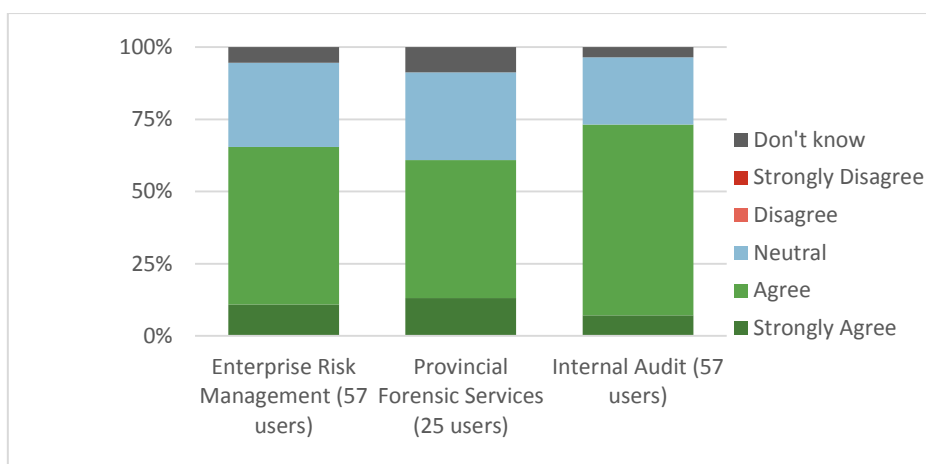


Figure 58. Corporate Assurance clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"

Thus across the area of Corporate Assurance, unlike with some of the other line functions, data suggests that both clients and CSC staff believe there are no impediments to resolving challenges. The execution of responsibilities are believed to be rendered relatively well, despite the challenges associated with the resourcing of ERM and IA and experiences of disruption associated with transition and perceived changes to risk management methodology. Initial misunderstandings regarding the responsibilities of client departments for ERM have been clarified, although

there is still a perception that departments were deprived of the resources they would have expected to use for these responsibilities. Multiple stakeholders report that there is now a cooperative relationship between the CSC and client departments and a high level of willingness to resolve challenges that arise.

ICT (Ce-I)

As discussed earlier, the Ce-I modernisation blueprint aimed to address challenges identified within the already corporatized Ce-I. One such challenge was the confusion over the roles and responsibilities for ICT In departments. While the establishment of the CSC did not see significant restructuring of the Ce-I, it did feature a significant allocation of resources for Ce-I to play a greater enabling role with the ICT function (WCG, 2009b).

The quantitative results discussed below suggest that while client departments may not always be closely familiar with the roles and responsibilities as set out in the Service Schedules related to ICT, there is not considerable disagreement over the delineation of work between them and the Ce-I, even if they are not entirely clear on the distribution of roles and responsibilities.

In the DDG and CD survey, respondents were mostly neutral about their departments' understanding of the Service Schedule. There were only minor disagreements around ICT Operational Services (2 respondents disagreed or disagreed strongly), Leadership & governance (1) and Infrastructure (1).

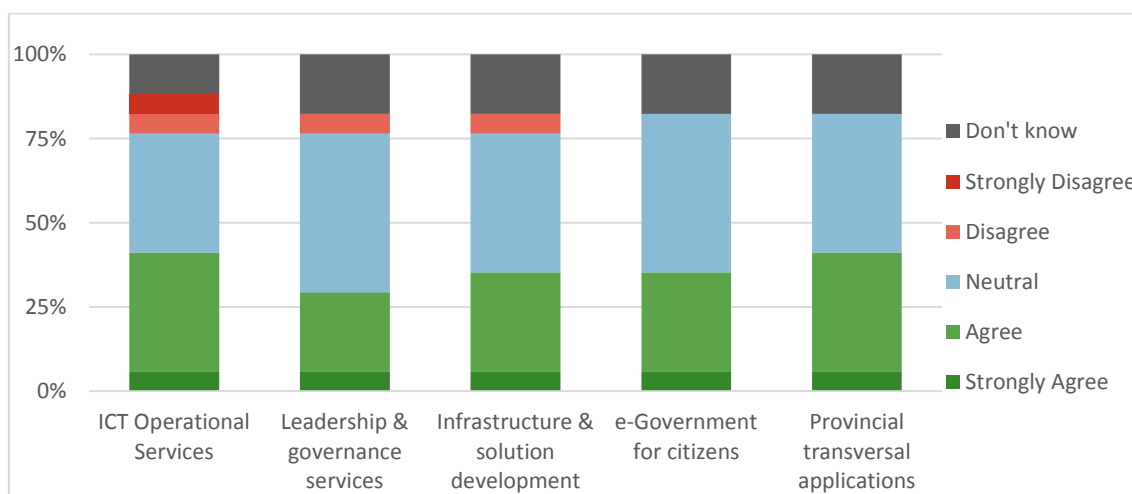


Figure 59. CD and DDG agreement with the statement that: "The latest Service Schedule is clearly understood by staff within my department" (N=17)

Client survey respondents expressed somewhat more confidence. About half of respondents agreed that they understand the responsibilities of CSC staff, with an additional 20-31% of respondents neutral (Figure 60).

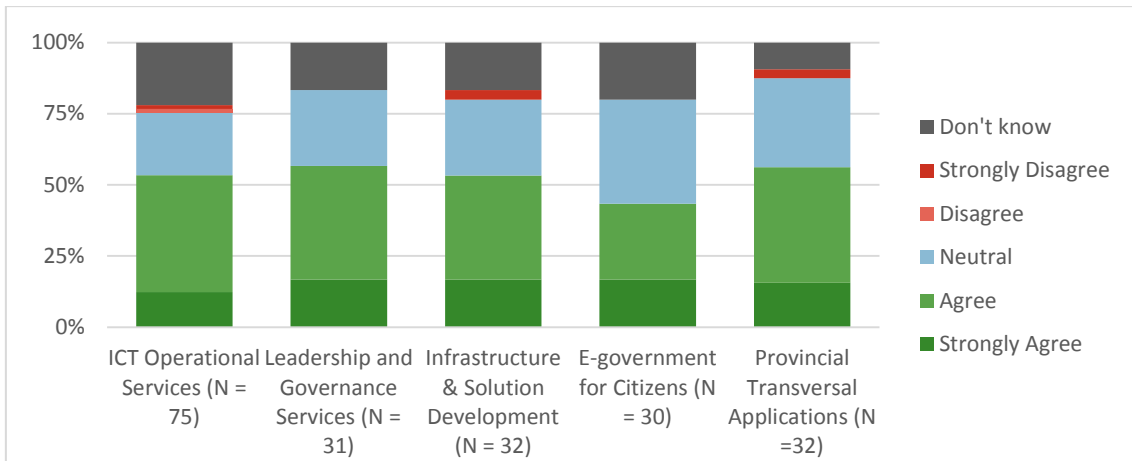


Figure 60. Clients' agreement with the statement: "I understand the responsibilities of CSC staff as set out in the Service Schedule"

Clients' responses regarding their understanding of their departments' obligations to the CSC were nearly identical (Figure 61). In each case, there was minimal disagreement with the statement, with a maximum of 2 individuals expressing disagreement with the statement per line function.

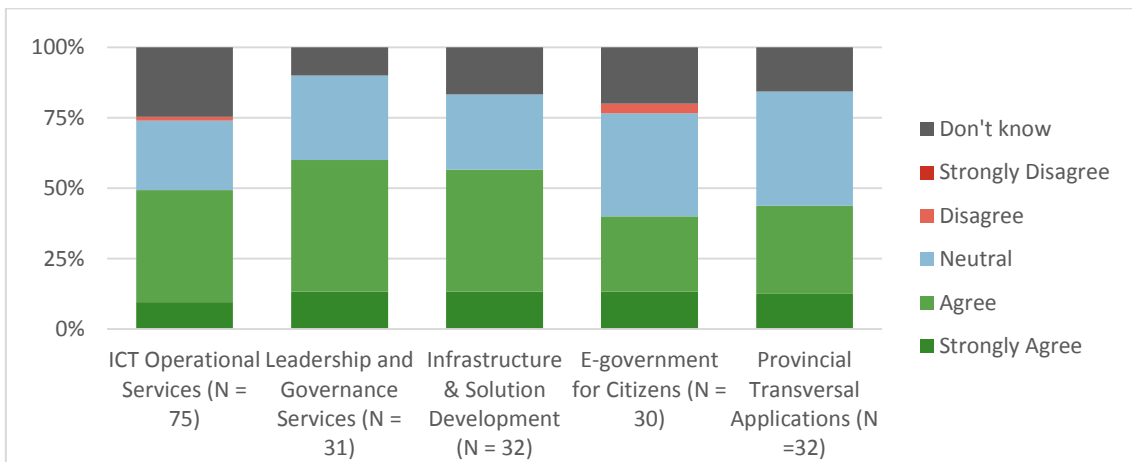


Figure 61. Clients' agreement with the statement: "I understand my department's obligations to the CSC as per the Service Schedule"

Overall, most clients do not site any disagreement over understanding the department's obligations, yet the large section of neutral respondents indicates that many stakeholders are neither very confused nor very confident about understanding these responsibilities. This highlights a potential gap in understanding that remains, even though it does not appear to be a source of tension.

Among Ce-I staff, 60% (12 out of 20 respondents) express agreement that they understand the CSC's responsibilities while 30% (6 respondents) are neutral. When it comes to understanding client departments' obligations, the rate of strong agreement is slightly lower, but the results are otherwise the same.

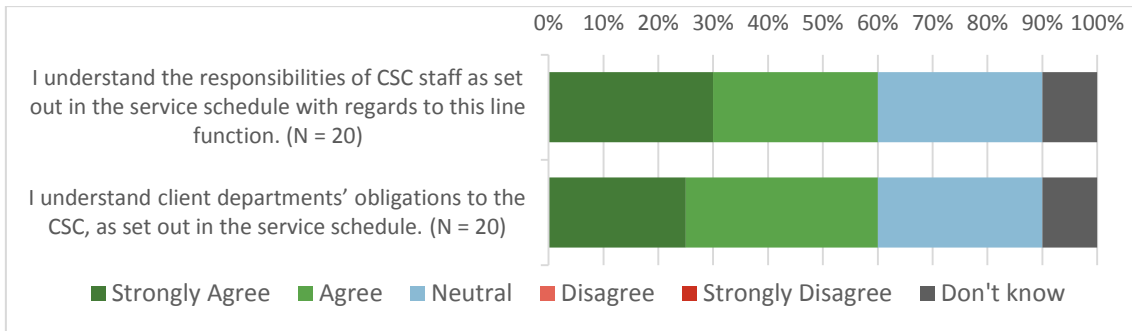


Figure 62. CSC staff's agreement that they understand the distribution of ICT roles and responsibilities (N = 20).

However, some Ce-I staff are concerned that clients are unaware of the Service Schedules and qualitative data suggests that “neutral” and “don’t know” responses may be more a product of not actually understanding obligations or what that entails than any outright disagreement. In focus groups and interviews concern was expressed about client departments’ awareness of the Service Schedules as exemplified by the following quote: “It’s all in the Service Schedule... HOWEVER, do the clients ever look at that schedule? That’s the question...” (Focus Group 7).

The Service Schedules also assign considerable responsibility to departmental senior and strategic managers for ICT strategic and operational planning. Questions as to whether these managers see themselves as having this role were raised as the following quote explains:

“Problem in the departments, the responsibility is... where you can say each manager has a responsibility in the department, each manager does not see themselves as having IT responsibility in the department. So the person responsible for [IT] in the department is often a part time IT person and that’s the senior manager’s point of entry so those people sometimes [get] irritated saying it’s not my full time job but senior management expects a lot from me” -Focus Group 7

A client department staff member reinforced this view:

“...[refers to CITCOMs]... all of a sudden there’s a governance structure [constituted]. Every department must have and all of a sudden things happen that gives work to someone at the department who is not there. This must happen in a department, but it mustn’t have CEI staff on their payrolls. A lot of those things do happen and all of a sudden things end up at the department for which there is no capacity or there never was... It was said the manager must manage, but what was meant is the manager must become a clerk.” -Focus Group 8

Ce-I staff hypothesise that clients might not have welcomed the Service Schedules as it provides a much clearer process for departmental ICT governance and operational solutions, whereas before modernisation departments could take advantage of an under-resourced Ce-I to set their own ICT agendas. The downside of this defining these roles and responsibilities is also that it may restrict innovation and customisation, as streamlining and harmonisation has the potential to be interpreted as restricting agency. Nevertheless, respondents noted a need for “making

sure there is a common understanding and managing expectations"... "we need to communicate better with clients centrally so that they understand our roles and responsibilities and theirs. And what's the expectations and I think communications is lacking in our unit" (Focus group 3).

While roles and responsibilities are clear to Ce-I staff, there is also the recognition that technology is dynamic and some flexibility should be allowed for:

"If we have to present the role and responsibility and stick to it we'd have complications on both sides if we try and apply it 100%. So there's a bit of leeway... and no-one will ever be happy because they've seen the latest iPhone... but then we have to explain to them and luckily they attend the CITCOM so they understand security and R&D, etc" (Focus group 3).

Figure 63 shows that amongst the line functions, clients indicated the lowest levels of agreement (and highest levels of disagreement) when it came to CSC staff fulfilling their responsibilities in Infrastructure and Solution Development. This suggests that clients do indeed expect more than is being offered in this line function, although it is not clear whether this expectation is justified and grounded in the Service Schedule obligations, given the proportion of "don't know" and "neutrals". A possible explanation for this could be linked to the perception that "specific and operational needs of Departments are being overlooked in favour of high level and transversal projects", although this was not a widespread view.

On E-government for Citizens, agreement was second lowest. The qualitative data does not provide much in the way of insights in this area, but one client survey respondent indicated that their department has experienced "difficulties with lack of direct communication to resolve problems and improve output" which require urgent attention.

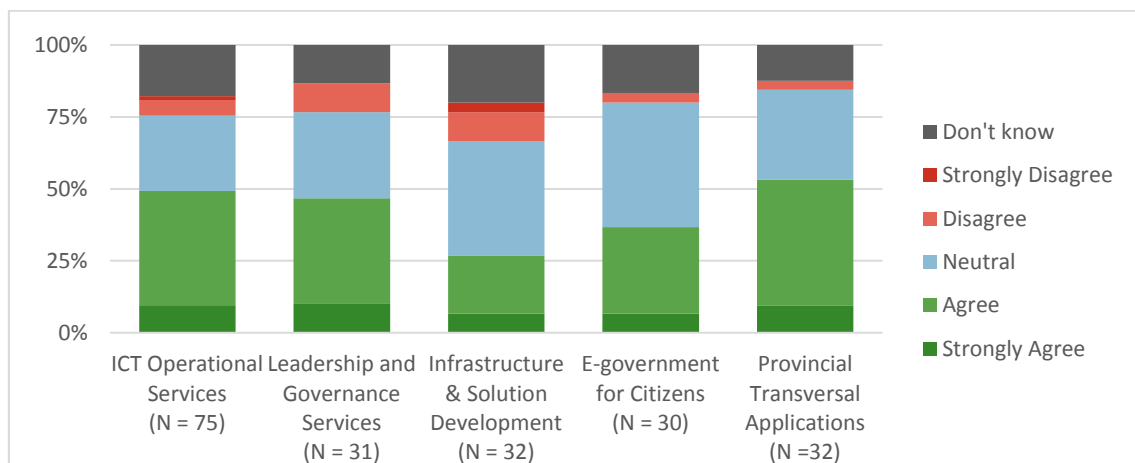


Figure 63. Clients' agreement with the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"

Clients are more certain that their own departments are fulfilling their responsibilities, as shown in Figure 64. Interestingly, agreement regarding ICT Operational Services responsibilities is marginally higher in Figure 63 than in Figure 64, suggesting a sense that departments could do more, although there is also some marginal disagreement.

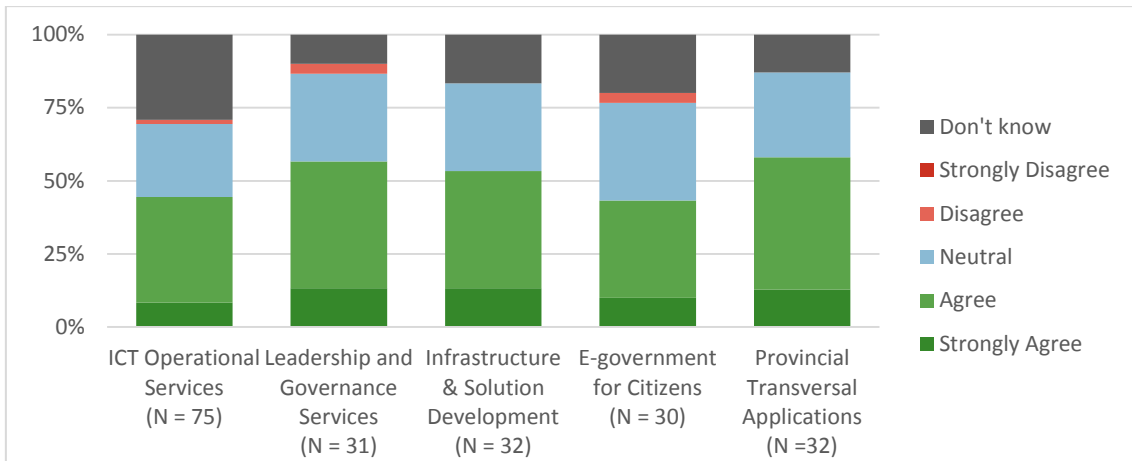


Figure 64. Clients' agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"

In terms of potential barriers to fulfilling their departments' responsibilities, simply being unfamiliar with the Service Schedule was a common barrier among ICT Operational Services clients as well as Leadership and Governance Services and Infrastructure solution and development services. A relatively large percentage of respondents also indicated that the Leadership and Governance Service Schedule is not applied in practice (see Figure 65).

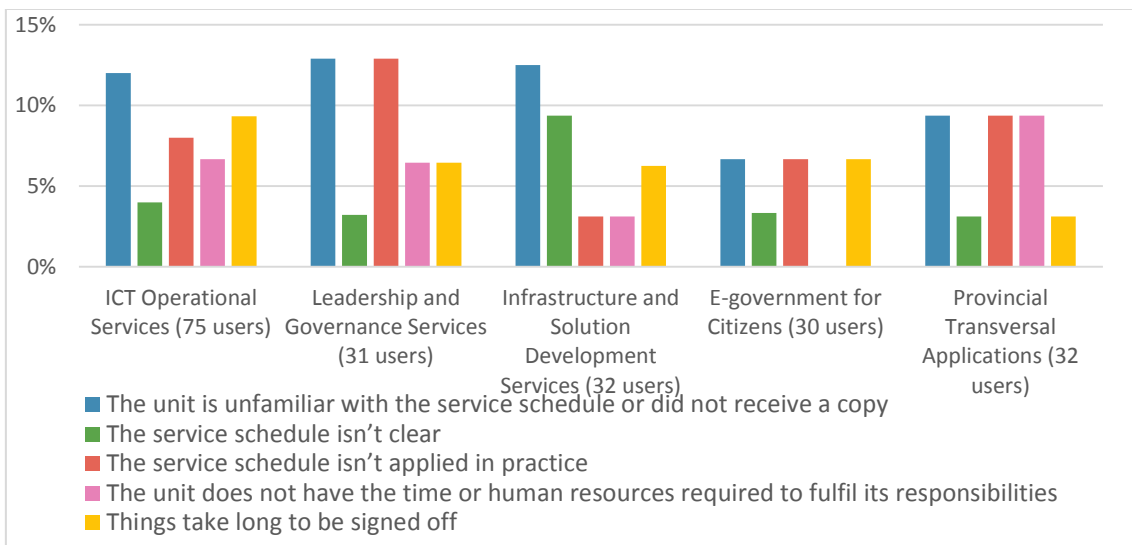


Figure 65. Ce-I clients' reported barriers to their departments fulfilling their Ce-I responsibilities

For ICT Operational services, quite a few respondents also indicated that "things take too long to be signed off". To elaborate on this concern, several respondents flagged slow response times as a matter "requiring urgent attention" with regards to ICT Operational Services. A strict adherence to the logging of calls and focus only on registered issues was also noted by respondents.

Client departments do indicate that their departments are doing some of the work that the CSC is obliged to do (see Figure 66). While there was no specific theme emerging from the qualitative data as to what this work is, a

number of clients expressed the view that the outsourced ICT Operational Services service provider is understaffed, especially in rural areas, and that “Ce-I should make more resources available to support Departments in-house” (Focus group 3). Most telling is the fact that there are very few clients, if any disagree with the statement that they’re taking on work of the CSC’s.

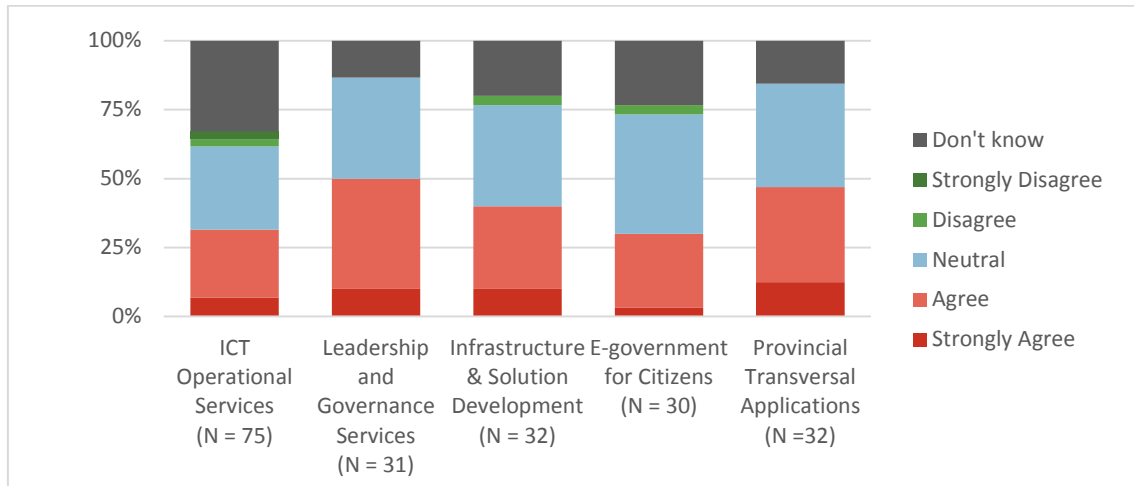


Figure 66: Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"

On the part of the CSC staff there is also a degree of frustration with their counterparts in client departments, with 25% (5 out of 20 respondents) disagreeing that client departments are fulfilling their obligations as set out in the Service Schedule (Figure 67). Disagreement came from staff in the units e-Government for Citizens; ICT Operational Services; and Leadership and Governance services, but must be considered against the small sample size.

In terms of what specific obligations are not being fulfilled, CSC staff mentioned that departments frequently diverge from their approved ICT plans for the year, bringing new requirements to the Ce-I (Focus group 7).

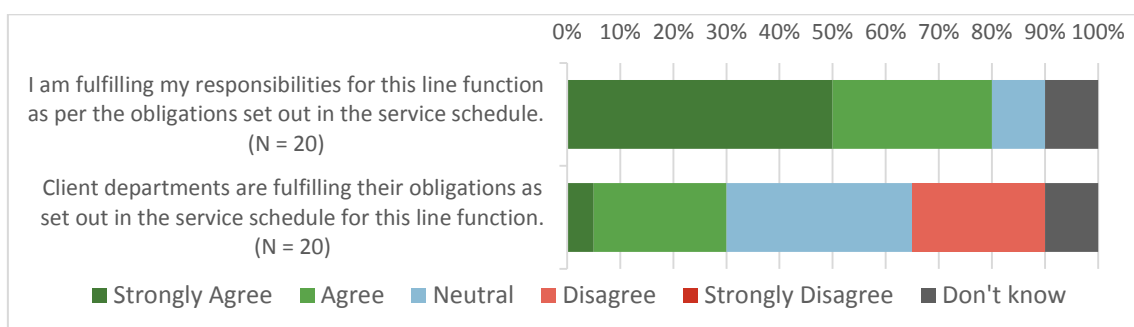


Figure 67. Staff agreement that ICT responsibilities are being fulfilled (N = 20).

Quite a large section of CSC staff (40%) expressed agreement that the CSC is doing some of the work that client departments should, according to the Service Schedule, be doing.

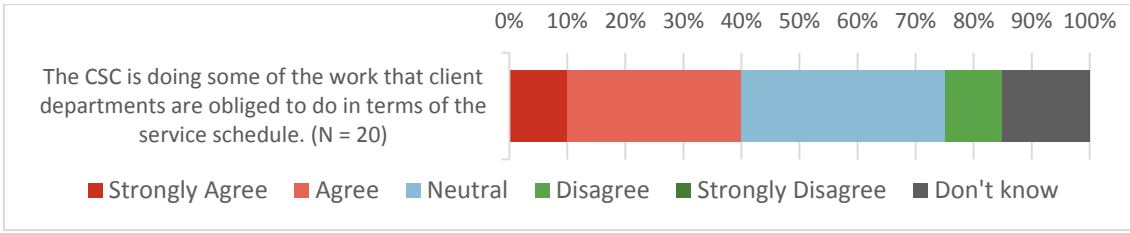


Figure 68. CSC staff's agreement that the CSC is doing some of the ICT work assigned to client departments (N = 20).

A key finding here is that both staff in the CSC and client departments believe they are responsible for work that is the responsibility of the other party. This highlights a key finding that there is conflation between the roles and responsibilities of these two parties. Noting the lack of familiarity with the Service Schedules and the qualitative data provided, it would appear that a better understanding of the Service Schedules, and in some instances, better clarification of contents and the resource implications of these, is necessary to avoid these disagreements.

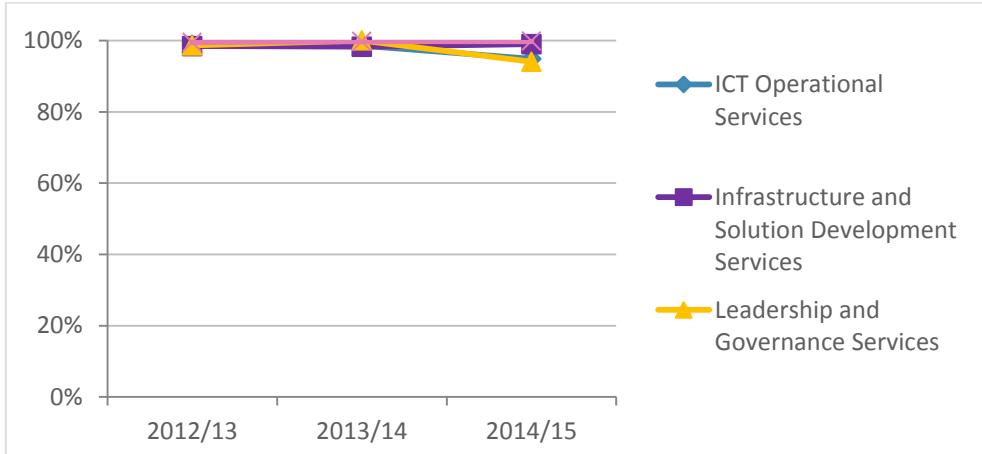


Figure 69: Ce-I overall performance against standards by line function according to CSC reporting 2012/13-2014/15

Figure 69 provides composite measures of Ce-I performance by line function against standards aligned to the Service Schedule, according to internal reporting. A notable finding here is that across all line functions reported performance is excellent, with only marginal declines in the last year. This overall performance against standards would seem to be at odds with some of the findings related to the disputes over roles and responsibilities, and qualitative data highlighting issues of communication and roles of departments. One possibility is that despite disagreements over the distribution of roles and responsibilities that the end result is services within the given function are still being implemented well. However, this possibility would seem unlikely given that notable proportions of clients, DDGs and CDs did express the view that implementation of line functions is poor as set out in Figure 70 – especially for Transversal Applications and the Leadership And Governance front.

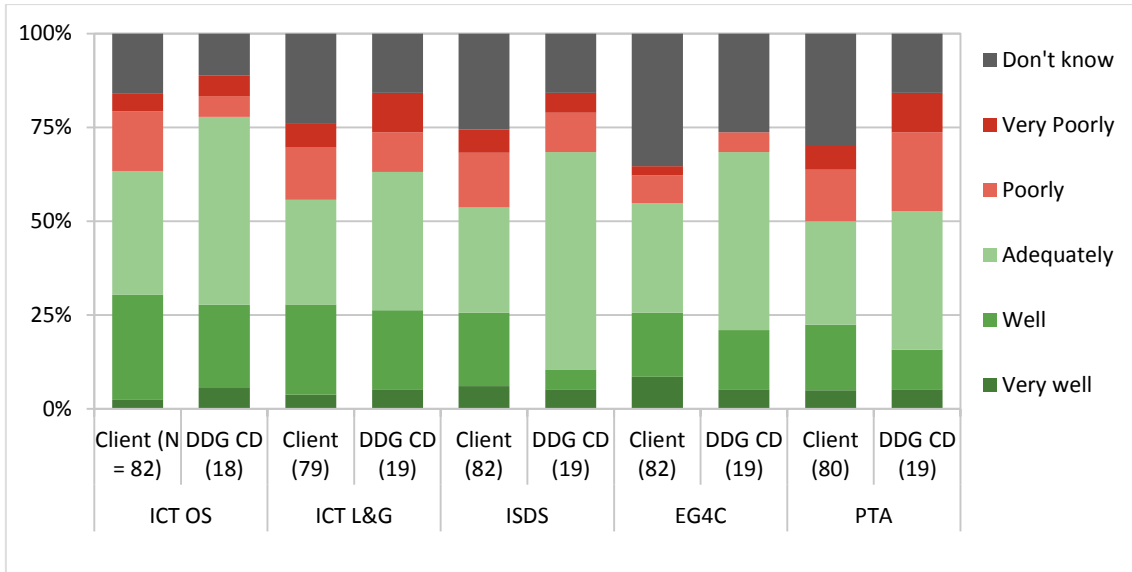


Figure 70: DDGs/CDs and client service users' ratings of the CSC's current implementation of ICT line functions.

Nevertheless, clients and DDGs / CDs mostly rate the Ce-I's current implementation of its line functions as at least "adequate" (Figure 70).

When challenges arise in the implementation of line functions, around half of clients find Ce-I staff to be responsive to their requests to resolve them, as shown in Figure 71. Dissatisfaction appears higher among clients of the Infrastructure and Solution Development line function.

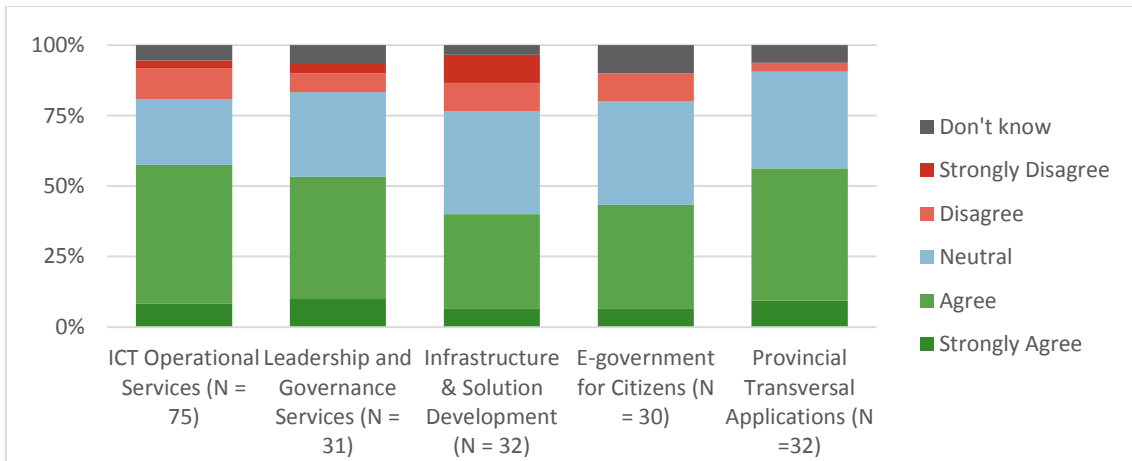


Figure 71. Ce-I clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"

The majority of Ce-I staff consider themselves to be responsive to such requests, with half (17 out of 20 survey respondents) strongly agreeing or agreeing.

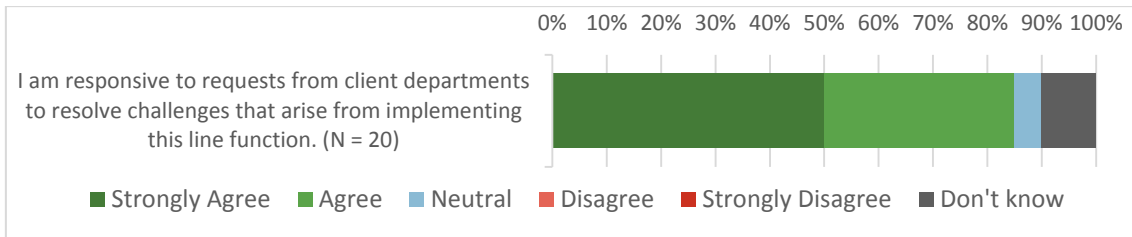


Figure 72. Ce-I staff's agreement that they are responsive to clients' requests to resolve challenges.

Overall it appears that both CSC staff and clients believe that they are doing work that the other should be doing despite minor disagreements over understanding and fulfilling obligations as set out in the Service Schedules. Drilling down across line functions to unpack the exact service and functional responsibilities may assist to pinpoint the source of these conflicting claims. Further relying on internally reported performance against standards is something that will also be addressed around the discussion of the monitoring framework. Additionally there appears to an issue related to staffing and inadequate communication on the progress on key tasks.

People Management

As was already noted in section 4.1 **Error! Reference source not found.**, the macro-functional area of People Management experienced the greatest change as a result of the corporatisation of the HRM function within the CSC. Both in terms of design and establishment process, this functional area has been the source of greatest tension and faced the two-pronged challenge of: designing and setting out the parameters of the new organisational configuration that will directly or indirectly affect all WCG staff, while simultaneously having to contend with the effects of its own corporatisation internally. The extent to which this consumed the work of People Management staff at the time of establishment reflects in the distribution of SOPs, presented earlier in section 4.2.1, which up until the adoption of the second Service Schedule setting out roles and responsibilities focused almost exclusively on DOTP to clarify and set out the processes and procedures that needed to be followed with the very functions that were expected to render "as good or better" a service. Further, the backlogs, variances and maladministration challenges inherited at the time of corporatisation have meant that there was a pressure to meet and exceed service obligations for these line functions from the outset, putting great pressures on the CSC staff at a time when focus arguably should have been on building understanding, developing buy-in and refining the new processes to ensure service standards were met throughout the WCG.

As was already noted in section 4.1.2, the distribution of People Management roles and responsibilities was not worked out in great detail beyond the Service Schedules at the initial establishment of the CSC and

the components of the Branch: People Management. This left departments and the newly formed CRUs²⁵, to work these out with the CSC “on the fly”.

As is the case in all the CSC branches, most service users are not familiar with the People Management Service Schedule. However it is notable that compared to the other branches, a somewhat larger percentage of People Management users (43%) have read some version of the schedule.

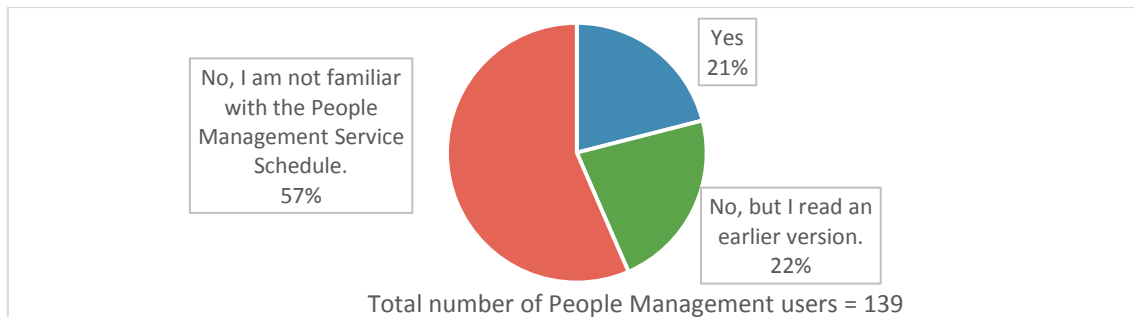


Figure 73. People Management service users' responses to the question, "Have you read the People Management Service Schedule since it was issued in February 2015?"

Among client survey respondents the most common response to the statement “I understand my department’s obligations to the CSC as per the Service Schedule” is agreement (except for large neutral responses on Organisational Behaviour and Auxiliary Services, see Figure 74). While there is minimal disagreement on the side of client departments, agreement is barely over 50%.

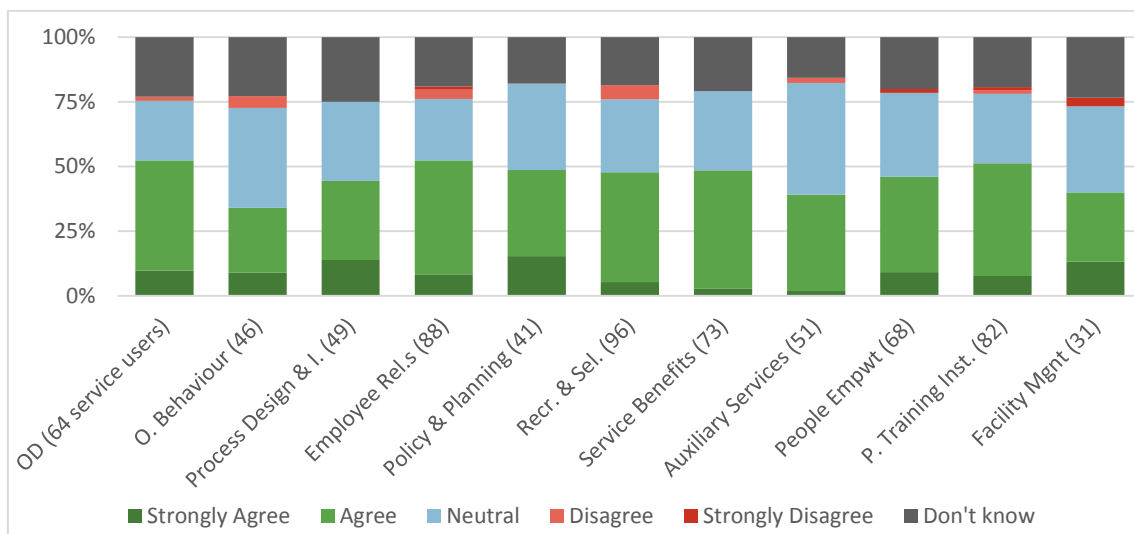


Figure 74. Clients' agreement with the statement: "I understand my department's obligations to the CSC as per the Service Schedule"

Not many clients disagree in terms of understanding the CSC staff’s responsibilities, although rates of disagreement are slightly higher with

²⁵ CRUs were not designed to be associated with People Management but to maintain relationships across all functions. In the process of implementation, and owing to the fact that most were former HR staff within the departments, they became de facto associated with the roles and responsibilities related to People Management, although this is assessed in more detail in the subsequent section.

regards to understanding of the CSC's responsibilities (Figure 75). In both the understanding of departments' own responsibilities and those of the CSC, large sections of "don't know" and "neutral" respondents indicate that the room for better client understanding of their responsibilities as per the 57% of respondents who indicated they were not familiar with the Service Schedules.

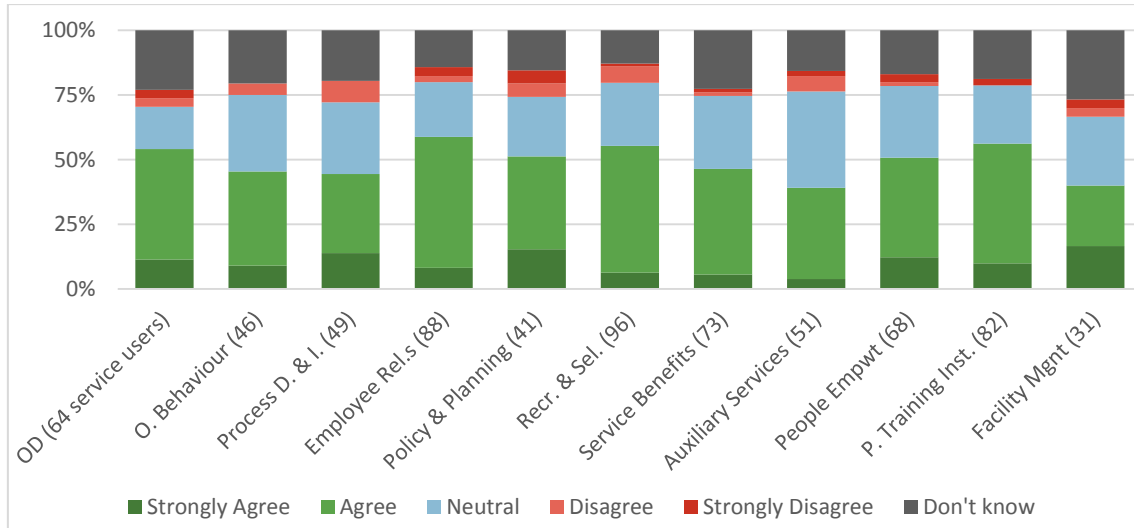


Figure 75. Clients' agreement that they understand CSC staff's responsibilities.

DDGs and CDs are however more likely to disagree that the responsibilities of the Service Schedule are understood in their departments than they are with regard to any other branch of the CSC (see Figure 76) and this disagreement is stark in comparison to what the clients indicate they understand. The largest percentages of strong disagreement were regarding Organisation Design, Recruitment and Selection, Service Benefits and Auxiliary Services. The absence of "don't know" for Employee Relations, Recruitment and Selection and Organisational Design suggest responsibilities around these line functions may have been addressed in some way, and they are marked by comparatively small "neutral" responses. This also suggests CDs and DDGs have formed a definite view on their departments' understanding of these line functions.

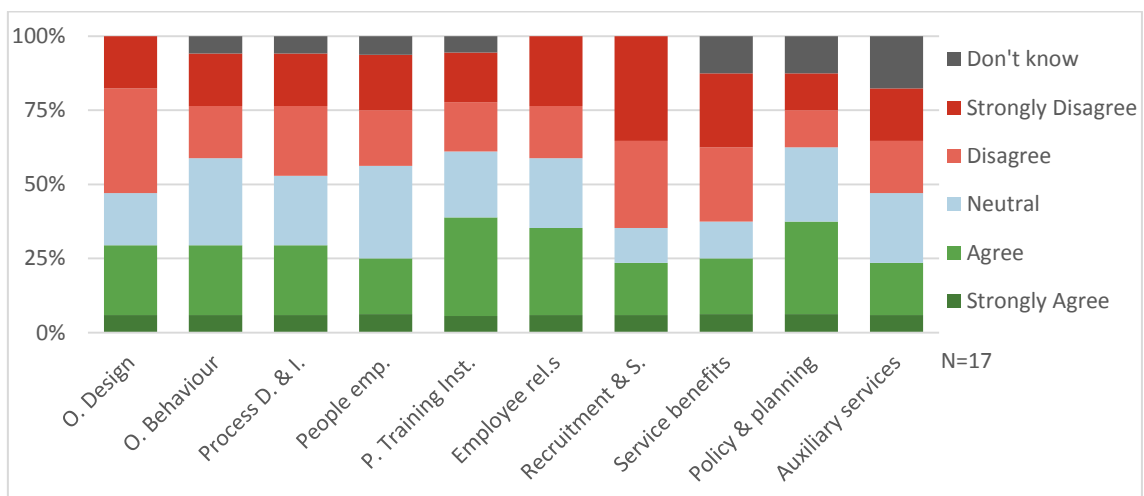


Figure 76. CD and DDG agreement with the statement: "The latest Service Schedule is clearly understood by staff within my department"

CSC People Management staff were given the opportunity to respond to statements regarding each of the line functions in their Chief Directorate (not just their own). Considering this, a fairly large component expressed understanding of what CSC staff and client departments are expected to do (Figure 77), although in the vicinity of a third of CSC staff also indicated that they did not have a position on whether they understood the responsibilities of the CSC. There was also a low rate of “don’t know”.

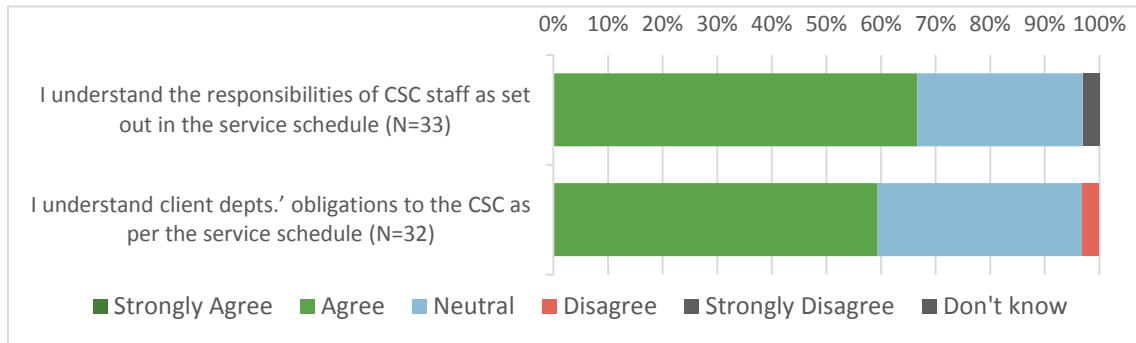


Figure 77. People Management staff's agreement that they understand the responsibilities of CSC staff and client departments with regards to line functions in their own Chief Directorates.

CSC Staff were mostly confident that they are fulfilling their own responsibilities, while about 45% agreed and just over 20% disagreed that clients are fulfilling their responsibilities (Figure 78).

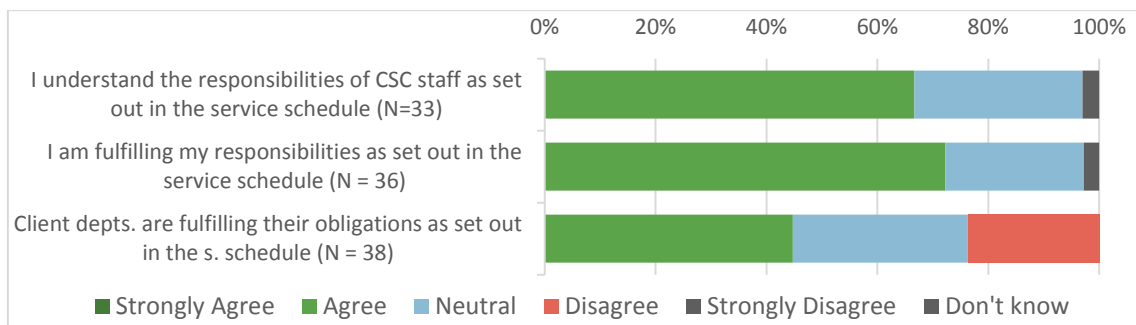


Figure 78. CSC staff's agreement that People Management responsibilities are being fulfilled.

Clients were somewhat more critical of the CSC. In particular they expressed considerable disagreement that CSC staff are fulfilling their responsibilities in the line functions under the Chief Directorate: People Management Practices.

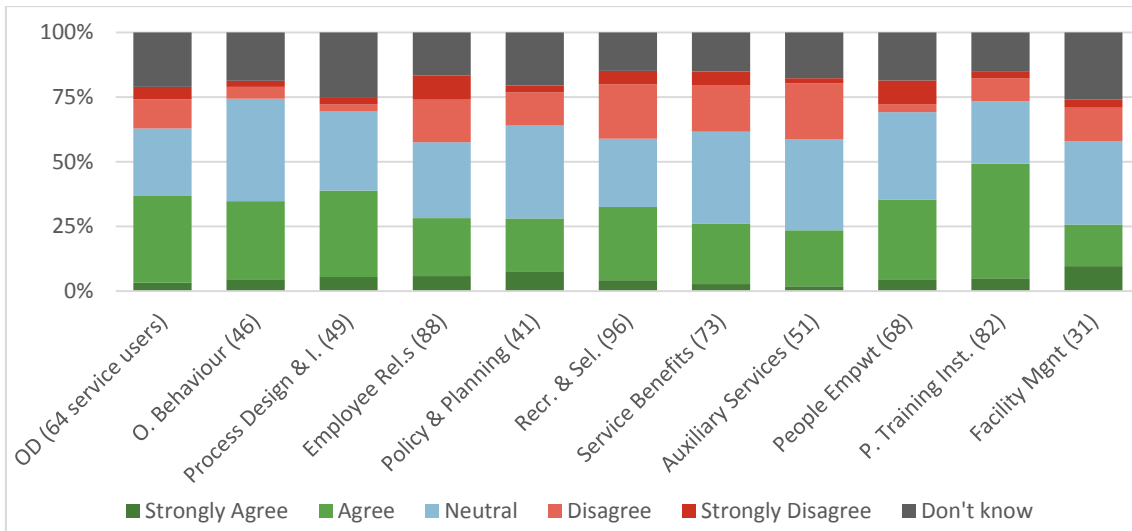


Figure 79. Clients' agreement the statement: "CSC staff are fulfilling their responsibilities as set out in the Service Schedule"

Client's agreement about the fulfilment of their own department's obligations was higher, while there was some disagreement registered across functions in the Chief Directorate: People Management.

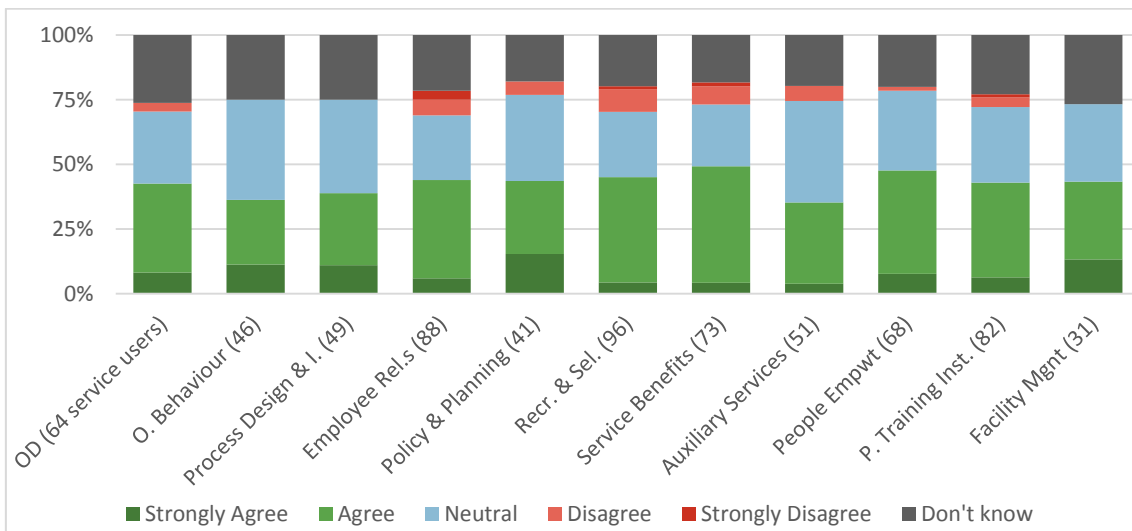


Figure 80. Client's agreement with the statement: "My department is fulfilling its obligations as set out in the Service Schedule"

When it comes to overlapping obligations and responsibilities, it is perceived on both the side of CSC staff and clients that they are doing some of the work of the other. Over 55% of CSC staff agree that the CSC is doing some work that client departments are obliged to do (see Figure 81), while among client staff agreement and strong agreement made up 24-49% of responses per line function.

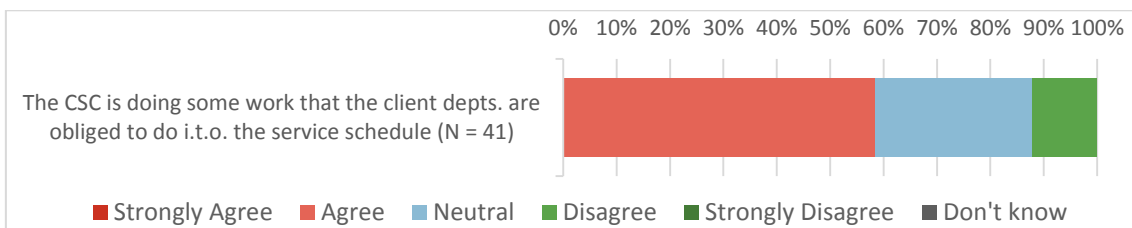


Figure 81: CSC staff agreement with the statement: "The CSC is doing some work that the client departments are obliged to do in terms of the Service Schedule"

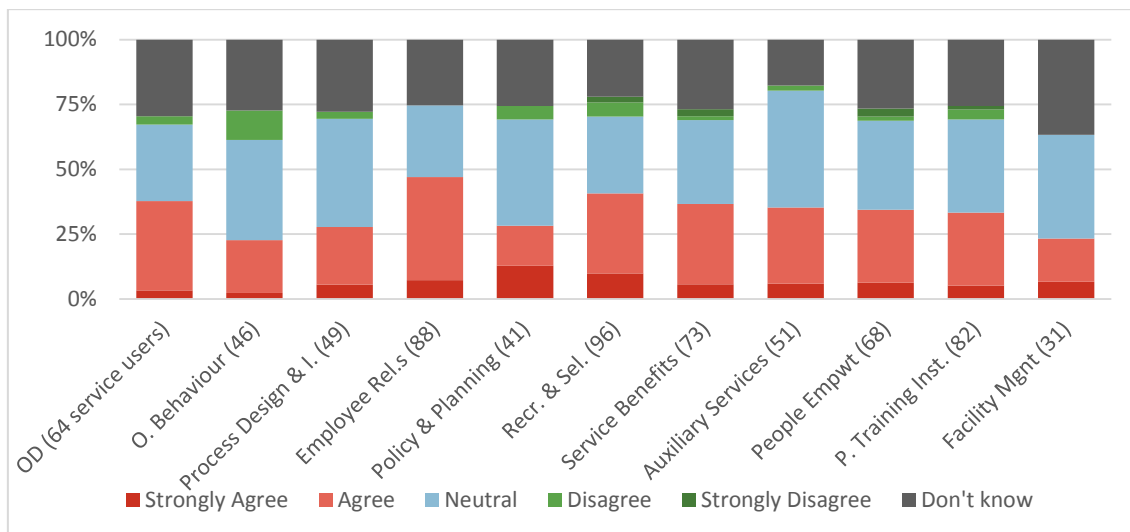


Figure 82: Clients' agreement with the statement: "My department is doing some work that the CSC is obliged to do in terms of the Service Schedule"

What this reveals quite clearly is that regardless of whether an area was identified at the time of corporatisation as having experienced challenges or whether it was a comparatively smooth establishment within this functional area, disagreement about fulfilment of appropriate roles and responsibilities of both the CSC staff and client departments persists across People Management line functions. The gap appears to be related to the fact that if they have a position, both the CSC staff and client departments believe they understand each other's responsibilities, are executing their own obligations reasonably well and are actually fulfilling some of the others' responsibilities in the process. Taking into account the DDGs' and CDs' view on their own staff understanding of the Service Schedules suggests that client departments may also over-estimate their already limited knowledge of the Service Schedules and their roles and responsibilities in this regard.

Qualitative data revealed that a number of stakeholders believe that the process of ironing out the distribution of roles, responsibilities, and appropriate resourcing is still on-going. From a client perspective, the following quote reflects the following observations:

"There has not been one year or period of consolidation of just consolidation and take stock... The staff there are killing themselves managing the day to day businesses, the change, the processes that must be developed, the templates that must be developed and the change management and there's a huge lot of work to do still." -Focus Group 8

While CSC staff and senior management have also acknowledged that there is work to be done, qualitative data and CSC documentation does reflect more substantial achievement and improvement in contrast to the above. The DOTP Annual Reports (2010/11-2013/14) specifically note achievements over time on a range of processing efficiencies, many of which are derived from the service standards.

Qualitative data from the CSC management also suggests that this evaluation was itself embarked upon as an opportunity to take stock, and that some progress has been made considering the depth of the establishment and implementation challenges encountered at the outset. These claims are also supported by evidence from the CSC’s internal performance monitoring, as well as data from the People Management Strategic Assessments 2010/11-2014/15 (presented in Table 9).

When challenges are raised, clients report different levels of responsiveness from CSC staff depending on the line function (Figure 83) but these are relatively low. Only between 25% and 34% of clients agree that CSC staff are responsive, and between 3% and 10% disagree depending on the line function. The remainder, the majority are neutral or don’t know whether the CSC is responsive, but the finding is interesting in contrast to other areas where clients expressed a position.

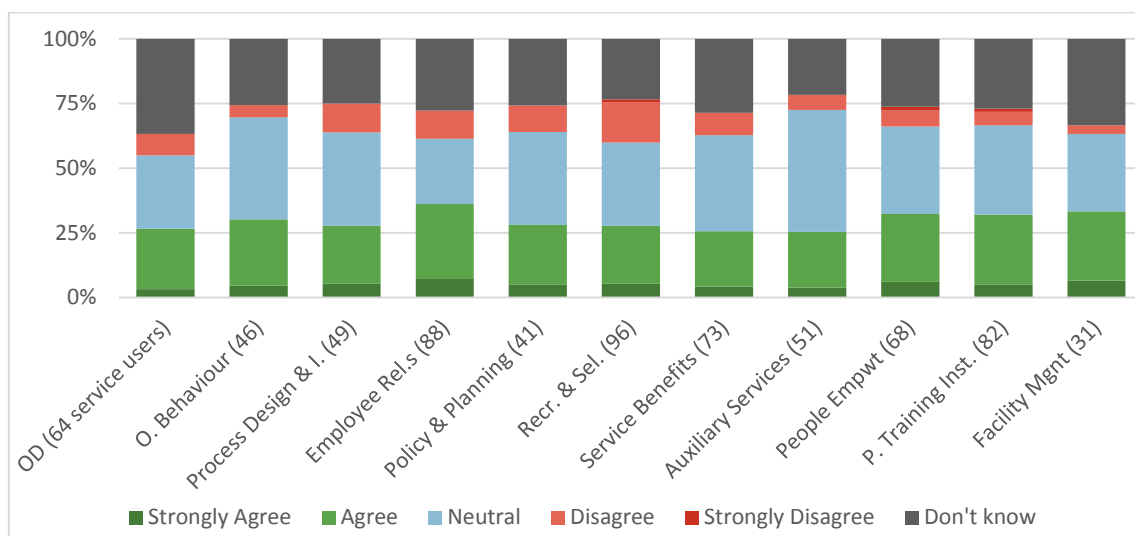


Figure 83. Clients' agreement with the statement: "CSC staff are responsive to my requests to resolve challenges"

Among People Management staff, 71% agree that they are responsive to clients’ requests to resolve challenges, while the remainder are neutral. Notably no People Management staff “strongly agree” with this statement, in contrast other CSC branches.

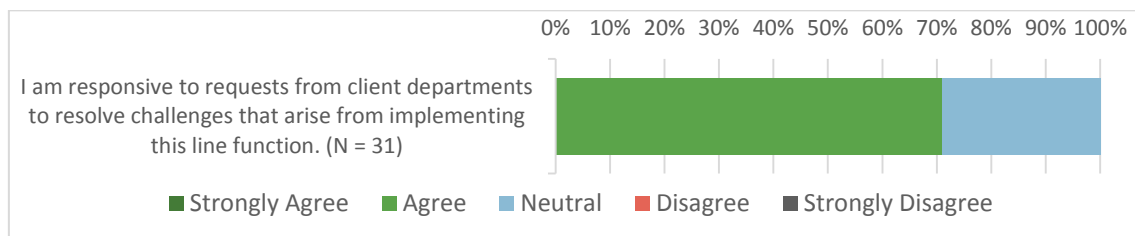


Figure 84: CSC staff agreement with the statement: "I am responsive to requests from client departments to resolve challenges that arise from implementing this line function"

In light of the deficit at which People Management began, considering the findings on the lack of common understanding related to roles and responsibilities, and recognizing that there is room for improvement in terms of responsiveness according to both clients and CSC staff, it does

logically follow that the People Management line functions receive comparatively lower implementation ratings by clients. In several line functions, less than 50% of clients gave a positive or “adequate” rating or above to functional implementation.

The line functions that are pinpointed by clients also coincide to an extent with some of the line functions identified as facing design and establishment challenges, namely: Employee Relations; Recruitment and Selection; Services Benefits. However, in addition, low ratings (less than 50% adequate by client staff, DDGs and CDs) are also received for: Auxiliary Services (although there are also high “don’t know” responses); Policy & Planning; People Empowerment; Process Design and improvement; and Organisation Design.

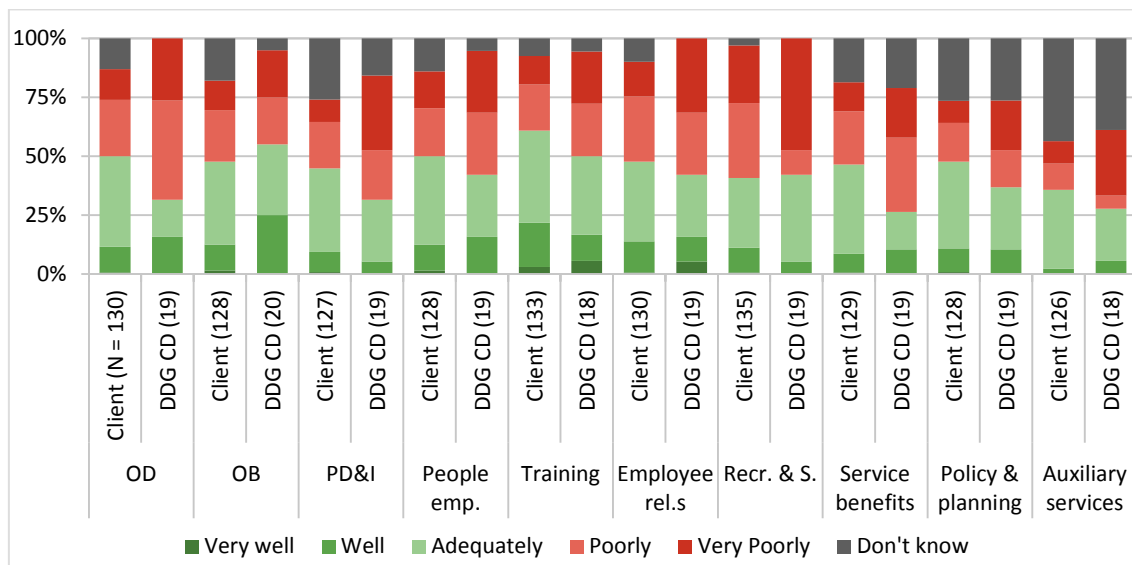


Figure 85. DDGs/CDs and client service users' ratings of how well the CSC is currently implementing its People Management line functions

Although one part of the challenge may be in the understanding of the distribution of roles and responsibilities, the fact that only training receives a rating of “adequate” execution or better by at least half of the responding client staff, DDGs and CDs is indicative of an enduring challenge facing this functional area.

Having considered the survey results on People Management, it is useful to reflect on the main themes coming from the qualitative data that can further illuminate the issues and compare this other corroborating data. In terms of Recruitment and Selection, the concern raised by clients and staff was in response to the time that it takes to fill a vacant post. The initial time has come down, but is still deemed unacceptably long as the following quote illustrates:

“The main criticism that was made was the time it takes to fill the position... could improve our communication so that the process of filling those vacancies can be improved.” -Respondent 8

More than any other aspect of the CSC – its design, processes and implementation mechanisms – the time taken to fill a post is perhaps the most common critique of the CSC. At the time of this evaluation many

stakeholders across departments held this problem up as the clearest example of where the CSC was not delivering adequately in implementation. Recruitment and selection was the most common responses to client survey responses on issues requiring “urgent attention”, with nearly one in ten respondents identifying this specifically in statements like “recruitment process takes too long”. The exceptional frequency of this theme resonates with the CSC’s own performance reporting in this area over the past three years. Applying the standard “100% of nominations for advertised posts approved within 90 days of the closing date” as set out in the Service Schedule, performance in this area was consistently poor: 39%-2012/13; 20%-2013/14; and 51%, 2014/15. While this does reflect an improvement over time, it is also further corroborated with data from the People Management Strategic Assessment 2010/11-2014/15 which highlights that while some progress was made, that there are still challenges which endure.

Table 7: Turnaround time to fill vacancies by financial year

	2010/11	2011/12	2012/13	2013/14	2014/15
Avg. time to fill vacancies in client departments during the past 12 months	8 months (measurement = closing date of advert to approval of nomination)	6 months (measurement = closing date of advert to approval of nomination)	4 months (measurement = closing date of advert to approval of nomination)	5 months (measurement: date that post became vacant to date appointment is made on PERSAL)	8 months (measurement: date that post became vacant to date appointment is made on PERSAL)

Another area that repeatedly came up in the qualitative data was related to system access and the completeness of data that was available. In the area of service benefits, clients noted challenges with accessing the PERMIS system and fulfilling their obligations in relation to this function due to poor software, unresolved issues and recurring system “glitches”. Other client survey respondents (2) also highlighted the availability of the performance review system as being too short and proposed longer windows of time for access.

In a similar vein, issues were noted with the accuracy and capturing of details on PERSAL. Respondents repeated that there were time lags in the capturing of data, inaccurate details captured, and in a few instances provided material examples of the costs associated with these mistakes. Inefficiency was also noted around the capturing of leave whereby for the standard: “100% of leave-administration services finalised monthly,” historical performance was tracked as: 59.2%- 2012/13; 72.1%-2013/14; and 82.5%- 2014/15. In this instance it is worth noting that measures suggest a steady improvement in the monthly capturing of leave year on year. Further, tracking of incapacity leave finalisation tells a story of processing efficiencies that have been steadily gained.

Table 8: Turnaround time to finalise incapacity leave applications

	2010/11	2011/12	2012/13	2013/14	2014/15
Avg. time to finalise applications for incapacity leave during the past 12 months	SPTIL: 85 working days	SPTIL: 85 working days	SPTIL: 89 working days	SPTIL: 40 working days	SPTIL: 37 Working Days

	LPTIL: 141 working days IHR: 113 working days	LPTIL: 141 working days IHR: 113 working days	LPTIL: 129 working days IHR: 77 working days	LPTIL: 38 working days IHR: 64 working days	LPTIL: 35 Working Days IHR: 15 Working Days
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Challenges were also noted around the administration of pensions and performance bonuses. In most instances, comments included that processing was not timeous and unreasonable delays were experienced as undermining claims of the CSC’s intended efficiency in this area. The DotP Annual Report 2013/2014 reported that the introduction of an electronic platform had considerably reduced the turnaround times on pension fund pay-outs; it is possible that not all clients have yet become aware of these improvements or that they continue to consider the improved turnaround times too long.

When it comes to Employee Relations, it was noted earlier that most DDGs and CDs have an opinion on whether their departments understand their roles and responsibilities and in this area it was questioned whether responsibilities are adequately understood. Training for line managers in labour relations was noted in the DOTP Annual Report 2011/2012 indicating that PTI was prioritising training around progressive discipline, and labour relations generally, for line managers. Despite this, some themes emerge from the qualitative data, although a more in-depth investigation would aid in establishing clarity on some of the complaints. Turnaround times were noted to be slow and several client survey respondents flagged the Employee Relations unit’s responsiveness and the quality of communication as a barrier to client departments doing their work. There was also perception among some client respondents that the Employee Relations staff are not impartial, claiming bias and noting the need for it to “work without fear or favour”. This should be investigated further as this evaluation did not generate further information on how widespread this perception is or what exactly respondents are referring to but perceptions of partiality are problematic for such a function if widespread.

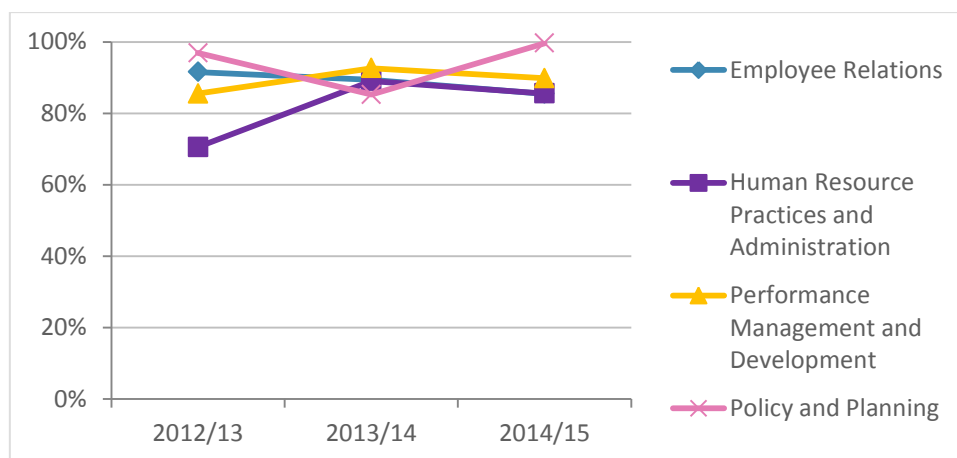


Figure 86: People Management Practices overall performance against standards by line function 2012/13-2014/15

When considering the survey data and themes emerging in relation to the CSC’s self-reporting on the line functions within the People Management

Practices Chief Directorate, it is apparent that there is a slight disjuncture between some of the core operational service issues emerging and its self-reported performance. Figure 86 illustrates that performance is generally in the vicinity of 85-90% (with Policy and Planning at 100%). This would appear a more generous appraisal than some of the issues noted around the execution of responsibilities in this area, a point addressed further in the next section on implementation mechanisms.

Moving to the Chief Directorate: People Empowerment, the work of the Provincial Training Institute was an area that received praise by respondents. Accomplishments in this regard include the accreditation of the Provincial Training Institute as a training service provider by the PSETA and the upgrade and enhanced utilisation of Kromme Rhee campus (DOTP, 2011). Further, the accommodation of staff from outside the provincial sphere of government has also been accommodated by demand. Qualitative data obtained in the course of the assessment also provided praise for some trainings.

The main concern related to the PTE line function is the applicability of its courses to departments' needs. There appears to be an expectation among client departments that PTE should be able to play a stronger role not only in bursary management but other forms of non-transversal / specialised technical training for staff. Since this is not the case they are realising that the strategic as well as administrative burden associated with specialised training still rests with client departments and there is some discomfort in terms of the resourcing of these responsibilities and obligations:

"The [Provincial Training Institute's] training is there, cool, but who manages the rest of the training? They don't do my technical training. I still have to [plan and coordinate that] but there's nobody to do it. The programme managers [must] do it [according to the CSC's principle that] "managers must manage". They never looked at that either. That technical training was never taken into consideration. The HR team coordinated that before." - Respondent 4

Further matters flagged for urgent attention by client survey respondents include the functioning of the course application and booking system; clearer communication about what courses are available; and additional accreditation of courses.

The People Empowerment line function was rated as performing at least adequately by about half of client respondents who use the service, and by 8 out of 19 DDGs / CDs. While the work of this unit was not discussed at length in interviews and focus groups, a few themes help to illuminate the relatively low rate of approval with the implementation of the line function. These include concerns over the administration of bursaries and the payment of them, as well as to external service providers; communication and follow-up related to bursaries and results; as well as the posting and sharing of training schedules.

Despite this there is also appreciation of the work of this unit.

"Support in the bursary committees, again... that's the technical skills that I doubt we would have had if we were on our own. The fact that experts [from the CSC are] doing only this, by the time

they get to us they've been around the block. It's nice also, with bursaries, often people not performing on bursaries, line management would be reluctant to recommend that the money be paid back while they follow a more clinical approach" - Respondent 5.

Several stakeholders also expressed satisfaction that the bursary policy, which had initially been generic, was revised to reflect some of the specific needs of the different departments.

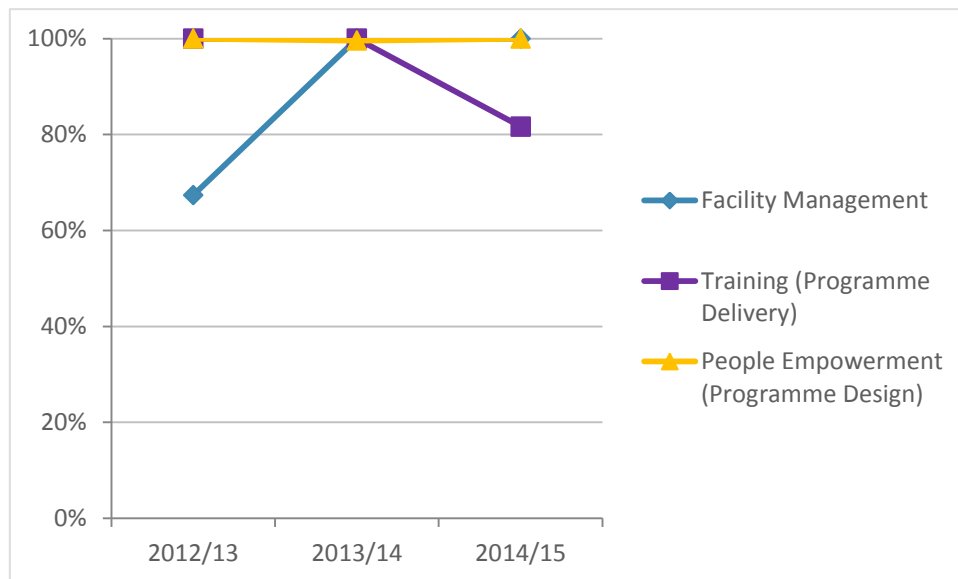


Figure 87: People Training and Empowerment overall performance against standards 2012/13-2014/15

In this area, the CSC's performance dashboard also indicates that performance is generally considered to be high, with only the exception of training having suffered a recent decline in meeting standards. A closer inspection reveals that the performance of 69% on the standard: "100% Facilitate transversal training interventions of 43 different programmes in accordance with the Ten Core Learning Areas as per Training Schedule, as per WSP" appears to be the main source of this decline of late. Further, the excellent ratings for People Empowerment do not seem to take into account the perceived challenges noted with the administration of bursaries.

At the Chief Directorate: Organisation Development, the Organisational Behaviour and Process Design and Improvement line functions were not discussed at length. However the Organisation Design line function, whose current implementation was rated the lowest of the three line functions in the client survey respondents and CD / DDG survey respondents, enjoyed some attention.

Several stakeholders, especially senior managers, called for OD as a whole to play a more enabling role. These stakeholders have experienced OD staff as applying generic rules (and blocking departments' alternative suggestions) when a more department-specific approach is clearly needed. The following quote exemplifies a number of inputs along these lines:

"One of the areas where I think there's a big problem is the OD space. [To take a specific department as an example], has a

different outward facing role to the business role, and it demands a different kind of structure and [yet the unit for OD] presupposes that all levels of government must do similar kinds of work. That being vested in the DotP carries a certain amount of perceived power and that could be misinterpreted” - Respondent 9.

Capacity in the unit, in terms of the number and availability of staff, is also believed to be severely constrained. The limited capacity of the unit is also believed to be linked to the unit’s turnaround time, which was perceived to be slow.

Figure 88 illustrates generally good and improving performance across the three line functions according to their aggregate measures. While this is in some ways at odds with the client experience, it does appear to reflect a high fulfilment of the obligations related to the CSC’s roles and responsibilities from its perspective within the Organisational Development Chief Directorate.

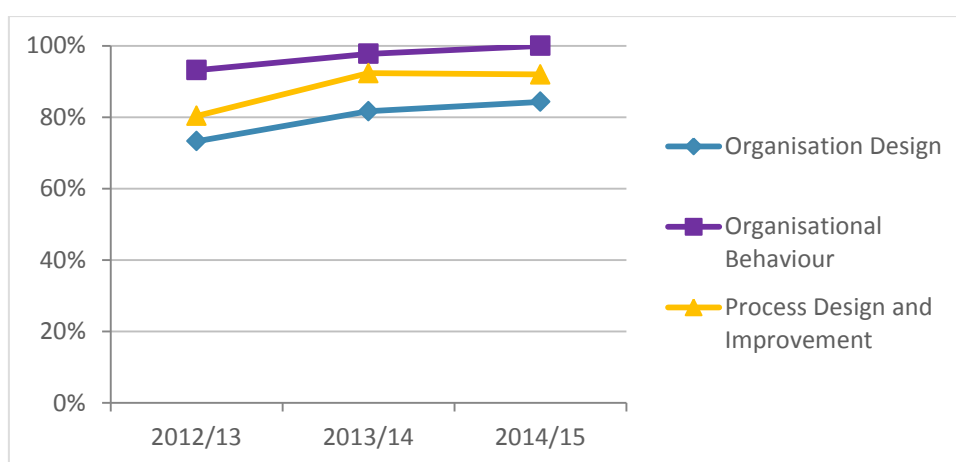


Figure 88: Organisation Development overall performance against standards 2012/13-2014/15

Drawing on additional data from the People Management Strategic Assessments 2010/11-2014/15, a number of performance measures that are not formulated in relation to roles and responsibilities but provide some insights into how the function is being implemented across departments are also included in Table 9. These performance measures, while noting the occasional regression between years, reflect net improvements on aggregate measures over the five year period. Again, while the relevance of this data in relation to roles and responsibilities is not equivalent, it does support indications from the qualitative data and CSC documentation that there has been some progress to varying degrees, but that there remains considerable room for improvement.

Table 9: People Management Strategic Assessment Key Performance Area Composite Measures 2010/11-2014/15 (CSC, 2015)

	2010/11	2011/12	2012/13	2013/14	2014/15	Net. Impr.
Part A						
Key performance area 1: The human resource component performs a strategic partner role	39%	37%	39%	46%	50%	+11%

Key performance area 2: The human resource component performs a change agent role	43%	41%	45%	56%	57%	+14%
Key performance area 3: The human resource component performs an employee champion role	53%	52%	54%	57%	59%	+6%
Part B						
Key performance area 1: Organisational development and design	69%	67%	66%	70%	73%	+4%
Key performance area 2: Recruitment and employee life cycle management	56%	50%	48%	56%	60%	+4%
Key performance area 3: People utilisation and development	70%	70%	71%	71%	73%	+3%
Key performance area 4: Quality of work life and environment management	73%	76%	81%	79%	83%	+10%
Key performance area 5: Employee relations	72%	70%	71%	72%	77%	+5%

Overall, the picture of roles and responsibilities for the People Management functional area is one that is varied and contested. While there is acknowledged room for improvement, an important point of reference is the current gap in understanding of the obligations of the respective parties. Once this gap and understanding is closed, there will be greater opportunity for building on the gains claimed by the CSC to ensure improvement follows, as the evidence does suggest that there is room for improvement across line functions.

Accountability

One of the key issues that was raised repeatedly throughout qualitative engagements was the challenge of shared responsibilities for HR related functions between the CSC and HODs as accounting officers. This sharing of responsibility for processes, while at the same time HODs must answer for their fiduciary duties, seems to be one source of tension between the CSC and departments and may contribute to some of the higher negative determinations of client departments around the implementation of People Management line functions.

From an accounting perspective, the risk has been concentrated for HODs and, either directly or indirectly, they've sought to ensure the integrity of their administrative data when accounting to the legislature or being subjected to audit. As a result, some departments have effectively introduced administrative systems to be able to track and account for these things independent of the CSC. The following quote explains:

"That is why people started establishing little admin units within the line. Signing for Leave, we've got our own excel system now. Even if you have access and you see PERSAL, you don't know if something is lying there that wasn't captured." -Focus Group 8

The risk was expressed and reiterated by a number of respondents because “the HOD is still responsible and accountable” in law despite the bulk processing responsibilities vested with the CSC. Although the tension in this area seems not to have been fully resolved, with a number of HODs continuing to acknowledge their concerns over sharing responsibilities while effectively concentrating accountability in them, the overall improvement in audit outcomes seems to have given some comfort that this can be managed, either through close cooperation with the CSC, or through taking additional measures within the department to ensure the department can answer regardless. The role played by the CRUs then becomes pivotal in this regard, and they are the subject of further analysis in the next section.

4.2.3 Synthesis

Overall findings for roles and responsibilities show that since the adoption of the CSC Policy in October 2010, and the subsequent signing of the SLAs and Service Schedules in November 2010, that a set of general roles and responsibilities have been in place and that they have been clear insofar as they’ve set out a general delineation of obligations. These documents have provided a common point of departure for the various role-players, who generally express having had sufficient opportunity to input into these documents and agreements as they have been refined and rationalised periodically over the CSC’s lifespan.

However, across a number of functions there are still disagreements or non-complementary understandings over the demarcation of responsibilities. Some of these appear to be enduring positions on the corporatisation of certain functions more generally (across People Management in particular), while others are likely the result of direct experiences and frustrations arising from challenges arising from the complexity of the arrangement and its potential inefficiencies. The Service Schedules do set out service standards for meeting obligations but there was a serious lag between setting out these obligations in general terms and the subsequent detail and clarity of SOPs for key services, which themselves were substantially reduced. In fact, the bulk of process design work for the first two years of the CSC’s existence focused almost exclusively on its own processes, those it had to get right if it were to deliver a more efficient, economical and effective service. This internal focus precluded it from a value-add to client departments initially and was contrasted with the incremental introduction of shared services in Queensland, Australia of a period of 3-5, which featured the concurrent definition of new business processes and services as part of transition planning and implementation.

Although clients have generally confirmed the opportunity to influence and shape the Service Schedules themselves, too many remain unaware or unfamiliar with their contents. This was common across line functions and is maybe one of the most significant findings of the evaluation. Despite the positive strides made over the CSC’s lifespan, there still seems to be insufficient and contested understandings of what the roles and responsibilities for its associated services mean in practice, and how these are actually distributed between departments and the CSC. Better, mutual understanding of the distribution of these responsibilities is of critical importance because the reality is that the CSC has introduced a more complex set of relationships into these functions that HODs and

departmental managers need to be able to confidently navigate, own their responsibilities and ultimately, account for.

Managing role-player relationships is also a challenge because of the different understandings of the CSC's role as a "service provider", especially when this has historically had an outsourcing connotation. Frustrations around the nature of the relationship, both as an extension of the authority vested in the Premier's office, and conversely as a more subservient operational service provider that should be accountable to clients for the quality of its work, have not helped the CSC in the execution of its responsibilities. However, notions of partnership and cooperation, which seem to be nascent but need to be further developed and understood, rest mostly with senior management rather than at an operational level, and present a possible path forward if they are further built upon.

Disagreement on which responsibilities are the CSC's and which responsibilities are the departments' is more pronounced (e.g. People Management and Corporate Communications) in some areas than others (e.g. Legal Services and Corporate Assurance). What is also clear is that there are line functions that posed particular challenges in terms of design and establishment challenges, which seem to have made a last impression on departments, despite some improvements (albeit uneven) in fulfilling obligations and meeting service standards. However, in People Management especially, there is still room for improvement even considering the strides made.

Although internal performance reporting presents a strong picture overall, the detail of specific functions highlights where some obligations in relation to core operational processes have underperformed and qualitative data has highlighted specific areas where the CSC can improve in this regard, even where performance has self-reported as excellent.

One other key finding to come out of this analysis is that the CSC has been experienced as responsive more generally, but at senior management levels especially. However, this has not always filtered down to staff responsible for client interface and there are a number of concerns and inefficiencies that seem to be challenging the success of the CSC.

The symbolism associated with the restructuring of the People Management functional area under the CSC seems to have enjoyed disproportionate attention relative to other functional areas in terms of how the CSC has been perceived. The downside of this is that the whole of the CSC gets painted with the historical brush of one functional area or set of line functions unfairly. However, the positive side of this is that there are key services within functions which if further improved upon and operated at the intended standard, could have a compound effect on perceptions of the CSC's efficacy.

In summary, the establishment of the CSC introduced a set of complex and shared responsibilities with role-players who still question their distribution in some cases, particularly given that shared obligations is seemingly at odds with the CSC as a "service provider". Efforts have been taken by the CSC to better conscientise affected role-players, revise and improve the distribution and formulation of responsibilities with role-player input. Awareness is stronger at senior management level but a broader and deeper conscientisation across WCG staff is still lacking. Notwithstanding

these issues, the CSC's own evidence suggests it is performing relatively well against standards in relation to its obligations, although client data has surfaced issues in need of urgent attention. The use of the performance dashboard as a measure of the achievement of the CSC's obligations, and issues of credibility, particularly where percentages seemed generous compared to contrasting findings, will be further discussed under implementation mechanisms.

4.3 Implementation mechanisms

The section will address findings on the instruments, guidelines and structures that govern and shape the implementation of the CSC's work. These are the platforms through which the work of the CSC is actually executed, monitored and reported upon. In some instances, these mechanisms are a product of the CSC and are intended to add-value, support engagement or proactively identify problem areas before they come to a head.

4.3.1 Design

This section firstly describes the implementation mechanisms as designed (or as in existence prior to the CSC) according to the following broad categories: structural institutional mechanisms; organisational structures; policies, protocols or frameworks; and informal mechanisms. The rationale for the implementation mechanisms; clarity on the reason for the implementation mechanisms; and likelihood of the implementation mechanisms fulfilling their purpose, is briefly appraised in relation to the functional area they serve, or in relation to mechanisms overall.

Legal services

Legal Services is unique across the functional areas because it does not employ specific structural implementation mechanisms. Its Litigation and Corporate Legal Advisory Services are by nature highly customised interactions falling squarely into the consultative / strategic category of CSC services. There does not appear to be a need for operational or transversal governance mechanisms in this area. Effective communication and responsiveness from the CSC's side is committed to through detailed stipulations in the latest Service Schedules (e.g. the time within which the client will receive acknowledgement and the contact details of the allocated Legal Advisor). Provision is also made for urgent cases and generally, informal or ad hoc engagements are expected to occur as necessary.

Legal Services also does not yet provide for any structural implementation mechanisms for its Legal Compliance assessments and it is as yet unclear whether this will be required. As pertains to legal training, this is currently provided based on a plan for the financial year. Given the broad implications of the new Protection of Personal Information (POPI) Act, the Directorate has assigned four staff members to focusing on this; and has worked with departments to assign POPI "champions".

By way of tools to assist departments and WCG, the Directorate: Litigation supplies a 6-monthly report on litigation by and against the provincial government. Further, the Directorate: Legislation has developed guides for commenting on draft legislation to assist departments and draw in the technical inputs for a given discipline or sector.

In terms of an overall appraisal of design in relation to Legal Services, the area is relatively thin in the way of mechanisms. In most cases the function provides a draw-down service that would not necessarily benefit from regular structural engagements beyond other cross-cutting forums like PTM, nor are there designated counterparts in departments who would be appropriate as departmental representatives. However, the more proactive approach taken by the Legal Compliance Unit in the case of the POPI Act has a clear rationale around designating a champion and plan for legal training so that departments avoid situations and bad decisions that prove costly, time-consuming or illegal on the part of WCG. The provision of periodic reports detailing active litigation sets out trends in these cases that are useful for mitigating potential risks and following-up on matters of compliance.

While there seems to be a fairly implicit rationale for these mechanisms, they are not well defined or noted outside of the qualitative data obtained. Thus, there is a clarity deficit in some way in relation to these which inhibits a fuller appraisal.

The use of the Legal Services Service Schedules to regulate the expectations that clients have of the Branch and to ensure that they fulfil their own responsibilities is plausible only if it is certain that clients are conscientised and aware of the details of these schedules and understand both the CSC's standards and the complementarity of their obligations. The low level of familiarity with the Service Schedules discussed in earlier sections indicates that this is not the case. If clients are not familiar with the Service Schedules and there are few other implementation mechanisms supporting communication then Legal Services may face misunderstandings and challenges with cooperation.

Corporate Communications

Corporate Communications provides for a number of institutional structures that assist it to execute its support function. Chief amongst these is the recently established **Heads of Communication Forum** (HOC) which serves primarily to share information and meets on a monthly basis. A recently developed Terms of Reference for the HOC Forum identifies its aim as "increasing co-ordination, integration and communication between the Departments through information sharing, dialogue, capacity building and consultation on matters of mutual interest" (Steyn, 2015). It serves as a structure whereby Heads of Communications (communication staff based within departments) have an opportunity to periodically engage transversally on all matters and issues linked to the support function and gain clarity, support and better co-ordinate messaging.

Until recently, the Directorate: Corporate Communications convened a Brand Assessment Steering Committee quarterly. This structure was since dissolved and substituted with **Brand Assessment Reports** which are generated and submitted to departments (to provide the feedback related to branding previously received at the Steering Committee meetings). Where the creation and management of content requires the involvement of external creative and media buying agencies, the Directorate ensures quality and alignment by also engaging client departments and the agencies through an **Agency Briefing Committee** (ABC). The ABC provides a weekly engagement for departments to brief contracted agencies to

estimate and produce an output based on the identified service need, if the request for service is accepted.

In terms of design, Corporate Communications has clearly identified a need for a transversal engagement across departments that goes beyond issues of branding and the HOC Forum appears to serve a vital purpose in this regard. The first draft ToR sets out the parameters for this platform and provides a clear rationale for its existence in terms of the legislative framework and objectives. As an implementation mechanism, its design appears appropriate for addressing some of the issues related to issues of roles and responsibilities and creates a space to address and coordinate a programme. On this basis, it appears likely to be a useful mechanism in support of the execution of the Corporate Communications function.

Otherwise, the move from a brand assessment steering committee to brand assessment reports marks a change of approach that provides direct and assessed feedback in reports while the HOC forum serves as the platform to discuss related issues arising from them. This contrasts with the Agency Briefing Committee which is a kind of appraisal market for communication need. The provision of a briefing document for submission prior to briefing sessions serves as a preparatory tool in this regard, to ensure that it is clear what is required before the meeting. In this regard the implementation mechanism and supporting document appears to meet the basic needs for standardising requests so that they can be judged clearly and fairly.

Corporate Assurance

The Corporate Assurance environment features a range of institutional structures, plans, statements, frameworks, tools and reports that give effect to legislation and treasury regulations. There are also a few structures, plans, statements, frameworks, tools and reports not specifically called for in legislation but which have been introduced in the Western Cape. Finally there are more informal meetings, tools, communications, and engagements that nevertheless serve an important purpose in the pursuit of Corporate Assurance objectives. These are all referred to collectively as the implementation mechanisms.

The CSC's Branch: Corporate Assurance houses the Provincial Chief Audit Executive (the Chief Director: Internal Audit) and Provincial Chief Risk Officer (the Director: ERM). The location of these Officers, along with the dedicated capacity to fulfil the CSC's side of the IA and ERM requirements, has represented a shift in institutional arrangements linked to corporatisation. Accordingly, where needed, the implementation mechanisms have been revised to reflect any changes to roles and responsibilities between the CSC's Officers and staff and those in departments.

Forensic Services is similar to Legal Services in that it implements its forensics investigations reactively and therefore does not have standing institutional structures. However the FIU does compile and issue regular **progress reports** to HODs showing new and completed cases and the age of the current caseload. It also performs a range of proactive functions

based on **Fraud Prevention Implementation Plans** which includes training and awareness and an annual fraud perception survey. These activities (including results and discussion of the surveys) are also reported on in the progress reports.

The Internal Audit mandate is set out in its **Internal Audit Charter** (signed April 2014). This charter is required by the Internal Audit Standards (of which year) and treasury. According to this the shared WCG Internal Audit Services (IAS) mandate is to render independent, objective assurance and consulting services to all departments and selected Public Entities. With the Internal Audit Charter defining the mandate of IAS, the Service Schedule provides more practical detail on how these services are rendered (broadly: compiling Audit Plans, conducting internal audits and monthly progress reporting with departments) while also indicating that IA performs some secretariat functions for the independent Audit Committees. In this way the Internal Audit Charter is an appropriate foundation for the rendering of IA services.

The mandate of the Internal Audit is conducted based on a rolling three-year Strategic Internal Audit Plan and Internal Audit Operational Plan. Progress against the plans is documented and discussed in **monthly progress meetings** with each client department. These monthly meetings are not required by law or the Internal Audit Standards but serve as an important platform. They feature a report on resource utilisation to date, record and status of implementation of agreed action plans and follow-up reviews, etc. They also provide a report on the CSC's performance on each of its Service Standards as per the Service Schedule including an Action Plan for standards not adhered to. In this way the meetings and reports provide a regular accountability mechanism both for the CSC and departments, and an opportunity to discuss challenges.

The Internal Audit service standards make specific mention of a measure of client perception (an assessment of service quality which is completed after the conclusion of the audit) and annual external quality-assurance reviews such as the PwC Quality Assurance Review quoted earlier. These are part of a larger Service Quality Improvement programme within IAS, but their integration here is an important design element for the rendering of IAS. By including these measures and setting targets for performance on them, the Internal Audit line function goes further than most others to integrate client perceptions and international benchmarking into the CSC Dashboard.

In terms of ERM, the **WCG ERM Policy Statement**²⁶ is a brief document stating the policy, philosophy and approach of the WCG with regard to ERM. It specifically mentions the key role players – staff at all levels; Accounting Officers; the Executive Authority; audit committees, departmental ERMCOs, and the Provincial Chief Risk Officer – and briefly notes their responsibilities. It also states that ERM will be fully integrated with planning processes and performance reviews “to ensure that the risk management journey matures and cements sound organisational practices where management and staff

²⁶ The 2012 version was made available for this evaluation but is currently being reviewed.

skilfully identify, assess, treat and monitor risk in the normal course of organisational activities". The Policy Statement is useful for understanding why the roles and responsibilities for this line function are particularly interlinked, with the CSC playing both an implementing role (preparing departmental ERM Implementation Plans, driving the completion of activities on the plan, reporting at least quarterly on progress) and a more consultative role ("supporting the department... in all matters relating to ERM"; keeping abreast of research; implementing training).

The departmental **ERM committees (ERMCOs)**²⁷ are appointed by the Accounting Officer (HODs of client departments) to assist with the discharge of risk management responsibilities. These committees were established in terms of the Public Sector Risk Management Framework. The role of each departmental ERMCO is spelled out in a Terms of Reference or Charter. They provide a means by which senior managers can exercise oversight of risk management in their areas of responsibility. It also provides a platform for the CSC to engage senior managers on ERM and to drive the completion of the planned activities.

The **Combined Assurance Framework**, which was introduced on 1 March 2015, speaks to the work of the CSC's IA and ERM units but also to other stakeholders in the CSC and beyond. The introduction of the CAF is in line with the National Treasury Public Sector Risk Management Framework which requires the Chief Risk Officer to participate with Internal Audit, management and the AG in developing the combined assurance plan for the institution. The CAF seeks to "provide accounting officers/Accounting Authorities with a formalised and documented framework and process to manage the coordination of assurance efforts in an optimal and integrated manner." It sets out three categories of assurance providers (management assurance providers, internal assurance providers and independent assurance providers); their roles and responsibilities; and the principles and process by which combined assurance will be ensured. By supporting the coordination of assurance efforts it seeks to minimise duplication of assurance effort and disruptions to departmental / institutional operations and avoid assurance gaps.

Although the CAF was only recently introduced it provides a useful framework for coordination between risk identification and the efforts of the various assurance providers. Its introduction supports the call for better integration between ERM and IA activities.

The CAF states that it will initially be supported by ERM and IA, but that it is a management tool that WCG management should eventually take more responsibility for and come to own. The CAF states that it should be recognised that successful implementation will require some investment in

²⁷ Instead of a typical ERMCO, the Department of Economic Development and Tourism has a Governance Committee that, according to its Terms of Reference, seeks to embed the King III principles including the Corporate Governance of ICT Policy Framework in the Department. An official in this department explained that effectively this department has "merged the DITCOM and the ERMCO into the Governance Committee" and that this was useful in avoiding duplication.

terms of human resource capacity within [departmental] management as well as the CSC's ERM and IA units. However in the description of the Corporate Assurance Service Schedule, the CAF is mentioned only in terms of the need for IA to consult relevant stakeholders in developing Internal Audit Strategic and Operational Plans. The means by which Departments should integrate the principles of the CAF into their regular strategic processes and day-to-day operations is not spelled out here (on the departments' side of the service schedule) nor in the CAF itself. This may pose some risk in terms of promoting the gradual departmental ownership of the coordination principles enshrined in the CAF, and might leave room for departments to overlook the part that they are required to play (through the various relevant structures referred to in the CAF e.g. ICUs, M&E structures) in the combined assurance processes.

The goal and potential value of the CAF is clear to the interviewed stakeholders and those that discussed it, offered to salient critique of its design. However, it is still perceived to be early in the implementation and stakeholders "wait and see" what the effects of it will be.

Thus, in appraising the design of implementation mechanisms for the corporate assurance functional area, it is clear that this functional area is influenced by national legislation and regulations but has also applied these to the WCG context. Particularly in the area of ERM, which was newly corporatised and where the role of the CSC is not as easily delineated as in the case of expressly independent internal audits and forensic investigations, the Branch: Corporate Assurance has used the ERM Policy Statements and a recent revision of ERMCO Terms of Reference to clarify its role and approach. The Combined Assurance Framework, "a natural progression of the ERM process", takes this further. Overall the Corporate Assurance Mechanisms provide an appropriate basis for the communication of roles and responsibilities, the rendering of services, keeping their client departments updated and providing regular opportunity for the raising of issues. Further, the Combined Assurance Framework demonstrates that the complementary value of these support functions is finding its way into a mutually reinforcing design. In this regard, Corporate Assurance implementation mechanisms appear to be increasingly suited across the functional areas for enabling and supporting the intended results, including the gradual maturing of the WCG's approach to these functions.

Centre for E-Innovation

The Ce-I has a broad mandate and employs a range of implementation mechanisms. This section focuses on prominent and newly established mechanisms, while acknowledging historical institutional structures such as DITCOMs and CITCOM as having preceded the establishment of the CSC.

During the development of the modernisation blueprints, the Ce-I performed an IT Governance Maturity Assessment using the **CobIT** framework, whose assessment methodology has gotten progressively more demanding as the environment has evolved. This framework has provided a useful governance maturity benchmark over time for tracking IT governance in WCG but it has not maintained a consistent scale that allows indicator based tracking over time.

The **WCG Corporate Governance of IT policy and charter (WCG CGIT)** (2014) spells out the responsibilities of the Ce-I and departments with regards to IT governance. The required seniority level of **DITCOM** chairpersons is spelled out in the CGIT, and CSC Circular 39/2011 instructs departments to implement this charter in order to meet standards for IT governance. At the province-wide level, the **CITCOM** serves as the IT strategy committee across WCG and has a relationship to PTM as well as informs the work of the DITCOMs. In this way the structures are complementarity and build from a department specific engagement to a province-wide platform.

IT Service Managers are a prominent implementation entry point in departments in the Ce-I space (they were appointed around 2007). One such official is assigned to each department. These officials play a facilitating role by managing client services; conducting ICT change management, championing and coordinating e-Government service delivery and operational support; developing and managing appropriate departmental service level agreements and contracts; and providing inputs into the budget and fiscal process.

Service managers also support the development in departments of **ICT Strategic and Operational Plans** which are aimed at ensuring the department articulates its ICT requirements; clarifies its roles and responsibilities; and that ICT projects are appropriately planned and resourced. These departmental plans iteratively inform, and are aligned to the **Provincial ICT Plan** which provides an overarching strategic framework to address the business requirements of the province's medium-long term strategies. The strategic drivers set out over the medium term are therefore to achieve:

- Decrease duplication and fragmentation
- Better ICT service delivery quality
- Secure, reliable information
- Institutionalise ICT Governance
- Better business/IT alignment (Ce-I, 2013).

In relation to each of these drivers, the plan identifies interventions it will pursue for each driver and provides costing related to these initiatives.

As part of the development of the Provincial ICT Plan 2013/14, the **ICT Mini MTEC** was initiated and has become a key design innovation within this branch. The structured budgeting process was initiated at the end of the 2012/2013 financial year and was undertaken to:

- Establish linkages between the Provincial Priorities, Annual Performance Plans and ICT Plans;
- Facilitate joint planning in respect of ICT's and ensure that the WCG attains benefit from its investment in ICT's; and to
- Ensure that departments have credible ICT Plans which will enable optimal service delivery in the WCG (Ce-I, 2013).

This implementation mechanism has involved a detailed spending and budget analysis which has been useful for informing developments related to the Ce-I funding model and the subsequent introduction of the **IT Tariff Policy**, explained earlier in relation to the CSC funding model.

At an operational level, the **IT Service Desk** is intended as a single point of contact for incidents and incident resolution. A user perception survey conducted around the time of the Blueprints indicated that the IT Helpdesk was one of the “key pressure points identified by users as requiring marked improvement”. Subsequently, as proposed in the Blueprint, the Ce-I implemented a Consolidated Service Desk including Help Desk and Desktop Support. The Service Schedule reflects the standards in terms of its average response time and time to resolution.

In terms of the overall design of the implementation mechanisms for Ce-I, there is a clear set of institutional structures that cascade from provincial, to departmental level in the CITCOM and DITCOMs. These structures are underpinned by a policy framework and maturity assessment framework which has assisted in measuring performance across province. The development of departmental and provincial ICT plans has yielded an integrated budgeting process that is designed to ensure alignment between the Ce-I’s transversal function and that of the province as a whole. These relationships are clear, and seemingly complementary. By design, they appear to be supported by common contact points across departments in the way of IT Service Managers and with structures for escalating issues. These managers are then ostensibly expected to manage this technical area while at an operational level the IT Service Desk provides a central contact point for handling generic IT operational queries. This in turn is meant to allow for managers at a higher level to focus on better governance and strengthening capability, rather than reactive IT service provision. This arrangement, and in particular the structures, plans, and relationships between them appear to be well-conceived and likely to support the effective implementation of the function.

People management

People Management has various implementation mechanisms, many of which are mandated by law and are not new to the WCG. Others however have been introduced to facilitate or improve the corporate delivery of PM line functions.

A transversal mechanism that is worth mentioning at the outset is the **People Management Strategy**. Such a mechanism is potentially useful as a foundation for understanding principles and the planning framework of the People Management sphere as a whole.

From DOTP Annual Reports it can be deduced that a People Strategy / People Management was developed over the 2011/2012 and 2012/2013 financial years, being finalised in 2013/2014. For this evaluation, a copy of a new, or further revised, policy was made available for review. This document, introduced to Cabinet in March 2015, spans the period 2015-2019 and articulates the philosophy, vision, value proposition and desired people profile for the WCG.

The People Management Strategy distinguishes between older “human resource” and “human capital” approaches and the approach, now embraced under this strategy, of “people management”. The relationship between “people professionals” (in the CSC and the Departments of Health and Education) and line managers is described as follows: “Line managers as people managers are supported by the people professionals, as partners, in the execution of their responsibility. This approach requires a broader set

of people management competencies and a much greater responsibility for the management of people related issues for the manager.”

This expresses a significant shift in the WCG’s approach. It can be compared to the shift that the Branch: Corporate Assurance is promoting with regard to ERM and that the Ce-I is promoting with regard to ICT Governance: these are sophisticated skill sets that *line managers* are expected to gain and integrate into their day to day management responsibilities. The CSC *supports* this development and integration and fulfils a range of operational and expert consulting functions (these types of functions are also usefully articulated, at a high level, in the Strategy). While it is possible to claim that the underlying philosophy has always been for line managers to take responsibility for people management, the fact that the Strategy devotes energy to distinguishing itself from previous approaches demonstrates that this expectation is now being embraced and made explicit in a way that was not the case previously. The desired state of integration of the people management approach into the organisational strategy and operational practices, in a way that enhances strategic service delivery, is referred to as people management “maturity”. A detailed maturity model will be developed as part of the strategy.

The Cabinet presentation dated March 2015 states that the Strategy has the potential to support the coordination of the activities of the Branch: People Management (and People Management stakeholders across WCG) and provide overall coherence to these. This is plausible given that the Strategy was developed in full alignment with the Provincial Strategic Goal (PSG) 5, particularly the sub-output “service excellence with people”. Five strategic initiatives are identified for the 2015-2019 period, noting that these will be supported by detailed and regularly updated action plans as part of the People Management chief directorates’ Business Plans and the Annual Performance Plans. The Strategy also envisions a “People Barometer” to monitor, track and assess the extent to which the strategy is being realised.

Overall the People Strategy represents a useful document in articulating the overarching approach of the WCG to People Management and laying a foundation for the understanding of the various role players of their roles and responsibilities in the realisation of the vision. It stops short of expressing the underlying preconditions of improved relationships between the CSC and its client departments and indicating how this will be ensured. This is the one aspect of its design that may threaten its success, especially in light of the previous findings. This will be further discussed under the section on Process.

As a second cross-cutting implementation mechanism, the Branch: People Management also has a **Steercom with Ce-I** to facilitate planning and management of services between the two branches. A range of technological solutions have recently been developed by Ce-I for the People Management Practices space in particular, some of which will be mentioned below.

CD: OD

The Chief Directorate: Organisation Development (consisting of the Directorates: OD, OB and PDI) issues a **quarterly Organisation Development report to HODs** to indicate progress of each Directorate against their planned activities for the year. Unlike similar reports in some

other line functions (e.g. Internal Audit's monthly reports), the report is not accompanied by a regular meeting; however the HOD is invited to contact the Chief Directorate if he/she would like to. This provides some space for feedback from the Department's side. Since some of the matters reported in the OD report also relate to the CSC's service standards, client departments can use the reports to verify the reported performance of the Chief Directorate against the standards.

In the Chief Directorate: Organisation Development, there are no prominent committees or institutional structures related to the Directorate: Organisation Design (OD) since OD interventions are conducted as per the need of departments. According to the Service Schedule, client departments must involve the Directorate in relevant annual processes and must conclude and manage a **departmental prioritised annual programme of OD interventions** with the CSC. The Directorate can therefore use these engagements to determine its own schedule for the year and manage departments' expectations for the year ahead.

The Organisational Behaviour (OB) line function includes a focus on organisational culture and the Directorate has since 2009 taken the lead in what it refers to as an Organisational Culture and Values Journey. This has included the development of a Vision and Mission statement, identification of WCG Core Values and Behaviour Statements, and a **Culture Strategy** and Implementation Plan for the 2015-2019 period. This Strategy forms part of the High Level Action Plan for the People Management Strategy.

As part of the Culture Strategy, the **Barrett Values Survey** is an important tool (while a Leadership Values survey and other surveys are also provided for in the Service Schedule, as needed) in gauging changes in organisational culture over time and assessing the effectiveness of the implementation of the Culture Strategy (transversally and per department) and the broader progress of departments and the CSC in promoting the desired organisational culture.

Departments also engage with the OB line function as it provides employee health and wellness services (11 participating departments) which includes departmental **Health and Wellness Steering Committees** convened by the CSC and populated by departmental staff. The rationale for the committees (with guiding operational plans) is mostly based on the directive from the DPSA, and its existence was not questioned by any stakeholders interviewed or documents reviewed for this evaluation.

CD: PTE

In the Chief Directorate: People Training and Empowerment, the Directorate: People Empowerment conducts and prioritises a **Provincial Training Needs Assessment**, based on the training needs that departments identify based on Personal Development Plans. The Directorate is also responsible for coordinating and participating in **departmental Training Committees** and a **Provincial HRD forum**. These activities and mechanisms support compliance with the National Statutory Skills Development framework and the reporting requirements of PSETA and DPSA. As such their relevance is clear.

Administering and managing bursaries, another People Empowerment service, has enjoyed some scrutiny since the establishment of the CSC. As mentioned earlier, inconsistencies in the management of bursaries was one of the challenges “inherited” by the CSC in 2010. A draft **Bursary Policy** was developed in 2009/2010 and an Interim Provincial Bursary policy accepted in 2010/2011.

In 2013 the Premier requested an update on the status of the WCG Bursary Scheme. The Bursary Report, submitted in response to this request to ensure a degree of transparent and fair application, found that staff bursary debt is a recurring challenge. It proposed setting in place more stringent and consistent bursary application criteria (including risk profiling) and early warning mechanisms to avoid debt. It further emphasised the importance of automation, in the historically paper-based administration of the bursary process, as well as to improve inconsistent and poor database management, to improve accuracy and allow trend analyses, etc.

The Interim policy was subsequently reviewed and a new Bursary Policy accepted in 2015. The Bursary Policy indicates standard criteria which must be applied as a minimum in the awarding of bursaries, but makes provision for departments that may require specific criteria in dealing with their particular needs. According to the Branch: People Management the new policy also endeavours to remedy deficiencies identified by Internal Audit. Furthermore it seeks to clarify roles and responsibilities of key role players. It allows for somewhat more detail than the Service Schedule on the responsibilities both of the Component Responsible for Managing Bursaries (the CSC in the case of all but the Departments of Health and Education) and the various stakeholders in the client department. Based on this, it is plausible that the Bursary Policy, if complied with, will address some of the challenges addressed in the Bursary Report of 2013. The introduction of technological solutions in bursary administration are designed to further support improvements.

Bursary Committees, constituted by the HOD, apply the Bursary Policy to their departments. The CSC coordinates these and provides agreed resources and logistical support. It is the responsibility of the departments to ensure the functioning of the Bursary Committee and ensure the members of the Committee are representative of all Departments and Programmes.

The Provincial Training Institute plans its training with the use of semesterly **training programmes**. CRUs “and other authorised officials” have access to the PTI’s HRD system online. **Training Impact Assessments** were also introduced with a view to assessing each programme’s achievements in customer satisfaction, learning, and behaviour back on the job.

The Facility Management line function includes client feedback in its service standards. It appears there is a formal assessment form or system for this and it is an example of some degree of alignment between client perceptions and the standards, which is likely to support the regular identification of matters that clients regard as detrimental to the service.

CD: PMP

In terms of the Directorate: Policy and Planning, the **HR Barometer** was introduced in 2012. It is a 4-page monthly “snap-shot” of information on a

variety of People Management-related matters which may be useful to inform management decisions. It employs both non-PERSAL information and PERSAL reports. Some of the indicators it reports are monthly vacancy rates, the projected budget surplus / shortfall based on posts and funding, and the time taken to fill posts per quarter; data on leave and sick leave; the age of disciplinary matters and grievances. It simply provides data, without analysis, allowing the manager to interpret it and respond if needed and as appropriate.

As mentioned earlier, efficiency in the recruitment process has been a frequent source of friction between the CSC and client departments. A number of mechanisms have been introduced to address this.

Online recruitment was introduced in 2012/2013. This was anticipated to assist in speeding up recruitment processes which at the time were noted as a continued problem (DOTP, 2013). In July 2015 a new e-recruitment platform was introduced which is intended to reduce the time spent by CSC staff re-typing advertisements for different platforms; to provide an applicant tracking function; and to be less dependent on network traffic as it is cloud-based. Along with this came refinements to the initial applicant self-scoring / automated shortlisting process which was introduced in 2012/2013 but was found to have allowed for non-credible applicant responses.

As mentioned earlier, the CSC has implemented a **monitoring system to track the end-to-end recruitment and selection process**. This is in line with the Service Schedule (2015) for Recruitment and Selection according to which the Directorate is responsible for ensuring proper record keeping and audit trail of each recruitment process. Further, this is an indicator which features in the People Management Strategic Assessments 2010/11-2014/15 referenced earlier.

In February 2015 it was announced in a Circular to HODs that **departmental recruitment plans** would be introduced to facilitate planning in the new financial year. It was expected that this would support the ability of the WCG to account in writing for recruitment processes stalled outside the Public Service Regulations' time frames; obtain confirmation on the funding status of posts; unfund posts not earmarked for immediate filling; alert the CSC to pro-actively initiate recruitment processes; and provide Heads of Department with progress and exception reports.

Beyond improving the efficiency of the recruitment process, there is the need to build the capacity of line managers for the role that they are expected to play. The Recruitment and Selection line function depends on and relates to a broad range of laws, policies, plans and guides, and it is ultimately the role of the Accounting Officer to comply with these in the recruitment and selection of staff. Policy guidance on talent sourcing matters, appointment and salary matters is part of the CSC's responsibility, shared jointly with Provincial Treasury. Notably there was not an identified service standard associated with these responsibilities in the Service Schedule (2015), nor do the relevant SOPs (nr. 24 and nr. 115) elaborate on the type of guidance to be provided. According to the CSC, a Recruitment Toolkit has been developed to assist line managers to better execute their responsibilities in this regard, and they can also request advice. The latest PTI Prospectus also includes courses on Recruitment and

Selection for Line Managers; and other topics related to line managers' People Management responsibilities.

In terms of Auxiliary Services, the main implementation mechanism is the **WCG Contact Centre** which includes a walk-in facility and also receives enquiries via telephone and email. As part of its services the Contact Centre receives People Management related queries from WCG staff (The 11 departments served by CSC for People Management Practices).

This Centre was upgraded in 2010/2011 (DOTP, 2011). In 2013/2014 an electronic incident tracking system was introduced, enabling incident tracking and showing a 92% resolution rate on first contact. The centre was also assessed in 2013/2014 by PWC.

Across these various structures, monitoring instruments and plans, there are degrees of linking rationale, but most of the justification for these structures stems from the established and regulated HR environment. In this respect, the People Management function overall, and its comprising sub-functional areas, lack the kind of coherence and complementarity that stands out in terms of the implementation mechanisms in areas like Corporate Assurance and Ce-I. However, the scope of the functional area is vast and this unevenness is almost inevitable considering the histories and practices underpinning the various functions. For such a substantial branch of the CSC, the recent development and introduction of many of these mechanisms suggests a historical design weakness in terms of the mechanisms available to it. This may further enrich understandings why the macro-functional area has experienced challenges, beyond those of just its inheritance. However, the implementation mechanisms addressed here do create the impression that the environment is consolidating and that these mechanisms may go some way to addressing and resolving the challenges facing the respective line functions.

Overarching implementation mechanisms and institutional structures

Provincial Top Management (PTM) meetings

The management of the CSC (the Superintendent-General and the 4 DDGs) engage at a strategic level with the HODs of client departments at the **Provincial Top Management (PTM) meeting**. PTM is convened by the Office of the Director General and meets formally at least once a month and more informally at quarterly retreats. It services to coordinate and integrate administrative processes on a province-wide scale; advise, support and implement resolutions of Cabinet; and provide a platform for strategic dialogue, amongst others (WCG, undated).

PTM of course is not a CSC-specific forum but it is appropriate to make use of this platform for the tabling of transversal matters related to the CSC, particularly in relation to its first objective. Judging from interviews with top management, the purpose and value of the CSC-related aspects of PTM meetings is apparent. In terms of likelihood of these engagements in fulfilling their purpose, time constraints and pre-meeting preparation are important limitations given the range and significance of items.

CSC Communication Mechanisms

The CSC has three types of communication mechanisms via its electronic platforms.

The first is the **CSC Circular**. These messages have been sent since the year of the CSC's establishment and are used for communication regarding the CSC's work. A register of CSC Circulars from 2010/2011 to 2015/2016 indicates the date of issuing; the CSC unit to whose work the circular pertains; a contact person; topic; and the date when it was signed (by the Superintendent-General). The Circulars are addressed to the HODs of all departments affected. It is expected that HODs will then ensure the sharing of the circulars within their relevant departmental structures.

If there is a need also to issue a message on the authority of the Director-General of the Department of the Premier, either to all departments or to the CSC, these communications are referred to as **DG Circulars**.

The second is the **Corporate Communiqué**. This is not a CSC-specific form of communication – it can be accessed by any department – but it is managed by the CSC and frequently used to communicate CSC-related matters that have wide implications in simple, accessible terms. These are addressed to WCG employees in general and cover any range of topics from reporting achievements to provide notifications related to on-going projects and awareness campaigns.

Lastly, the CSC also developed a directory on the WCG intranet called the **Blue Pages**. This provides information on matters of interest to WCG employees including HR-related information and policies. Included in the Blue Pages is a **CSC Access Booklet** which is intended to provide up to date contact information on the CSC's organisational structure and the names and contact details of CSC unit managers for transparency purposes. A monthly utilisation report on Blue Pages utilisation also provides an indication of staff access and points of interest.

The CSC Circulars, DG Circulars, CSC-specific Corporate Communiqués, Blue Pages and the CSC Access Booklet together form a suite of written communication mechanisms, each with a different and clear function related to scope, detail and purpose.

Client Relations Units (CRUs)

One of the critical implementation mechanisms of the CSC by design was the CRU. CRUs were initially established with the intent of acting as liaison units between departments and the CSC as a whole. One of the early CSC circulars explains: "The CSC Relationship Unit is a component of the macro-HOD Support Structure. This Unit is designed to be the interface between the CSC and client department and to specifically manage the SLA and Service Schedules. *As such, it is a critical element for the success of corporatisation*" (CSC Circular No. 8 3/11/2010).

An undated description document setting out the "Corporate Services Relations Management Unit" further explains its purpose as: "To ensure the rendering of ICT, human capital, corporate assurance, legal and communication support services to the Department by the CSC in terms of the provisions of the relevant SLA" (WCG, undated).

According to four of the departmental CRU submissions made for this evaluation, the following were the original functions recommended by the Chief Directorate: Organisation Development for these units:

- “Monitor, assess and report to the Head of Department on the service delivery of the Corporate Services Centre to the Department in terms of the signed and agreed Service Level Agreement;
- Facilitate the periodic internal review of the Service Level Agreement to ensure that the Department’s service delivery requirements are met; and
- Co-ordinate departmental operational service delivery obligations as required by the Service Level Agreement.”

In terms of design, CRUs are based within departments and report directly to HODs, but are expected to be the main point of contact for the CSC. It is appropriate to have such a unit playing this role but indications of staffing suggest a Deputy Director and Assistant Director were proposed. Designating staff to monitor and ensure the effective implementation of the new SLAs on which the CSC’s relationship with client departments would be based was conceived as pivotal function; however, the scope of their potential role appears rather broad and was initially conceived as servicing all functional areas. Interviewees have been unanimous however that this envisioned role quickly changed to focus on People Management almost exclusively. This was not a managed change by design, but “happened organically” according to respondents.

From a perspective of design, it’s clear there was an intent motivated by what an anticipated gap or need in the interface between the CSC and departments, one also identified in the KPMG (2009) report on the CSC design. This seems only appropriate given the range of line functions and amount of change they were subjected to in the corporatisation process. Thus, having a unit responsible just for monitoring the SLA and providing coordination, appears appropriate if the role is just one of monitoring. However, as the implementation shows, this is not how the CRUs unfolded and in retrospect it is very apparent that the lack of clarity around what these units would really be expected to do unintentionally set them up for failure.

CSC Performance Dashboard

The CSC Performance Dashboard began being tracked with the first service schedules but applied a consistent set of measures from 2012/13 onwards. The dashboard consists of a set of measures formulated in relation to service standards that need to be met. The service standards are derived from the distribution of obligations set out in the Service Schedules, per service, per line function, per directorate and branch. The associated targets are formulated as part of the measure, thereby fusing the indicator and target. It assists with monitoring of the CSC’s internal performance and provides a source of reporting of CSC performance to PTM and Provincial Cabinet (CSC, 2012b).

The current performance dashboard captures 187 measures across the five overarching macro-functional areas. These measures were developed using a “Quantity, Quality, Target Group, Target Area and Time Period” (QQTGT)

approach from the 2012 iteration onwards. Targets per line function are monitored on a quarterly basis unless indicated otherwise and performance thresholds between Green, Amber and Red are identified for the dashboard. The rationale for the dashboard is clear and it has been presented in the preceding section as a useful monitoring instrument in terms of the exercise of CSC's responsibilities to standard. However, a closer examination reveals some weaknesses in technical formulation of the measures included in the dashboard.

A review of the 187 measures highlights where the current performance dashboard gives rise to questions of credibility. Although there may be more detail provided to define the measures and calculations in supporting working papers which are not available, the available dashboard information appears problematic or ambiguous in some areas. The following areas lack clarity:

- The calculation applied to arrive at individual measure percentages;
- Distinctions between accumulative and non-accumulative measures;
- Whether there is any weighting of measures and the quantum; and
- How non-percentage measures are factored into aggregate percentage scores.

The QTTT template used to develop the measures indicates that performance dashboard is limited in scope to measuring the CSC's obligations. This therefore precludes end-to-end process measures and results with an administrative outcome orientation. However, these technical limitations in the design of the CSC performance dashboard do not negate its potential utility in light of its intention as a management tool for the CSC. If regularly monitored and the aforementioned details are implicitly understood and considered legitimate by users, this is not problematic. However, from an external perspective, lack of clarity in this area potentially undercuts the use of the measures beyond a CSC-centric application.

CSC Audit Protocol

The **CSC Audit Protocol** defines the role of the CSC in the Auditor-General's audit process. It explains the position of the CSC, referring the reader to the key documents (CSC Policy, SLAs, Service Schedules and SOPs). It then delineates the areas of responsibility and lines of communication for the purposes of the audit, covering the areas of Corporate Assurance, People Management and the Centre for e-Innovation. The existence of the Protocol is justified in that it meets the need that separate departmental audit protocols would otherwise fill: it sets in place a mutually understood and agreed process for the Audit. It also provides a point of reference for the Audit Steering Committee which comprises the CSC and AGSA. Certainly in terms of design, such a protocol is vital to ensuring clarity of responsibility in the audit process.

4.3.2 Process

This section appraises the implementation mechanisms introduced in section 4.3.1 in relation to the CSC's five macro-functional areas and for the organisation as a whole. The assessment builds on the design appraisal using the available qualitative data and CSC documentation to present

findings on the implementation of these mechanisms to date and synthesise a judgement in this regard.

Legal Services

When it comes to Legislation, the section on Roles and Responsibilities has noted that departments sometimes do not adhere to the internal time frames for comments on national legislation nor submit sufficient information regarding draft provincial legislation or sub-regulations. These requirements are stipulated in some detail in the Service Schedules. As discussed previously, too few clients are familiar with Service Schedules (including that of Legal Services) which can contribute to the aforementioned challenges. In addition, the focus groups and interviews suggest that Legal Services clients overestimate the contextual knowledge of the Legislation staff. Despite the development of guides to commenting on draft legislation, Legal Services still find they are confronted with inappropriate expectations with regards to commenting on legislation and greater partnership is required in this regard.

Regarding Legal Compliance, the “champion” approach recently introduced in relation to the POPI Act has received some praise. The “champion” approach may have further applications in situations where it is useful to have a knowledgeable and committed individual in departments around a specific area of expertise. However it should be noted that in the case of both ERM and the POPI Act, the champions in Departments liaise with dedicated staff in the CSC Branches. Dedicating CSC staff to a particular area of expertise will not always be the logical option.

In terms of resolving problems with the implementation of Legal Services line functions, about 75% of DDGs and CDs agreed that they have sufficient opportunity to raise this with the CSC (Figure 89 and Figure 90) and about 70% agreed that such problems, once raised, are usually resolved satisfactorily. This is a relatively strong expression of confidence on the part of clients although there are a few disagreeing responses to point to.

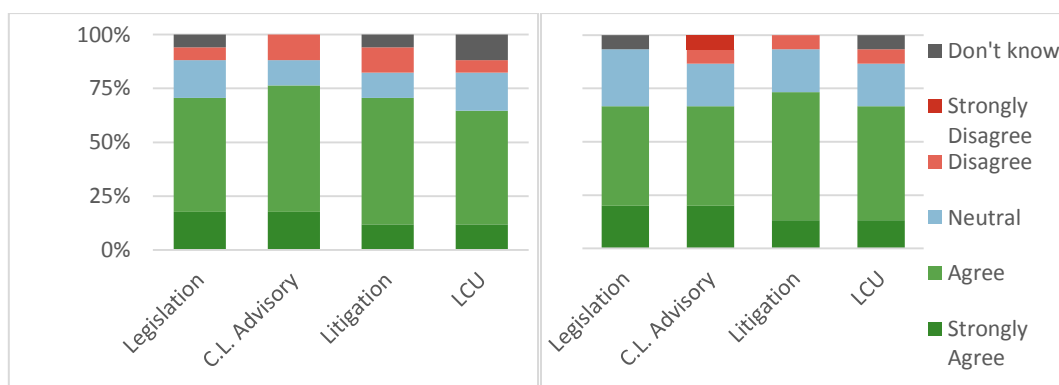


Figure 89: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with implementation of this function" (N=17)

Figure 90: CD and DDG agreement with the statement: "Problems with the CSC's implementation of this line function, once raised with the CSC, are usually resolved satisfactorily" (N=15)

The above graphs illustrate that barring 1 or 2 respondents who disagree, there is a feeling that Legal Services has the appropriate mechanisms in place to both engage and resolve matters appropriately based on its functional design and in relation to the services it renders. This would

appear consistent with the positive findings and accounts related to the fulfilment of its obligations as per the Service Schedule.

Corporate Communications

Part of the motivation for the establishment of a HOC forum was the product of frustrations and issues arising from the historical branding committees. This was often viewed as “a bit us against them” (Focus Group 10) or a “policing exercise... which people were very upset with. Need to get people to share in the vision, not push them” (Respondent 17). Over time however, the departments have come to accept and comply with the Branding Strategy, rather than need a quarterly forum aimed at ensuring its application. Thus, the introduction of branding assessment reports has provided an alternative in practice, but respondents also noted that the time required to get approval on branding matters is a source of frustration.

The introduction of the HOC forum has served as a regular platform for coordination and engagement. The focus group indicated that it is intended to be less focused than the Brand Steering Committee on critiquing departments’ designs (which had been part of the initial effort in ensuring alignment with the newly introduced WCG brand). Despite this, the focus group discussions suggested that the HOCs and Directorate: Corporate Communications have yet to come to a common understanding of what is needed from such a forum as the draft Terms of Reference does not yet appear to have been adopted, or consistently applied according to its intent.

Among HOC forum agenda items, at each meeting one department’s corporate items are presented and then discussed by the other participants. The Brand Assessment Reports (continue to) provide a quarterly feedback to client departments on their use of the WCG Brand.

The Forum has the potential to become a platform to share best practice and/or examples of good designs that can then also be employed in other departments. Survey and interview data suggests some managers still do not yet fully buy into the corporate provision of Corporate Communications services and the need for branding approval from this Directorate. Given the delayed corporatisation and the split directives between the Director: Corporate Communications and the departmental HODs, it remains unclear if the HOC Forum serves as an appropriate implementation mechanism for resolving potentially conflicting interests.

The Corporate Communications Directorate also ensures quality and alignment by engaging client departments and the agencies through an **Agency Briefing Committee**. These committees serve as the platform for departments to present their communication needs to contracted agencies. These appear effective in ensuring parties identify their needs and advance and understand their responsibilities; this may be a reason for the higher agreement among clients that they understand the responsibilities associated with the Client-Service Management line function in the roles and responsibilities section.

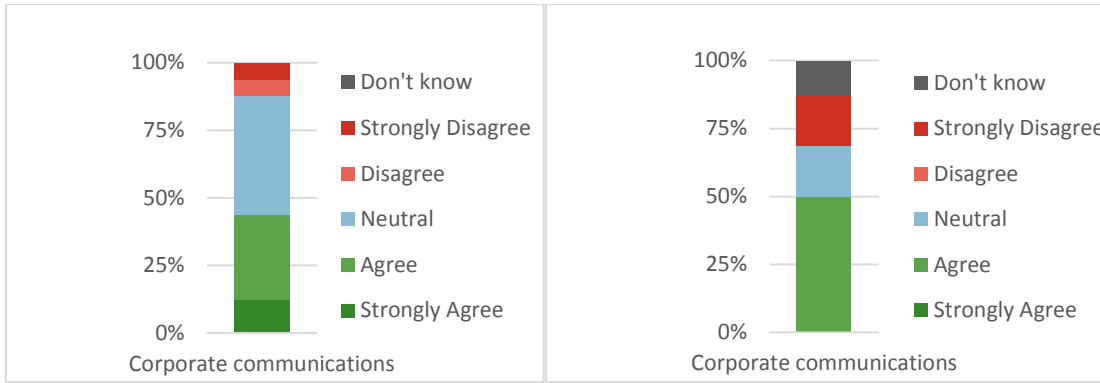


Figure 91: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N=16)

Figure 92: CD and DDG agreement with the statement: "Problems with the CSC's implementation of this line function, once raised with the CSC, are usually resolved satisfactorily." (N = 16)

From Figure 91 and Figure 92 it is clear that amongst senior managers there is less certainty regarding whether sufficient platforms exist to engage the CSC on issues of corporate communication. The nascent HOC forum may account for the comparatively large proportion of "neutrals", which contrasts with the adjoining graph which illustrates that resolution of issues raised with Corporate Communications was an issue for a small number of senior managers. However, at the same time there was slightly greater agreement that matters can be resolved satisfactorily. Thus, in relation to implementation mechanisms for corporate communication it would seem the advent of the HOC forum is a positive step which could provide a platform for resolving issues if used effectively.

Corporate Assurance

If one takes into account the positive ratings (shown earlier) of the implementation of Internal Audit by CDs/DDGs and other clients, and their views (shown below) regarding their opportunities to resolve challenges, it appears that Internal Audit has been appropriately supported by its implementation mechanisms. The **Internal Audit Charter** was found in the PwC external assessment to have the correct content, but that it could be more widely distributed to stakeholders; and the management response subsequently committed to doing this.

As mentioned earlier it has been noted in successive Annual Reports that the Internal Audit unit's capacity is constrained, with implications for its coverage. However the 2013/2014 DOTP Annual Report also reported that the application of combined assurance principles in the development of the Internal Audit Plans 2013/2014 had shown some improved audit coverage and that the full implementation of the **Combined Assurance Framework** was expected to result in further improvements in the subsequent financial year.

With regards to **ERM**, other than the objection to departments providing the secretariat function for ERMCO, stakeholders did not raise any concerns around the implementation of the ERM mechanisms. As mentioned earlier

the finding remains that ERM needs to be better “embraced” or “internalised” in departments. This requires time and training; it may also necessitate efforts on the part of the CSC to better communicate and drive home the principles already articulated in ERM documentation. However it does not appear that there are significant gaps in the mechanisms themselves.

While most ERMCOs have been around for a few years, stakeholders in several departments are of the view that their functioning has improved during the life of the CSC. Improvement in this area should of course be attributed both to the departmental ERMCOs themselves and to the CSC with the responsibility to support them, but it bodes well for the implementation of the ERM line function as a whole. One respondent explained that his departmental ERMCO has since 2015 been better able to focus on decision-making because preparatory meetings and engagements with the needed role-players prepare the needed information. Another stakeholder mentioned better integration of ERM and the internal control unit (which is identified as a management assurance provider in the CAF).

It was notable that stakeholders in a number of departments raised difficulties with the BarnOwl risk management software. According to the Branch: CA staff and a review of the most important ERM documents it is one of many tools that form part of ERM implementation. Some departmental stakeholders don't find it user friendly (Focus Group 5). Whether it is because they have a different view of how important such a tool is in the executing of their responsibilities, or because they feel their frustrations are not being addressed is not clear.

Despite an apparent complementarity between implementation mechanisms in the Corporate Assurance functional area, there are perceptions across stakeholder groups that coordination between its line functions can still be improved. This has been strongest among those discussing Internal Audit and ERM. This is promoted in the recently finalised CAF, described earlier, which sets out the parameters for greater integration. Corporate Assurance staff indicate an awareness not only of the need for coordination to reduce duplication of assurance efforts (a key emphasis of the CAF), but also to support the client optimally by ensuring IA and ERM officials share knowledge around departments' contexts in order to optimise their service (Focus Group 10).

There was limited mention of Forensics implementation mechanisms – the regular reports to AOs on investigations and the implementation of Fraud Prevention Implementation Plans, the Fraud Perception Survey etc. – among stakeholders. Again given the data presented on this line function overall it can be assumed that its implementation mechanisms are operating well or at the very least do not impede its functioning. The only identified room for improvement, based on findings of high “don't know” rating on roles and responsibilities and the handful of respondents disagreeing that they have sufficient opportunity to engage the CSC on challenges (below), is in the visibility of the line function, particularly the non-investigatory responsibilities of the CSC.

Overall the implementation mechanisms in the Branch: Corporate Assurance appear to be effective in facilitating the implementation of the ERM and IA line functions (especially in the past one to two years). The responses of DDGs and CDs (below) indicate confidence that there is opportunity to raise problems and very high levels of confidence that those problems are usually successfully addressed.

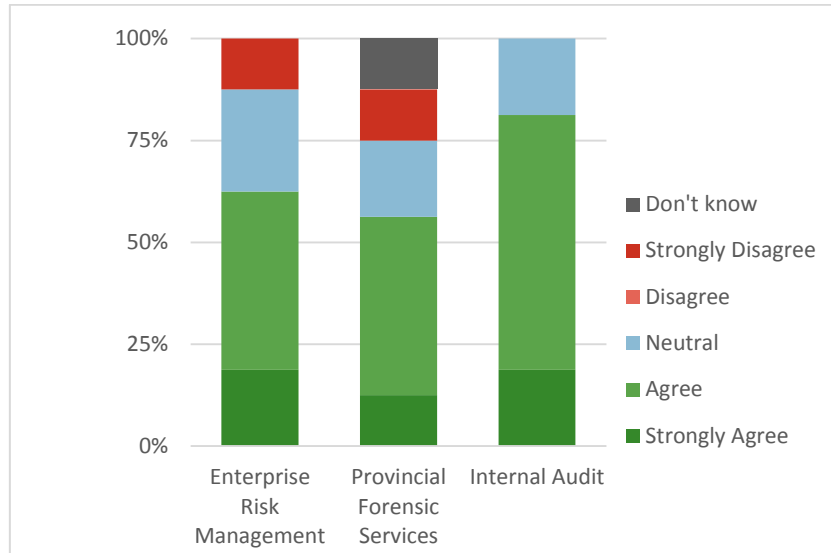


Figure 93: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N=16)

Figure 93 and Figure 94 respectively show quite clearly that Internal Audit is experienced as available to engage on problems and likely to resolve them. Only ERM is identified as having a slight disagreement in both graphs. PFS also appears to enjoy the confidence of respondents in addressing issues that are raised, although there is some indication that more opportunity to engage the CSC on this function may assist.

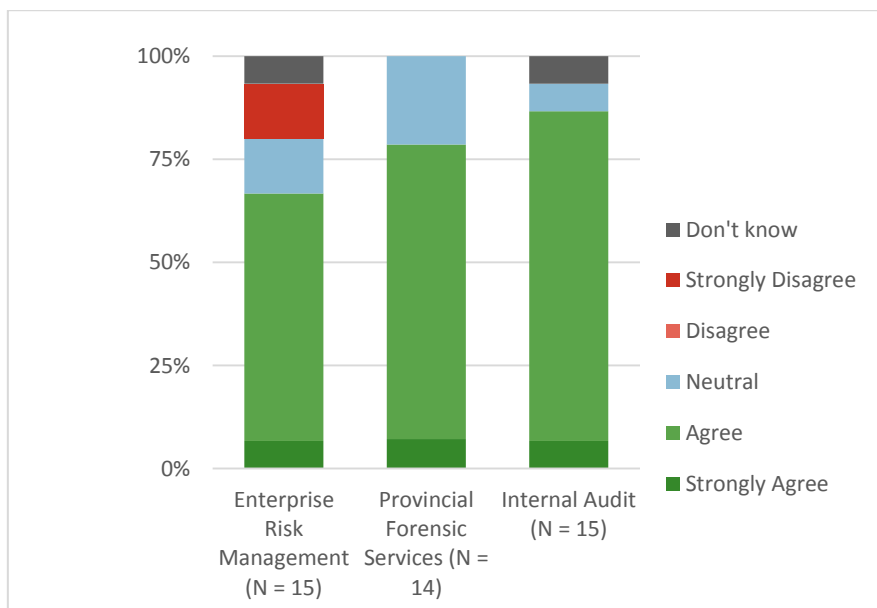


Figure 94: CD and DDG agreement with the statement: "Problems with the CSC's implementation of this line function, once raised with the CSC, are usually resolved satisfactorily."

Centre for e-Innovation

In terms of ICT governance, going back to the modernisation blueprint for ICT, the **CobIT** framework initially scored the Province 1 (reactive). On a scale of 0 (chaotic) to 4 (value), this put the ICT function at very low foundation by way of IT governance maturity. Several of the ICT implementation mechanisms subsequently driven by the Ce-I were an effort to improve the province's maturity as well as to align it with the King III recommendations around the corporate governance of IT.

The CobIT assessment process has been valuable in allowing a detailed objective baseline for the WCG's progress over time. A 2011 assessment allocated a score of 3, signalling significant progress; a 2013 assessment using the newer, more stringent CobIT 5 methodology allocated a score of 2. A 2014 assessment also using the CobIT 5 methodology allocated a score of 3 across 9 processes while 8 processes that had recently been significantly restructured scored lower than this and it was expected that they would improve as the restructuring took effect and led to improvements. It also identified at-risk areas for prioritisation. The CobIT ratings are a useful tool for a regular assessment and discussion of the quality of the Ce-I's work in this regard, despite the shifting scale. It is also noted that concurrent to this, there has been an overall decrease in the Auditor-General's IT related findings.

However, the 2014 CobIT report also notes that further progress is needed: "in several of the processes the business commitment is still lacking and/or business is not adequately resourced to provide this collaboration". The ownership of IT by the Business (line departments) was noted as an improvement area in the 2014 CobIT report.

While the CGIT clearly formalises and supports much of what the Ce-I has been tasked with achieving in terms of IT governance maturity, it went through a brief consultation period. For such a significant charter, with implications for senior managers' responsibilities and time, it is unclear whether the document was thoroughly engaged with. Stakeholders confirmed that there is still some way to go to gain broader line manager buy-in as well as understanding of what this entails. A main concern is the time that ICT governance requires from senior managers as this quote conveys:

"I think it's "good" [i.e. not great]. We've got the CITCOM and the DITCOMs and most departments have an operational DITCOM and a main DITCOM which works very well. Some SMs also involved in the ERMCOs and busy with normal risk as well... I don't think [its] excellent, can always improve and want to get them more governance efficient but... I think they're doing okay... the people interacting with us in these structures they might not even be IT... [so limited] importance to them... but appointed for governance regulations and things... so we have some type of challenges with that one." (Focus Group 7)

Together the Service Managers, DITCOMs and CITCOM are making progress in helping to entrench the needed understanding and principles in client departments, although challenges remain. The shift to a governance emphasis and additional burden this places on senior managers otherwise unfamiliar with this terrain was a recurring theme. The **Provincial ICT Plan** and **Departmental ICT Plans** were identified as one means through which these challenges could be proactively planned for and managed. Reflections at the time of the Provincial ICT Plan 2013/14 took note of the functioning of the ICT macro policy framework, but noted that more support could be provided for PTM oversight in relation to CITCOMs, funding, asset and application portfolio management, as well as procurement. A need to better integrate departmental ICT planning within existing departmental planning processes was also identified (Ce-I, 2013).

At lower management levels, most clients primarily interact with the Ce-I through the Operational Services such as email, the PGWC intranet and the internet. By 2011, a user perception survey showed substantial increases in positive perceptions of these services. A recent overview of Ce-I progress in relation to the modernisation programme identified an improvement in user satisfaction from 58% to 72% of the period to date (Ce-I, 2015).

At the **IT Service Desk**, even as it began to offer a more comprehensive service in line with the Modernisation Blueprint, average turnaround times for the resolution of (non-urgent) calls were reduced. Annual Reports of the Department of the Premier reported the average turnaround time as 4.22 days in 2010/2011; 4.06 days in 2011/2012; 2.82 in 2012/2013; 3.74 in 2013/2014. Despite the increase in the latter year the Service Desk still performed well within the target of 4 days. Yet “slow response times” was flagged by a number of client respondents, suggesting that some clients consider the service standard of 4 working days to be too long, or that there is a perception that IT staff wait until the 4 day horizon approaches to resolve the issue.

It has been further noted that e-Government for citizens currently manages the content of websites while Corporate Communications manages communication through other media. The need for greater integration in this area has been addressed through a daily collaboration between these structures.

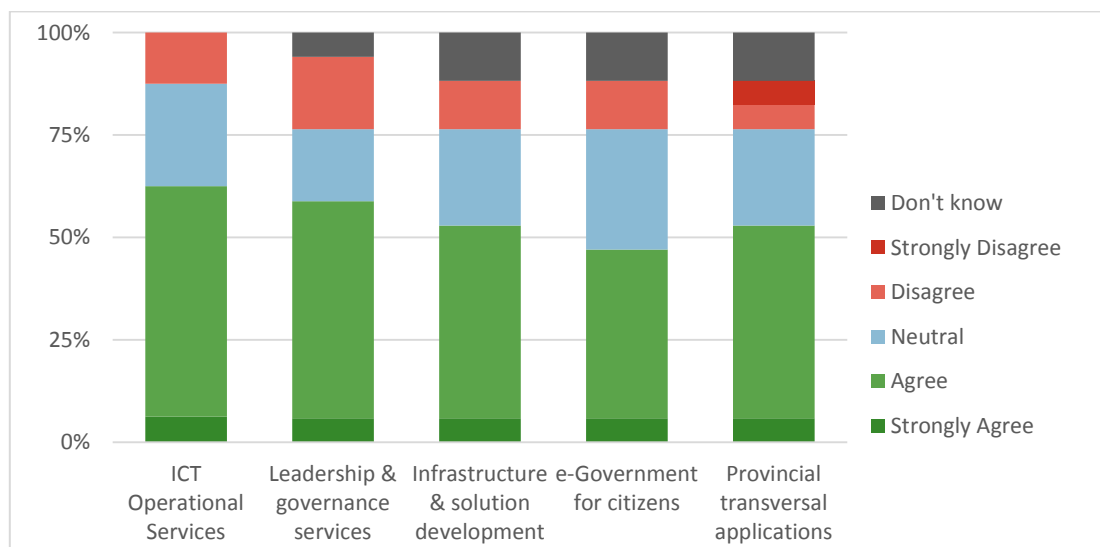


Figure 95: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N = 17 except for ICT Operational Services where N = 16)

Figure 95 and Figure 96 are similar graphs in terms of the distribution as DDGs and CDs express some agreement with the availability of opportunities for problem resolution across Ce-I line functions. However, there is slightly less agreement with regards to the effectiveness of such engagements, as shown below. In both graphs there is some disagreement across all line functions indicating that current mechanisms may not yet be adequately resolving all the issues encountered, however appropriate they are. This disagreement may refer may point to the residual resistance to the distribution of ICT roles and responsibilities, and the assumption of those duties by senior managers in departments, as discussed earlier.

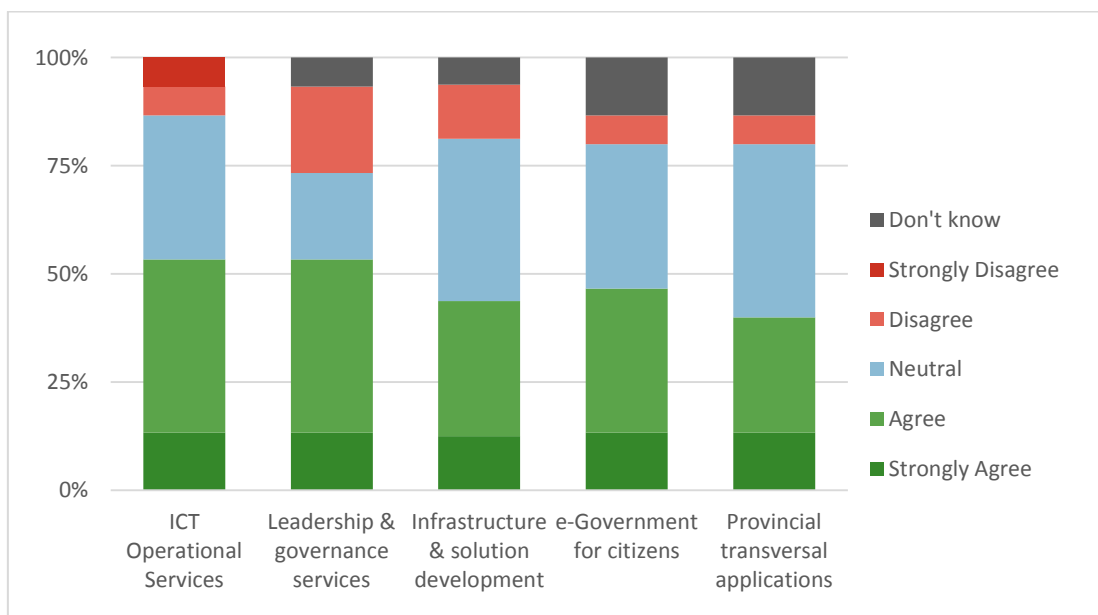


Figure 96: CD and DDG agreement with the statement: "Problems with the CSC's implementation of this line function, once raised with the CSC, are usually resolved satisfactorily." (N = 16 except for Infrastructure & solution development, where N= 17)

People Management

As mentioned in section 4.3.1, a number of People Management implementation mechanisms were introduced or revised following the establishment of the CSC. This section discusses the most salient findings on how these implementation mechanisms have been received and appear to be working to date.

The **People Management Strategy** was mentioned as a notable transversal implementation mechanism. Successive DOTP Annual Reports report on a review of the strategy, suggesting it has taken considerable time to arrive at a document that satisfies stakeholders. Furthermore it was presented to Cabinet in 2015 but the version made available for this evaluation was dated 23 December 2015, suggesting there may be continued refinements into the period to which the Strategy applies (2015-2019).

Beyond this observation it is not possible from the review only of the 2015 Strategy to reflect on the progression of the strategy over time, or to discuss how it has been consulted and communicated with stakeholders. Qualitative data from interviews and focus groups suggest that the “people management approach” and the goals associated with the concept of “People Management maturity” have in fact been shared and have registered in the minds of senior managers across departments.

The challenge however remains for the people management approach to enjoy credibility in the minds of line managers, given what is known about WCG staff positions on the shared services design and the gap in understanding of roles and responsibilities between them and the Branch: People Management. A close and effective working relationship between “people professionals” and “people managers” is a foundational requirement for attainment of the desired state of People Management maturity and the data indicates that the requisite conditions have not yet been fully realised.

As the section 4.2 has discussed, senior managers continue to raise concerns about the implementation of the Branch’s line functions, even though some concerns raised have been addressed or are currently being addressed. On the other hand the Branch’s senior managers attribute the circumvention by client departments of People Management procedures as efforts to reassert control, not mentioning or not attaching legitimacy to some of the other motivations senior managers give for this circumvention. These behaviours are indicative of a trust deficit on both sides. The People Management Strategy quotes PSG 5 in describing the challenges of the current institutional culture with regards to people management, but does not describe the challenges currently experienced in the relationship between the CSC and client departments.

The Ce-I and People Management joint Steercom was not studied in detail but there are some indications of a constructive relationship between the two branches. For instance, it has provided a platform for how Ce-I can enable greater efficiency and standardisation through ICT in relation to key People Management services, such as bursaries. Although there is still much potential, the People Management Strategy further envisions that the IFMS HR will support the automation of PMP key processes.

CD: OD

In the Directorate: OD, departments’ **prioritised annual programmes of OD interventions** appears to be supporting communication between the Directorate and client departments around the scheduling of OD interventions. This appears to support planning in client departments as a number of respondents referred to their discussions with the Directorate on the timing of particular OD interventions. In discussion of the OD line function, a number of stakeholders (client survey respondents from 4 different departments; 2 interviewees from different departments) nevertheless raised that they find the waiting period for OD interventions too long and/or that the unit requires more capacity (number of staff) to improve turnaround times. Thus the annual programmes appear effective in serving their purpose of scheduling and prioritising interventions but cannot address the underlying perception of slow delivery. Delays in finishing interventions on time have also been a challenge, although things are

improving. The Dashboard results indicate that reaching the target of 90% on the service standard “% organisation-design interventions completed within delivery-date requirements” was rare in 2012/2013; but by 2014/2015 it was achieved in most months although there were still three months where achievement was under 50%.

In terms of OB, the **Barrett Values Survey** has been implemented transversally in 2010/2011, 2011/2012, 2013/2014 and 2015/2016. Judging by the fact that a few senior managers cite the survey results with limited mention of any implementation challenges, it enjoys legitimacy among departmental stakeholders. Its results, both positive and negative, were also cited and used to inform the development of the People Management Strategy. It appears that this mechanism has become well-established and yields results that stakeholders find meaningful and relevant. It is very valuable for the organisation already to have such a mechanism in place as a monitoring tool in the implementation of the Culture component of the People Management Strategy 2015-2019, while the other mechanisms to support the strategy (People Barometer and People Management Maturity Model) will still need to be designed.

The **Departmental EHW Steering Committees** appear to be functioning well in that neither the committees nor challenges in the delivery of EHW services are mentioned by stakeholders. It appears that the CSC was able to transition into the role of providing these services relatively smoothly.

CD: PTE

The **Bursary Policy** has, as mentioned previously, been welcomed by departments. Although only CSC internal stakeholders are listed as having been consulted in the drafting of the Bursary policy, it was cited as an example of a transversal policy that was satisfactorily consulted upon with sufficient acknowledgement of departmental contexts. This bodes well for departmental ownership of the new policy. However it is still early to comment on the effectiveness of the implementation of the new policy.

The PTI’s **Training Impact Assessments** were piloted in 2010/2011 and gradually increased to cover more of the PTI’s learning programmes. The results of these, or how they have served to improve training, were not discussed in data collection or the documents made available for the evaluation.

CD: PMP

The **HR Barometer** was introduced in 2012. Compared to the original 2012 version, the more recent Barometers provide more detail and also highlight important indicators in non-tabular form, as large percentages. The Barometers have been welcomed (Focus Group 4; Focus Group 8; Respondent 3) as it gives senior managers access to relevant planning information. Whether filling a gap for departments that had to part with internally generated HR analytical reports when the CSC was established, or providing value in departments that did not have such mechanisms in the past, these barometers appear to be a step in the direction of better strategic support from the CSC. It was described as easy to read and easy to follow up and obtain more information if needed.

"The level of trend analysis we get never would have been able to do that. E.g. vacancy level, trend on resigning in specific age cohort, Posts outstanding, who are serial sick leave takers which I can't see from the top and good snapshot. Policy and planning side there are things we would never have been able to see. Recruitment stats, etc. Summarised in a trend format. Excellent. Policy and planning. Powerful" (Respondent 17).

However, these barometers are only a step. As mentioned before, there is room for even more strategic advisory work in this area, especially for larger and more complex departments and CSC management have expressed ambitions in this regard, although it is recognised that this is likely to come later as the lingering establishment challenges are resolved.

In the Recruitment and Selection line function, in 2012/2013, the average time for filling of posts was 67 days for senior managers and 114 days for posts levels 1-12. The introduction of **online recruitment** in 2012/2013 reportedly contributed to improved turnaround times for vacancies (DOTP, 2013) An Internal Audit report on the recruitment process (studying recruitment processes that ended with appointments in the first 6 months of the 2014 calendar year) further demonstrated that the average number of days taken to fill posts also declined substantially in 2014 compared to 2013. However, the benefit of these gains appears muted based on the change in measurement adopted from 2013/14 onwards in the People Management Strategic Assessments which track turnaround time on appointments as going from 4 months in 2012/13 to 8 months in 2014/15 on account of using the vacating date and date of the PERSAL appointment, thereby shifting out the parameters of the measure (PM, 2015).

It is clear from interviews with HODs that having information on end-to-end recruitment processes available – whether from monitoring systems or from the Internal Audit report - has been beneficial in understanding and addressing challenges. In particular it has helped to make it clear where bottlenecks were on the part of client departments, not the CSC. For instance, one manager stated:

"we have seen improvement [in the management of CVs]. But it still takes too long. We have a responsibility here too, and sometimes our managers sit on things for too long, and CSC gives me feedback. So CSC have agreed to provide me with certain monitoring information." -Respondent 34

As a result of the improved data and awareness of challenges, a number of improvements have been introduced to the process. For instance, the Internal Audit Report highlighted that because of changing priorities or funding, recruitment processes often stall indefinitely in the shortlisting phase (for which client departments' managers are responsible). Given this insight, a system to notify the chairpersons of appointment panels and delegated officials of shortlists of delayed shortlisting processes was introduced in 2015. This type of monitoring system – implemented by the CSC in a transparent and credible way to track client department's part of the process – can serve as a model for other operational services where inefficiencies are identified.

The findings of the Internal Audit report and the improved monitoring data support further improvement of the time it takes to fill vacancies. It will be

important for both parties not only to monitor the average time, but also to scrutinise any outliers in the data (i.e. individual appointments that take exceptionally long) to also reduce exceptions to the improving overall situation.

The introduction in February 2015 of the annual **department recruitment plans** is another intervention meant to proactively address issues of recruitment. However, judging from a circular from July 2015, some departments had not yet completed their department recruitment plans by this date, suggesting that this mechanism was not yet running smoothly and initial uptake was found wanting.

One of the challenges may be related to departments' continued expectations of the CSC related to recruitment. This speaks not to the technical, process-related aspects of the process but to the skill of effective recruitment decision-making, which as mentioned earlier is the responsibility of line managers (ultimately the Accounting Authorities) but with consultation and support from the CSC's people professionals. There is less evidence that these aspects have enjoyed the type of scrutiny and attention given to the recruitment process.

Despite the addition of the PTI learning programme on recruitment and the introduction of the recruitment toolkit, comments from the interviews, focus groups and surveys suggest that further effort is still required to ensure more effective support in this regard, or to make managers more aware of their options. Senior managers still express a degree of discomfort with their line managers' role in shortlisting, arguing that people professionals could do a preliminary round of shortlisting faster and with better expertise than line managers.

Senior managers both in the CSC and in a few of the client departments also referred to a tendency by client department managers to consult CRU staff on HR policy matters, which is not in line with CRU's (albeit extremely outdated) job description of 2010, and which poses a significant risk since there is no provision for HR training or continuous professional development on HR policy for CRU staff. CRU staff are consulted either because they are easier for the manager to reach, or because there is some breakdown in the confidence or relationship with the CSC.

In response to a transversal finding by the Auditor-General on the late capturing of leave, the leave application process was subjected to internal audit during the same period as the audit of the recruitment process. This report would have served a similar role as the report on recruitment, as it also includes a process map and highlights steps in the process that require attention. A CSC staff member added (and it has been confirmed elsewhere in this report) that leave form processes (i.e. SOPs etc.) are also simply "not communicated to staff" sufficiently yet.

The People Management Practices line functions have also been served by a range of ad hoc and department-specific meetings. In the early years of the CSC when there were significant and debilitating challenges in the People Management space, the Branch Head and Chief Directors (in some cases accompanied by the Superintendent-General) met regularly with individual client departments' HODs and senior managers to resolve problems and blockages. These meetings took different forms across the different departments. The general observation has been that these meetings now

take place less frequently or deal with shorter lists of issues, as challenges are getting eliminated.

According to focus group and interview data, early regular meetings of a People Management CRU forum were also replaced by meetings between the PMP Directors / Chief Directors with the CRUs of individual client departments. This is discussed further on.

Despite the range of implementation mechanisms described above there are still indications that the People Management Practices line functions are not optimally served by the existing institutional arrangements.

When considering the People Management macro-functional area overall, DDGs and CDs are less inclined to agree that there is sufficient opportunity to raise problems in People Management than in other line functions. The agreement is somewhat higher for the particularly problematic Employee Relations and Recruitment and Selection line functions (possibly because departments are making use of their ad hoc mechanisms to resolve these). However, the general low rates of agreement suggest that much more attention needs to be given to this.

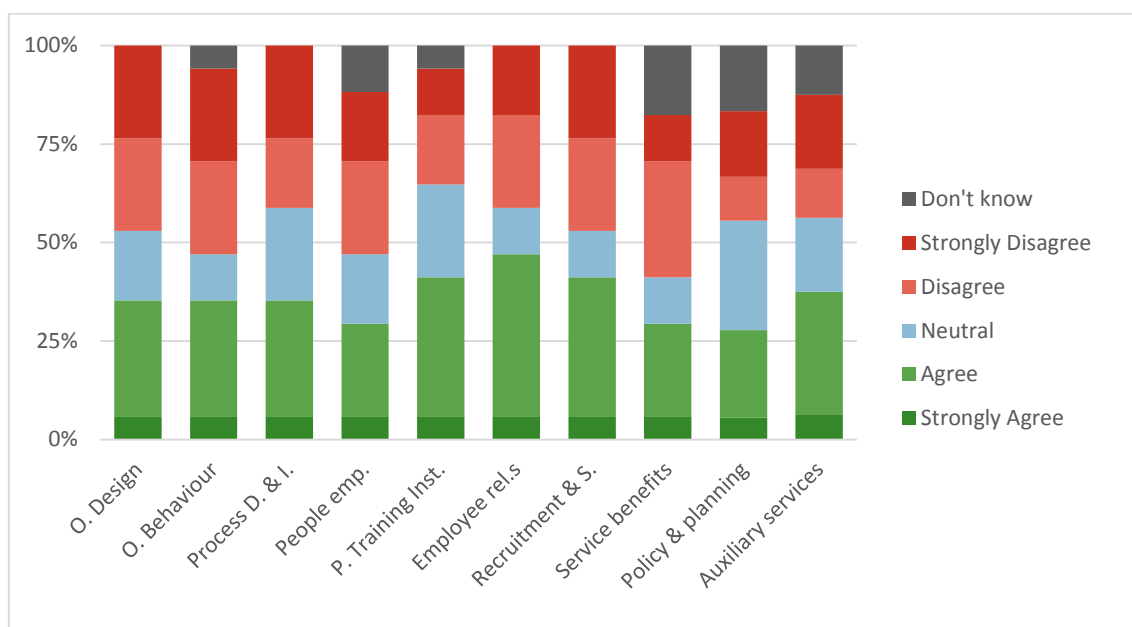


Figure 97: CD and DDG agreement with the statement: "There is sufficient opportunity to engage the CSC when my department experiences problems with the implementation of this line function." (N = 17 except for Policy and Planning where N = 18)

Once problems have been raised, DDGs' and CDs' agreement is mostly somewhat higher that these problems do get resolved. The comparatively high agreement regarding Employee Relations is striking in this regard. The fact that in the case of Employee Relations no DDGs and CDs indicated "don't know" on either question, and few indicated that they are neutral, shows that this is an area that has been engaged from both sides. The high rate of agreement that problems do get resolved shows that these challenges can be overcome. While this line function does still have plenty of challenges as discussed elsewhere, stakeholders can build on an awareness that the CSC has been able to make progress in resolving these.

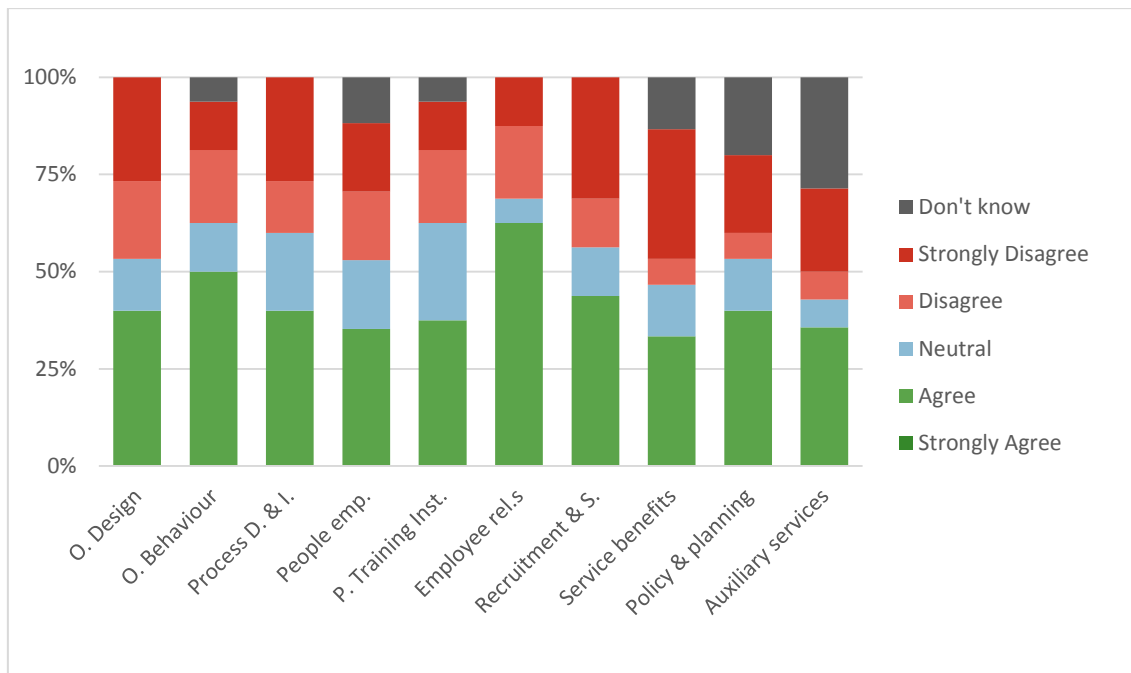


Figure 98: CD and DDG agreement with the statement: "Problems with the CSC's implementation of this line function, once raised with the CSC, are usually resolved satisfactorily" (N=14 to17)

The Organisation Design and Recruitment and Selection line functions stand in contrast to Employee Relations. Here, too, no DDGs and CDs indicated that they "don't know" and fairly few indicated being neutral about problem resolution with the CSC. However the agreement that problems get resolved is lower. The Organisation Design results reinforce the indications, discussed throughout this report that critical (perhaps structural) issues persist in this line function. Regarding Recruitment and Selection it is surprising that despite evidence (discussed above) of improving turnaround times and clear effort to further identify and address challenges, disagreement on the resolution of challenges is high. This seems to point to problems that cannot simply be raised and resolved technically in the type of ad hoc meetings that currently exist. It may reinforce the points made earlier that there is a need to improve the role and perception of CSC people professionals not only as implementers of an increasingly efficient recruitment *process* but as consulting and capacity building *partners* with regards to recruitment.

Overarching implementation mechanisms and institutional structures

Client Relations Units

As mentioned previously, in practice CRUs tend to focus the overwhelming majority of their time on People Management despite being conceived differently. This is in contrast to their original job description which envisioned them as managers of all the services provided for in the CSC SLA. Stakeholders cite as reasons for this change, the implementation problems, backlogs and bottlenecks around People Management Practices; the unforeseen scope of "shared" HR-related work that, it was soon discovered, still fell to client departments; and the fact that most CRU staff were former HR staff and therefore many were more interested and more

experienced in these matters than they were in the other CSC functions. In addition there was plenty of scope for such a shift in focus of the CRUs' draft job descriptions on account of the support role they were expected to play and because of their reporting lines to the HODs.

SOPs that were developed assigned roles for CRUs, but mostly as a nodal point for correspondence and document submissions between the CSC and client departments without much scope for them to add-value.

In practice, CRUs are also assigned a wide range of responsibilities depending on the department. Many respondents from across departments have come to perceive the workload of CRUs as excessive. The Department of Human Settlements in its submission to the evaluation team regarding CRUs notes that the initial report of the Chief Directorate: Organisation Development on the design of the CRU in this department emphasised that the CRU's design "was merely based on an assumed workload and assumed levels of work as per the relevant departmental obligations in the signed Service Level Agreement between the Corporate Services Centre and the Department of Human Settlements. These assumptions were made in view of the fact that the particular functions were new, and that neither quantified work statistics nor practical benchmarks existed. The actual workload of the Unit should therefore be carefully monitored in practice to ensure an equitable capacity provision." However, in practice this did not occur and rather than greater clarity and a revisiting of assumptions, it appears that the very units that were expected to play a critical role and maintain relationships between the CSC and departments, were themselves at the heart of what has been characterised as a fractious dynamic by respondents across the board. The following quotes exemplify acknowledgements of the kind of demands placed on the CRUs:

"It was patently apparent to us, the structure for who was left behind – the CRU – was far too small for the range of activities that they were expected to engage in" -Respondent 17.

"Most programmes had to go for additional appointment to keep track of the HR things. [This department's CRU is too small; they] can't keep track of everything. As CSC was putting more things in I could see the strain. Sometimes I could ask somebody can I add it to your job. But there's a point where I look at them and I know. Don't put more on that person's plate... After the third year [after the establishment of the CSC] I realised I need to do something. So then started making space for... administrators [to take some of the administrative burden off managers and CRU staff]." -Respondent 4

It is important to recognise that despite the increasing workload of the CRUs, none of this was reflected in their job descriptions. The 2011 revision of the CSC SLAs was concluded without reviewing their job descriptions, but General Comments by the CSC on the 2012 draft CSC Service Schedule amendments received (dated 2012), noted that the role of the CRUs with regard to logistical arrangements needed clarity. It promised a formal communiqué to departments once this was finalised.

Subsequently in 2012, there was an attempt to address the undefined role of the CRU. An August 2012 presentation reported on a CRU review conducted by the CSC. It showed that the 2011/2012 audit process had

been “extremely difficult” and that the Auditor-General had indicated HR matters showed “some regression”. In this context a review of CRU purpose and functions and staff descriptions was proposed. It was proposed that the Corporate Services Relations Management Unit fulfil the purpose of ensuring “the rendering of ICT, human capital, corporate assurance, legal and communication support services to the Department by the CSC in terms of the provisions of the relevant service agreement.” Draft job descriptions were also presented. According to these the Deputy Director: Corporate Services Relations Management would be assigned a general liaison, coordination, and SLA monitoring role while it was proposed that the Assistant Director: HRM Client Liaison would focus on HRM and “render a detached departmental HRM liaison service”. A presentation to PTM in 2012 also proposed that the CRUs use the CSC Dashboard as part of its SLA monitoring role.

Despite the 2012 presentation the process was not taken forward. The CSC has indicated that there was a preferred relocation of the CRU staff from departments to the CSC. However, due to the budget implications of funding those staff from the CSC, it prevented the process from proceeding (CSC submission to the evaluation team). This is not information that was readily known or conveyed to CRU staff who expressed frustration and distrust over whether the situation would be resolved, given the years over which they’ve operated with a degree of uncertainty.

In the meantime the CRUs’ job descriptions were not updated and they therefore continue to perform a varying range of functions in the different departments, which are not in line with the original, drafted job descriptions. As Table 10 shows, by the end of 2015 most CRUs still strongly disagree that their role is adequately defined.

Despite the Auditor-General’s findings in 2011/2012 that HR matters showed some regression, which was seen as the basis for starting the review of CRUs in 2012, the subsequent audits showed progressive improvement regarding key controls in HR. The 2014/2015 audit findings showed HR key controls to be “good” across all departments and all assessed indicators. Considering that the 2012 CRU review was never completed these improved findings suggest that stakeholders have found a way to cooperate in spite of the challenges regarding CRUs, or that work is being duplicated to ensure that progress is made even where relationships are challenged.

Table 10. Agreement with statements around the role and functions of CRUs (from CRU survey)

	SD = Strongly Disagree	D = Disagree	N = Neutral	A = Agree	SD = Strongly Agree					
Statement	Agr.	PT	DSD	LG	DEDAT	DCAS	DTPW	DOCS	HS	DEADP
The role of the CRU is adequately defined.	SD	SD	SD	SD	A	SD	D	SD	SA	SD
CSC staff understand the nature of corp. service work in my dept.	SD	D	SD	SD	D	D	D	D	D	D

The workload of CRU staff is unsustainable.	N	SA	SA	SA	A	SA	SA	SA	SA	SA
CSC responds appropriately to feedback from the CRU.	D	SD	SD	SD	D	SD	SD	SD	SD	SD
Guidelines and tools produced by the CSC are useful.	SD	N	D	N	N	D	N	N	N	N
Regular meetings between CSC and CRUs are necessary.	N	A	SA	A	A	A	SA	A	A	A

In terms of the volume of work, in the absence of a formal review, no formal work measurement has been done by the CSC to quantify or measure the amount of work undertaken by CRU staff. As shown in Table 10 the CRUs of 8 out of 10 departments strongly agreed that the workload of CRU staff is unsustainable.²⁸

Given their organic development, the current staffing of CRUs in is fairly heterogeneous across departments. This is depicted in

²⁸ Note one department did not make a submission on this item and the other chose not to comment.

Table 11 and a more detailed table is provided in the Appendix. The heterogeneity of CRUs was also acknowledged in interviews and focus groups. It is understood that in the absence of a clear purpose for the units and clear job descriptions, it is also hard to ensure appropriate skills in the units and variability is widely noted with a significant degree of functional customisation according to respondents.

"[Every department represented] around the table, their CRU unit functions differently." -Focus Group 1

Table 11. The staffing of departmental Client Relations Units

Position	Number of positions									
	Agr.	PT	DSD	LG	DEDAT	DCAS	TPW	DOCS	HS	DEADP
Director		1								
Deputy Director	1	1	2	1	1	1	2		1	1
Assistant Director	1	2	2	1	1	1	2	1	1	1
Admin Officer	1		1							
Admin Support	1	2	1	1	1	1	2	1	1	1
Admin Clerk	3	1	3	2	2	2	3	1	2	2
Junior Clerk										2
Other (department-specific)			1				1			
Total	7	7	9	5	5	5	10	3	5	7

Five years after the establishment of the CSC there is still no clarity on the exact role of the CRUs, especially considering the original intentions associated with these units. There is agreement that the role is now mostly confined to People Management²⁹. But within the area of People Management, there is considerable disagreement and confusion, with one HOD admitting an otherwise implicit reality: "I struggle to get my head around what the CRU should be doing versus what the CSC should be doing."

There are a range of interpretations of what CRUs should do. It is noticeable that even in explaining what they understand the role of CRUs to be, many of the following speakers question the appropriateness of that role.

The first interpretation is of the CRU as a "post box". This interpretation often carries negative connotations and suggests either that the CRUs are unnecessary, or that they would be unnecessary if the Branch: People Management was more effective. For instance:

"CRUs... are adding another red-tape unit, and you must work through them and must get their approval before getting done and not seeing it." (Focus Group 8)

"Instead of creating better way of accessing a corporatized service, we created an extended hand. If you ask me now what must happen to CRUs, must fall! Because the other issue is...we did some audits around that space, really you ask the question, what are these people doing? It's not a key accounts manager" (Focus Group 3).

"The job descriptions of the CRU unit was a post office. That was envisaged how they would do it. [But in my department, the CRU is] not a post office." (Focus Group 1)

²⁹ The table in the appendix also shows that the vast majority of CRU staff spend 100% of their time on People Management related tasks. None spend less than 80% of their time on this area.

Part of the reason why some departments consider it necessary to assign a "post box" role to CRUs is because of the establishment experience of lost documents that was reported as potentially undermining the shared accountability arrangements. Further, it was conveyed that for some there was a need to have evidence to support allegations that the CSC had not fulfilled its responsibilities as per the terms of the SLAs. A number of departments have therefore assigned CRUs to develop and manage record keeping systems to keep track of communication with the CSC. Some also check the quality of documents before it gets sent to the CSC.

In other departments, CRUs are also approached for advice on HR related matters in practice, even though this is not in their job descriptions and provision has not been made for keeping them up to date on changing approaches and regulations regarding HR.

"The current structure of the CRU, the line function managers think they're the HR people and they give a lot of questions that are not answered." -Focus Group 8

"CRUs are still seen as HR expert in department, [HR related questions] falls to [them]." -Focus Group 6

"[CRU staff are at levels] 9 and 11. Giving advice and assistance to [level] 12s." -Focus Group 6

"[CRUs are] now [act] almost like the HR consultant or the HR generalist and also not empowered to be able to give that service and they don't have fundamental things like access to PERSAL" - Focus Group 9

Another role played by CRUs in practice is to respond to requests for information about the HR related matters in their departments. This can take the shape of answering once-off queries but also entails a range of regular reporting. This reporting, and preparation of the related plans, was the single most time-consuming task identified by CRUs. A list of reporting requirements provided by multiple CRUs identified nearly 40 different assessments, plans, reports which the unit was expected to coordinate and ensure delivery of, ranging from quarterly reports to annual documents to inputs for medium term strategic plans. Further, a list of 24 different institutional structures, committees and ad hoc task teams on which CRU members are expected to serve was also provided by CRUs. The sheer quantity of reporting and meetings (considering some occur on a quarterly basis) raises the question of whether CRUs have time to do anything other than meet and report.

As has already been alluded to, there is furthermore a tendency for CRUs to pick up administrative tasks in practice that should be done by line managers.

"HR is sitting at the CSC, line manager can't reach HR. Ends up with [the CRU] doing the description. Should have been a process to empower the line manager with the HR responsibility." -Focus Group 6

"The CSC, HR and ERM said we must utilise [the CRU] to do the work that the HR component would have already done. So if you have to write a submission about a transfer, the HR component

would have done that and now it's not done and they expect the line function to do it. Then the corporate support component must do it." -Respondent 15

It is striking that such a high level of confusion has persisted for five years. The problem is clearly not simply a technical matter of organisational design. It has to do also with the negative experience of change around the establishment of the CSC which was particularly strongly felt among HR staff. Many CRU members were formerly in departmental HR units and were performing the tasks now assigned to the CSC. Recognizing the implementation challenges, especially initially, and knowing that in some cases (not all) CRUs had previously been responsible for the same tasks under less complex an arrangement, or in a more customised and personal way, some CRU staff and their departmental colleagues still object to the corporatisation of these functions.

The range of challenges with CRUs – their outdated job descriptions, perceived unsustainability of workload, and the enduring negativity in some quarters engendered by the corporatisation and challenges experienced in People Management – have led to a situation where many CRUs are perceived as not giving the ideal level of support and cooperation to the CSC. For instance, the CRU Forum where CRUs from all departments met with People Management leadership, was discontinued around 2012, citing difficulties to engage constructively in such a group setting. The 2015 Internal Audit on Recruitment recommended that this forum be reconstituted in order to allow discussion and resolution of universal issues and sharing of successful practices. The report also argued that by means of regular meetings in such a forum, the support function of CRUs would be clarified which would play a role in capacitation of line managers in the recruitment process. However the management comments on this recommendation indicated that such a forum would not be reconstituted. Best practice examples would be included in a generic SOP, but it provided no indication of how the clearer definition of CRUs would be undertaken. As a result, the challenges of the CRU as a critical nexus between the departments and the CSC continue to persist.

PTM

PTM is not a CSC-specific forum but CSC related items are consistently addressed via this platform. The sheer volume and variety of strategic matters arising may inhibit the forum from affording CSC related matters the attention they require according to some respondents, but this has not stopped PTM from serving as the highest public service strategic platform in the WCG available to the CSC and it appears to have been consistently utilised based on a high-level review of PTM minutes and agendas.

In terms of implementation, the main discussion point arising from interviews was the tabling of policies for approval by PTM. The point of view of multiple HODs was that PTM is useful for buy-in but that there are other processes that should precede it and/or subsequent consultations that should potentially be provided for by the CSC in a more structured way:

"[The tabling of issues at PTM meetings] works well. I would say at the outset with something new... I'm satisfied with the consultation on new policies... but... when something's been dealt with or considered at PTM that the HOD should take back to the

management team which is true but there's... no way that I can do [it] justice, so I think value add has been where we often do our own follow-up and speak to the relevant component and invite to come into our senior management or Exco to repeat a presentation. And I think then there's value add. But they don't... there's no ... set work procedure that they [CSC] follow." - Respondent 30

Despite the significance of PTM for generating buy-in and support for CSC initiatives, a limitation, and one that is also alluded to in the quote above, is that not all of what gets communicated and presented at PTM's filters down throughout departments. There seems to have been an implicit assumption on the part of the CSC that if an initiative is embraced on this platform, that the information and support will cascade down. However, the findings related to roles and responsibilities and the updated Service Schedules tabled at PTM provide an example of how this information does not always trickle down, even when there is buy-in at the top.

Another theme that arose in relation to this was the high regard, forthrightness and collegial nature of the forum's dealings as described and referenced by respondents. Respondents created the impression that addressing CSC matters via PTM represented an increasing recognition of the legitimacy of CSC's role in the WCG; but also afforded the opportunity to express directly the challenges and difficulties experienced by departments throughout the corporatisation process to date. In this regard the CSC leadership's responsiveness was consistently acknowledged, even as enduring challenges were listed by HODs.

Communication mechanisms

Related to the cascading of messaging from PTM and generating buy-in within departments are the CSC circulars as a key implementation mechanism. Of the 208 communiques sent out by the CSC (usually to HODs) over the past five years, Figure 99 shows in which functional area that communication has been concentrated. Overwhelmingly, People Management has been the focus of these communications from the outset, providing clarity, notice and helping to raise awareness or arrangements and opportunities available to departments. Despite the concentration of communication within this branch, it appears to have had limited effect in shifting understand of staff within client departments.

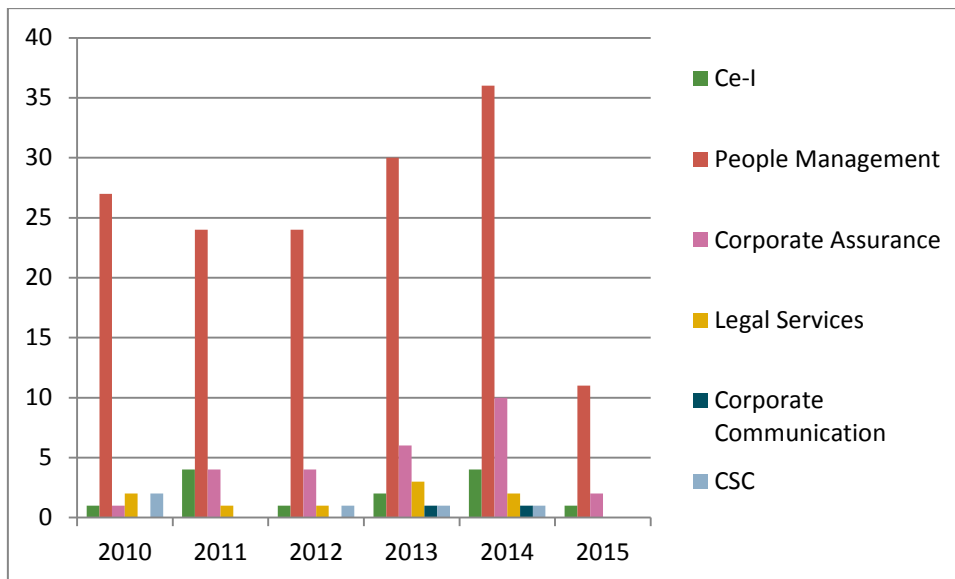


Figure 99: Circulars per branch per year (2010-2015)

The concentration of communication by People Management, considered against some of the earlier findings, indicates that either the circulars going out are not reaching the staff in client departments, or they are being disregarded to some extent.

In comparison to the CSC Circulars, DG Circulars are far less frequent and appear to more commonly address initiatives that are national in scope and have implications for the provincial government.

One area where there appears to be more scope for effective communication, particularly considering that People Management matters don't seem to be landing in relation to the volume of communication that has gone out, is via the communication communiques. While no statistics were available on the frequency of these, they appear as a possible alternative to "top-down" communication approaches.

CSC Performance Dashboard

In the course of implementing the CSC Performance Dashboard the CSC staff and clients both highlighted that the service standard measures do not always do justice to the efficiency or result that it seeks to monitor. This has led to the utility of the performance dashboard being questioned as its scope focuses on CSC internal obligations while implementation challenges appear to be in the area of departmental or mutual responsibilities. The following quote explains:

"Some of the areas I noticed, [they're] managing the pressure. You show me something you call a SLA, when I look at it and say what you're writing, only writing the things that's very easy to do. We're going to provide these statistics. But when you go to the deeper issue of the process itself and its mechanics it's not documented adequately." -Focus Group 3

One problem with the phrasing of the measures is that they track the completion of the number of tasks that were accepted, not the number that were needed or requested by clients. This allows the CSC some discretion it

setting its own performance threshold against the standards and may account for the disjuncture between expectations associated with requests on the part of client departments, and CSC acceptance of tasks it will subject itself to monitoring against.

In other areas, like the much discussed recruitment and selection, two indicators around appointment are provided: one addressing an efficiency measure of the result (e.g. appointment within 3 months) the other measuring the production of a monitoring report on the appointment process. Providing equal weight to these measures actually distorts the combined measure of CSC performance as it gives equal weighting to the issuing of a report with that of the timeous results of multiple recruitment processes.

For the most part, the CSC dashboard does not measure clients' experience (an exception is Facility Management which has the % of negative feedback from clients as an indicator). The CSC dashboard shows whether the CSC is complying with predetermined plans and/or time frames. Relatively large portions of CSC staff believe the dashboard is appropriate to capture the performance of their line functions (Figure 100), although between 9-20% of staff in every line function have identified something inappropriate with the measures.

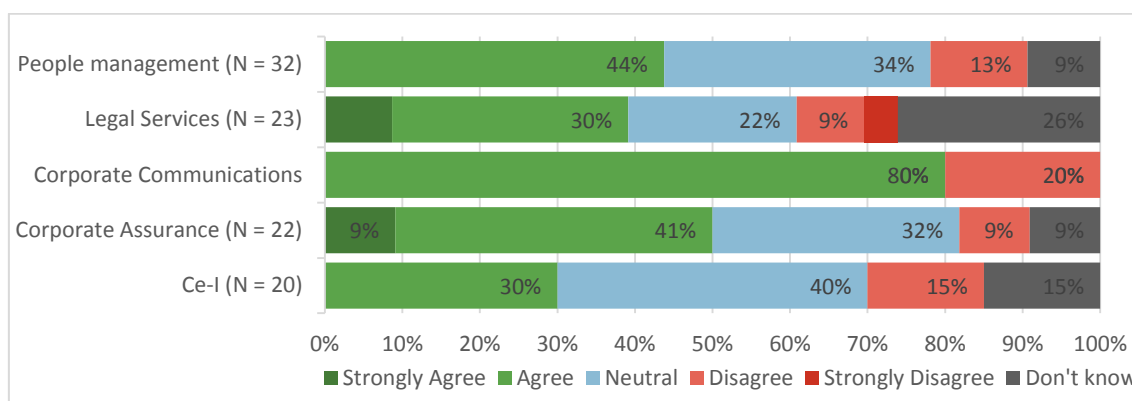


Figure 100. CSC staff's agreement with the statement, "The current dashboard indicators are appropriate to capture the performance of the CSC w.r.t. this line function."

CRUs also expressed a fair amount of confidence in the credibility of the performance data of the dashboard. Although no CRUs described any of the measurements as "Extremely credible", the measures were considered "mostly credible" with the exception of People Management and Corporate Communications which are deemed to be less credible.

Table 12. Responses to the question, "How would your unit describe the performance data of [CSC unit] on the dashboard?" (CRU survey)

	PT	LG	DEDAT	DCAS	TPW	DOCS	HS	DEADP
People Management Practices	Somewh.	Mostly	Mostly	Slightly	Somewh.	Mostly	Somewh.	Somewh.
Organisation Development	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly
People Training & Empowerment	Slightly	Mostly	Mostly	Mostly	Somewh.	Mostly	Mostly	Mostly
Centre for e-Innovation	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly
Corporate Assurance	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly

	PT	LG	DEDAT	DCAS	TPW	DOCS	HS	DEADP
Legal Services	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly	Mostly
Corporate Communication	Somewh.	Mostly	Somewh.	Somewh.	Mostly	Somewh.	Somewh.	Somewh.

Answer options: Extremely credible, Mostly credible, Somewhat credible, Slightly credible, Not at all credible.

The dashboard is only one monitoring framework that helps to provide a simplified snapshot of some of the fundamental prerequisites of good service. However, beyond the monitoring of the CSC’s performance, there is also the question of consequence. Unlike in other service environments where if service provision is poor or unsatisfactory, Even if clients have the information to monitor the CSC, there is no “consequence management”. Or as another client put it: “even if you hold them accountable what recourse do you have? We still remain accountable. With a service provider [outside contractor] you can penalize or something, no other options here” -Focus Group 4

CSC Audit Protocol

The **CSC Audit Protocol** exists to a large extent in the background and was not extensively discussed in the interviews and focus groups, except for its framing role in identifying who is responsible for which information in the audit process. The CSC already had a Protocol for the 2010/2011 audit, but those respondents who discussed it suggested that over time, the Protocol became more effective in eliminating the apparent disputes that arose from late responses and who should take responsibility for audit findings in the early days of the CSC. One HOD explained that “when gaps were identified there was a major standoff and resistance by the departments”, but through refinements to the CSC Audit Protocol, it was ensured that “you have a very clear mandate... there’s just not scope for interpretation”.

As a result in more recent years “there was never going to be any difficulty or stand-off” regarding the respective roles in the auditing process. A number of other interventions (including the publication of numerous HR-related SOPs) were also introduced between the years 2012 and 2013. It is likely that the refinement of the Audit Protocol contributed alongside other processes to result in progressive improvements in audit findings since 2010.

Whatever the strengths and weaknesses of the respective implementation mechanisms, WCG has seen audit results that provide an indication of greater standardisation, complementarity and cooperation between the CSC and client departments in terms of corporate service administration. The Auditor-General’s summary of audit outcomes in Figure 101 shows a clear progression toward unqualified audits with no findings across the WCG (reads most recent to earliest, left to right, excepting Health). This indicates that despite the noted problems with the administration of People Management, the CSC and client departments, using the Audit Protocol, have applied systems to manage the administration of these affairs sufficiently to comply with the relevant legislation and ensure the integrity and credibility of the provincial corporate service administration.

No.	Auditee	Audit opinions						
		2014-15	2013-14	2012-13	2011-12	2010-11		
Departments								
1	Agriculture							
2	Community Safety							
3	Cultural Affairs and Sport							
4	Premier							
5	Economic Development and Tourism							
6	Education							
7	Environmental Affairs and Development Planning							
8	Health							
9	Human Settlements							
10	Local Government							
11	Provincial Parliament							
12	Provincial Treasury							
13	Social Development							
14	Transport and Public Works							
Legend (Audit opinions)		Unqualified with no findings	Unqualified with findings	Qualified	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee

Figure 101: WCG audit outcomes 2014/15-2010/11

4.3.3 Synthesis

The CSC has introduced, utilised and employed a wide range of implementation mechanisms across its macro-functional areas and as an overarching unit. These experiences have been differentiated according to the respective areas and they have been customized and implemented to meet the respective functional needs. The international literature and comparative analysis yield little in the way of guiding principles and standards, implying that context is crucial for implementation mechanisms.

The implementation mechanisms for Legal Services and Corporate Communications are limited by comparison to the other functional areas. While there is an absence of institutional structures and regular platforms for Legal Services, this has not been deemed problematic, especially as the function is still considered responsive, produces tools and training to assist departments and has adopted a proactive approach.

There is less clarity with regards to Corporate Communications around the recently introduced HOC forums, but there seems to be an established routine related to the Agency Briefing Committee and the regular issuing of Brand Assessment Reports. However, there is still space for Corporate Communications to ensure it does a better job of resolving matters as raised by departments.

Corporate Assurance stands out in terms of implementation mechanisms because of the various levels, tools and structures that enable and support the functions of ERM and Internal Audit to be implemented with challenges responded to via existing mechanisms, and addressed. Further, there are clear relationships and growing complementarity between these two support functions that appear to be strengthening and feeding an overarching narrative of progressive improvement within this functional area, despite capacity constraints.

The Ce-I also appears to have an appropriate set of implementation mechanisms that follow a clear logic, particularly in the area of ICT governance, planning and budgeting, where the mini MTEC has set an example of how a new approach to funding can be introduced and integrated within the existing budget and planning cycle. The Operational Services mechanisms – particularly the IT Service Desk and Service Managers – are vital to managing the operational demands of this functional area. However, there is still some concern over whether clients are able to

fulfil their responsibilities and provide requisite resources. The ICT governance space continues to develop; while the institutional arrangements are clearly forward thinking. In the CGIT there is a clear tension among line managers with regards to their core functions and ICT governance related responsibilities; this may not require a change in structures but must be carefully managed and optimised as far as possible.

People Management functions have a complex and broad set of implementation mechanisms that span its line functions but do not enjoy the same degree of cohesiveness, partly due to its scope. The recent development and attempted introduction of some mechanisms (e.g. Provincial People Management Strategy via PTM) are an indirect acknowledgement of a historical design weakness in terms of the mechanisms available to it that have been increasingly addressed in relation to identified problems and shortcomings. Further, the use of regular monitoring reports, such as the HR Barometer, provides vital information to departments that is enhancing their ability to make informed decisions and making People Management's work more transparent and accessible, including through the use of enabling technologies.

Where challenges have endured, meetings between People Management and senior management in client departments directly have been one way of seeking to address issues. Cultivating mechanisms that will help to close the gaps in both knowledge, understanding and fulfilment of obligations between role-players is a key task. Despite some progress, indications that there are still serious implementation shortcomings, even in those line functions to which there have been concerted responses, require concerted improvements.

PTM appears well-utilised as an implementation mechanism by the CSC strategically, but this does not seem to be translating into the desired embrace of CSC initiatives in departments by other managers and operational staff. While the circulars have been used as a communication platform, especially in relation to People Management, it is questionable whether this information is reaching its intended recipients. The use of corporate communiques is another available platform but there is potential for more emphasis on buy-in and uptake of CSC tools and initiatives within departments.

As a pivotal structure between the CSC and departments CRUs have not appropriately formulated and adequately utilised. Building clients' faith in existing mechanisms such as CRUs is critical to moving past the challenges associated with CSC establishment. Resolving the challenges in this area will likely involve addressing the long-standing uncertainty around the appropriate role of the CRUs. The evidence generated paints a clear picture that the CRUs were envisioned to be a much more significant interface, and that there has been an organic degeneration of relations, but also a morphing and claiming of roles and responsibilities from department to department arising from the gaps that have arisen. There is a broad symbolic cost associated with the persisting uncertainty around the CRUs: it has undermined the efficiency and standardisation objectives of corporatisation and provided an enduring example of where a shared service "solution" seemingly multiplied inefficiencies.

Lastly, the CSC performance dashboard is appropriately designed in terms of the logic behind the monitoring framework, although there are some formulation and implementation deficiencies. Revising and better defining some of its measures, as well as providing clear indications of whether they measure CSC specific or end-to-end processes, may help to provide greater credibility and further entrench their usage as a means of tracking the performance of key functions.

5 Conclusions

The evaluation has sought to determine whether the CSC has implemented corporate services effectively as per the CSC policy's intent. In addressing this purpose, the evaluation has been guided by a set of four overarching evaluation questions that have been aligned and integrated throughout the assessment framework. The following are a set of concise conclusions per evaluation question.

5.1 Evaluation Question 1: Has the CSC been located and established appropriately, with the appropriate functional areas, scope, resources, structures, and institutional arrangements, and supported by appropriate departmental CSC interface structures and capacity?

The CSC's location and placement within the Department of the Premier is found to be appropriate. The CSC's intended role is to execute both transactional / operational services as well as provide consultative / advisory services of a strategic nature. The strategic functions in particular benefit from its positioning within the Department of the Premier and it also vests a degree of authority in the CSC and provides a platform for engagement with provincial top management, where the relationship is generally characterised by good rapport.

Practically, some functional elements within the CSC were already being offered on a shared service basis in DOTP prior to corporatisation and the strategic association was an important one. Other alternative placements were not deemed appropriate given existing functional arrangements, the lack of statutory and management familiarity with certain functions and because the costs associated with corporatizing outside of DOTP would have run contrary to the espoused cost optimisation intent of the CSC.

The current composition of the CSC's functional areas fall within the broad and interpretive set of criteria set out in the CSC Policy. However, evidence confirms further practical and historical factors were also taken into account for the exclusion of additional functions, notably transactional finance and supply chain management. Contextual factors and lessons learnt from related experiences (such as the GSSC) were also at play and although the functional composition was not only based on the criteria put forward in the CSC policy, it was clearly well-considered and deliberated on a function by function basis. Selective exclusion of functions that technically meet the criteria for corporatisation is therefore not problematic so long as the case for inclusion or exclusion has buy-in from stakeholders and is accompanied by the appropriate planning and change management, the latter parts of which have proved to be lacking in the CSC's case.

The CSC's scope includes all provincial departments across the functional areas and excludes only the Departments of Health and Education in terms of People Management and Corporate Communications. This is considered appropriate since justifications for the exclusion were found to be considerable and challenges of establishment associated with People Management for the other departments would have seriously complicated, and potentially debilitated the CSC, should these have been corporatised at the time. Although counter to the principle of economies of scale, the decision to hold-off on the corporatisation of these functions was justified and resonates with international experience.

The thinking behind a funding model of the CSC has evolved considerably and the CSC has gradually come to embrace a range of funding mechanisms on a differentiated and informal basis. Ce-I has made the most progress in formally moving away from a subsidy based funding model to cost-centre model on a per capita basis in response to future demand. However, Ce-I has had the benefit of broaching this subject during the development of the modernisation blueprint and pioneering the recently adopted IT Tariff Policy. Despite this unevenness, the current funding arrangements have not been prohibitive to fulfilling the CSC's mandate.

The absence of a transitional plan or holistic expression the CSC's binding organisational drivers, intended budget and results for the medium-term (beyond statutory planning) has been a glaring omission from the establishment process. The piecemeal approach to constituting the CSC has been a conceptual deficiency but functional challenges related to the CSC's establishment appear less to do with limitations of financial resources, and more to do with the process of sequencing and transitioning to the establishment of the CSC, particularly in the area of HRM. Although there were inevitable challenges for the line functions that faced significant restructuring and relocation, most appear to have made some improvements in the rendering of key services and can be considered adequate given the current financial and human resources at the CSC's disposal.

There was an expressed need for more or better capacity, on some level, to a greater or lesser extent, in all functional areas, but any fair assessment of this should be underpinned by quantified workload appraisals in relation to the systems and level of staff responsible for these services. Such a process would have been better undertaken prior to the establishment of the CSC and informed its structuring, particularly for crucial interface units like the CRUs.

There is evidence that capacity was constrained and demands were unreasonably high on CSC staff in the People Management functional area during the establishment process, particularly considering the backlogs inherited in some functions. Being expected both to manage internal restructuring in the CSC and to render services to departments who resent the loss of their own capacity during a time of transitional and process uncertainty appears to have disadvantaged these line functions from the outset. The modernisation blueprints and external advice proposed to adopt a more incremental approach than was followed in the comparatively rapid

process of establishment. This occurred without shared understandings of how newly corporatized processes would operate and clarity on this was delayed and remains under-communicated. The comparatively rapid establishment approach is perceived to have been at the behest of executive authorities at the expense of good practice. However, the amount of restructuring associated with the CSC was itself ambitious and had the benefit of allowing the administration the better part of its term to focus on the consolidation of the CSC as an organisation rather than dealing with a prolonged transition.

Lastly, the key structures and institutional arrangements that have been in place over the course of the CSC's establishment have had mixed significance. Certain existing structures were in place and have been successfully utilised to a greater (e.g. PTM) or lesser (e.g. CRUs) extent in relation to the CSC's establishment, while others were created anew specifically to provide platforms for engagement, communication and relationship management. In most line functions these have been increasingly capable of supporting the mandates of the CSC and its branches in implementing their line functions. Some structures however demonstrated a seeming inability to proactively address operational challenges until they'd been escalated or resulted in direct engagement with accounting officers and/or the CSC Exco. A prime example, and one that appears to reflect the lingering tension and dysfunction in terms of CSC-departmental interface on HRM matters, is that of the CRUs, where the engagement structure has effectively collapsed (excepting direct CSC engagements), and the role-players that operate at the nexus of this interface have been overburdened without clarity on the exact expectations of their roles and responsibilities for a period of years, all the while as demands have increased and some challenges endured.

5.2 Evaluation Question 2: Are the assigned roles and concepts of shared responsibility and accountability appropriate, clear, mutually understood, bought into, adequately operationalised with an appropriate funding model and effectively monitored, and is it necessary to change the demarcation of such roles and responsibilities?

The CSC policy, SLAs and Service Schedules are clear in how they distribute responsibilities in broad terms, and illustrate clearly that within each function a number of responsibilities are concurrent or shared between role-players. However, it is also clear that HODs and departmental managers continue to have roles in relation to the execution of every one of the corporatised functions, to a greater or lesser extent. This reality is at odds with some of the client departments' expectations related to a service centre. A shared responsibility arrangement removes vertical, mostly linear, relationships within departments and introduces a degree of complexity that support function services have had thrust on them without the concomitant organisational and behavioural change management. Further, much of the detail of these responsibilities, particularly at the operational level where services get rendered, was only formalised subsequent to the signing of the SLAs and documented in detail in the SOPs progressively thereafter. Further, qualitative data has indicated that those CSC related SOPs already in existence do not enjoy a high degree of utility within departments.

In terms of buy-in to the roles and responsibilities, insufficient communication and change management has hampered buy-in, particularly in those line functions most affected by corporatisation restructuring (e.g. ERM, HRM and Corporate Communications). Meanwhile, those already in a shared service arrangement were less affected and inherited a de facto buy-in that the newly corporatized functions have had to earn. What responsibilities would actually mean in practice for newly corporatized role-players only came to be understood and appreciated with experience of the CSC over time and could not be fully planned for, particularly in terms of accountability where departments have built up some degree of administrative redundancy to manage risk and the trust deficiency with the CSC for key HRM functions. It is therefore not surprising that much of the root of the CSC's challenges appear to be concentrated on the lack of mutual understanding around responsibilities and the complexity of these relationships.

It was often common for both CSC staff and departmental staff to express a belief that they were executing some of the obligations of the other. The survey results indicate that the majority of these respondents remain unaware of the most recent Service Schedules which specifically set out those responsibilities, yet most respondents continue to express an opinion on them. The implication is that there are clearly assumed responsibilities in this process and these assumptions, without the Service Schedules and SOPs to support mutual understanding as a common point of departure, are a source of tension and conflict between role-players, especially in the Branch: People Management.

Since no volumetric, systematic appraisal had taken place before establishment, the broader range of tasks performed by HR staff in some departments was not fully recognised nor was it mutually understood how some of these responsibilities would be conducted by the CSC, particularly in the case of decentralised departments like Social Development and Agriculture. A widespread expectation amongst clients was that the CSC would take full responsibility for some of these functions and their services. As a result line managers and/or other staff in departments overlooked, were unaware of, or chose not to fulfil their obligations to the CSC. However, that does not mean that these responsibilities have not been fulfilled in one instance or the other. Where client departments have taken steps to manage administration from their side, or simply came to the understanding that the functions still remained with them despite corporatisation, this has contributed to the perception that tasks are "coming back" to departments after having moved over to the CSC.

The roles and responsibilities associated with the CSC's funding model had not been formalised outside of the CSC Policy and the Vote 1 apportionment within the existing statutory budgeting and planning processes. Alternatives first considered in relation to the IT Services Blueprint eventually resulted in the introduction of a mini MTEC process and later formalisation by Ce-I of an IT Tariff Policy in 2015. Formalising a differentiated, hybrid funding model for the CSC, assigning responsibilities and exploring the feasibility of other funding arrangements could provide greater clarity in this area.

With regards to the performance dashboard utilised for monitoring the execution of obligations, the logic underpinning the monitoring framework is sound. Measures are tracked in relation to service standards agreed upon between the CSC and departments, which are aligned to distributed obligations per service. While the logic of the monitoring framework is sound, its credibility has been questioned in some instances and it appears to give equal salience to administrative results (e.g. % of appointments within a 3 month turnaround) as it does to administrative outputs about those results (e.g. monthly report on filling of posts). Further, there is an identified need to track end-to-end processes beyond just the CSC's obligations. Issues of measurement formulation and clarity of measurement undermine and weaken the potential for this monitoring framework which otherwise appears to be a useful tool.

Lastly, and critically for the People Management functional area, roles and responsibilities of CRUs vis-à-vis the CSC are not clear and have not been appropriately defined, despite repeated commitments and attempts to do so. As a result these units perform varying tasks that are almost exclusively People Management focused. There is evidence that CRU staff are duplicating some of the CSC's tasks as well as playing supporting roles to managers who are too busy or not sufficiently empowered to perform tasks previously performed by HR staff. Left unchecked, this has the potential to defeat the CSC's purposes of standardising processes and the goal of improving the efficiency of HR operations. The perceived challenges of People Management operational functions and areas of gradual improvement will need to be built upon and addressed in tandem with any attempts to standardise the work of CRUs, as the perceived shortcomings of some People Management line functions appears closely linked to justifications for the duplication and non-cooperation of the CRUs.

5.3 Evaluation Question 3: Are the implementation and governance instruments – including institutional arrangements, monitoring and reporting frameworks, the CSC Audit protocol and IT tools – sufficient in their design and effective in their application and use so as to respond fully to the policy intent?

The implementation and governance instruments of the CSC are largely sufficient in their design, although they are varied and uneven in the manner in which they have been introduced to address the various functions and there are some clear deficiencies in key areas. Progress has been made in responding to the policy intent both strategically and with regards to establishment, but the implementation and governance instruments cannot be said to be fully responsive as yet.

Broadly, the CSC's institutional arrangements are sufficient for addressing and resolving most challenges in the execution of support functions on a differentiated basis. People Management is identified as an area facing significant challenges, albeit unevenly across line functions and it has developed and introduced new mechanisms to deal with current inefficiencies but these are still hampered by line of sight and the complex relationships with partner departments.

The need for escalating problems in various functional areas is at least partly a product of the absence of a mutually agreed and understood distribution of roles and responsibilities. The Service Schedules underpinning line functions are not sufficiently embraced by all parties and roles and responsibilities remain in dispute. This poses a significant threat to the policy intent because it hinges on cooperation and CSC does not yet seem to have leveraged all available instruments to respond fully in this regard.

At the centre of this dispute are the CRUs and they remain in a state of uncertainty around their roles, while at the same time being burdened with an unsustainable and varied workload. The review of the role and staffing of CRUs which remains incomplete needs to be concluded and with it a clear and rational distribution of roles between CRUs and departmental managers at various levels, and the CSC. These units were expected to play an important role in the life of the CSC and they have not been effective in their application to date which has taken a broader toll on the CSC's reputation and undermined the policy intent.

Implementation and governance instruments related to Corporate Assurance form the most comprehensive suite of tools and institutional arrangements among the functions. They are being effectively applied and fostering greater coordination between Internal Audit and ERM while advancing the policy intention of a standardisation of processes.

The Audit Protocol appears to have been concise yet effective in clarifying roles and responsibilities related to the audit process and progressive improvements in audit results across the WCG bear testament to the CSC's progress in this regard. The structures, tools, systems and reports appear to have been well supported by both the CSC and departments in relation to this administrative goal.

Implementation mechanisms for the Ce-I generally appear to be sufficient and effective for governance, planning, communication, and the resolution of challenges related to ICT. The use of the CobIT Maturity Governance Framework has provided an on-going benchmark for performance and allows for the systematic identification of areas for improvement. However, the institutional arrangements and associated responsibilities for this function do place constraints on departments' resources and Ce-I has made the most progress in formalising its funding approach, necessary to advance the policy intent of cost-optimisation.

The CSC's performance dashboard is a good mechanism in principle as it has followed a clear logic in its design flowing from the organisation's functions and services. However, there are some shortcomings related to the formulation of measures and how they are compiled and calculated. This dashboard serves a useful monitoring function across all branches, in addition to the line function specific assessment tools and instruments.

The CSC makes effective use of Provincial Top Management meetings to table work of a transversal nature, such as policies, before Heads of Department for consultation and endorsement. This is appropriate in principle, but there is potential to consult more widely and use PTM better

to ensure that CSC initiatives reach departments and are embraced at operational level. Using the communication instruments available to it, and strategizing how the process before and after PTM meetings can be a turnkey to greater buy-in and support with staff in departments is necessary to better realise the shared responsibilities set out in the CSC Policy.

5.4 Evaluation Question 4: Was the process of introducing and implementing the CSC well-planned and managed from both an operational and behavioural perspective?

The initial process of introducing the CSC was thoroughly considered from an organisational design and structural perspective, but with variable degrees of detail and planning for the respective line functions affected by the new organisational design. However, the holistic process of introducing the CSC cannot be considered well-planned as it was carried out under ambitious timelines without sufficient transitional planning or provision for post-corporatisation change management.

From an operational perspective, it would have been in the interests of the WCG to further stagger the corporatisation of key line functions, such as those within HRM, until such time as the detail of the new procedural arrangements, roles and responsibilities for these line functions and services were well documented and understood and a consulted transition pathway was costed and laid out. The establishment of the CSC has been a process spread over five years, but with most structural changes effected in the first year (and later the delayed corporatisation of Corporate Communications) and the clarification of processes and procedures that have shaped these relationships following subsequent to those structural changes. This has put behavioural and operational management at a disadvantage in the process.

There was greater scope for a more incremental transition and the modernisation blueprints suggest that this was the original intention, if not the actual approach. Had the operational planning component been better provided for over a longer period of time, the corporatisation of certain functions and services could have been staggered so that key CSC products (for instance SOPs) were delivered prior to, and implemented concurrent to, the corporatisation of a specific function. However, the reality was that by the time many of the processes were properly documented most of the role-players had already discovered what the processes would be (or created their own processes leveraging relationships). In this way the backlogs and challenges that the CSC inherited *en masse*, such as leave forms, extended recruitment processes and systems access (to name but a few) could have been thoroughly tested and managed without the kind of shock that the new organisation faced. There are inevitably some unintended consequences of any such restructuring in the public service, but the unintended consequences of the restructuring could have been further mitigated if the introduction of the CSC was better planned from an operational perspective.

From a behavioural perspective, there were both strengths and weaknesses to the process embarked upon. Involving key staff and senior management to an in-house process of diagnosing the issues within the respective functions and making recommendations under the auspices of a broader modernisation initiative. This clearly generated a level of buy-in and commitment to the initiative from some key role-players. However, not all stakeholders felt adequately informed and consulted. The lack of planning for the behavioural component was openly acknowledged as lacking by key role-players.

The decision to move quickly had both behavioural and operational consequences in that the transition was sudden, the resentment sharp (albeit mostly passive), and created a degree of uncertainty amongst staff. Especially in the corporatized functions which faced relocation, the transition from a mostly linear managerial arrangement to obligations that introduced a complex, and potentially difficult to navigate, set of relationships, was not managed or catered for adequately. For role-players like the CRUs, at the heart of these relationships, there is still not the benefit of clarity over their precise roles and responsibilities and the volume of their work is still not fully understood.

A strong point from a behavioural perspective has been the hands-on and responsive management of an otherwise imperfect process from senior management within DOTP. The perceived and claimed support, provided to senior management from executive authorities, has fostered leadership that kept the CSC establishment process moving and removed impediments despite the challenges encountered. What has been described as cordial, forthright and open exchanges amongst senior management has also created a palpable sense of professional respect and openness to partnership in the interest of interdepartmental cooperation.

6 Recommendations

The evaluation findings, conclusions and draft recommendations were presented to CSC stakeholders as a starting point for discussion, revision and addition. The recommendations presented below are a product of this process and reflect the integrated insights and refinements motivated by the CSC stakeholders.

The section begins with a set of recommendations in relation to the overarching evaluation questions. These are recommendations arising from the findings of the evaluation and are expansive, going beyond the scope of what is realistically feasible to address immediately.

Following the recommendations arising from the evaluation questions, and with regard for the intended improvement plan process expected to follow from the evaluation, a concise set of recommendations which should take priority and guide the implementation of the preceding recommendations follows.

6.1 Establishment

With regards to establishment, the following recommendations speak to retention of the status quo:

- The CSC is well-placed within the Department of the Premier and it is recommended it remain in its current location.
- The overall functional composition of the CSC is appropriate at this time. The establishment process was affected by significant challenges to the transition and efficient execution of key functional processes (a new structural distribution of responsibilities and lack of clarity around procedures compounded this challenge), but these are not inherent design incompatibilities so much as tensions that arise from a more complex set of relationships, roles and responsibilities. In the future, where a case may be made for the addition or removal of a function within a department, before any decision related to a substantial design change is undertaken, a detailed and costed feasibility study should be undertaken to determine the full implications of such a change and whether additional structural changes are viable.
- The current scope of the CSC, excluding Health and Education for People Management and Corporate Communications, should be maintained for the time being. Until demonstrable benefits have been monitored from end-to-end for the current CSC functions and show that there is both a comparative performance basis against which to motivate for Health and Education's inclusion, along with a costed feasibility study identifying measurable expected benefits in terms of the CSC's strategic intentions, the current scope of the CSC's macro-functional areas should be maintained.
- Although some evidence suggests that certain functions were adversely affected by a significant reduction in staff during corporatisation (e.g. ERM) or would benefit from additional human resourcing to manage a heavy workload (e.g. legal services), additional staff are only recommended for the CSC where a quantified workload appraisal (volumetric study) has identified a need to support the efficient and professional handling of the work responsibilities.

With regards to a recommendation requiring action for consideration in the improvement plan:

- In consultation with departments, the CSC should define and formalise a hybrid funding model, applying a range of funding mechanisms on a differentiated basis based on appraisals of the various services rendered within a given line function. There is an opportunity to learn from some of the more advanced funding approaches already in place in certain units of the CSC.

Recommendations related to structures and institutional arrangements are addressed later under implementation mechanisms.

6.2 Roles and Responsibilities

Noting the serious challenges related to understanding the roles and responsibilities associated with the CSC on the part of both CSC staff and

WCG client staff, the foremost recommendation, and one that should be prioritised in terms of the improvement plan, is to undertake broad, open engagements, across multiple staff levels, between the CSC and departments to discuss the disjuncture between the CSC and department's expectations of it. The objective of these sessions are to initiate a process that rectifies the disjuncture of expectations and indicates how supporting documentation, particularly the service schedules, SOPs and performance dashboard, can be better utilised to ensure a common and mutual understanding of responsibilities and obligations for the respective functions. In line with this proposed process, the following recommendations are made:

- The CSC Policy should be updated with minor revisions to bring greater clarity to: the strategic intentions (or organising principles) of the CSC; to provide for formalisation of differentiated funding arrangements of the CSC; to better clarify monitoring arrangements and set out timeframes for periodic review and evaluation (including at branch level); formalise communication mechanisms and the role of change management; and to more clearly and uniformly demarcate the roles and responsibilities of both the CSC and the WCG departments. Communication around this process should be open and consultative.
- Building on an update of the CSC Policy, a revised set of SLAs should be signed with each of the departments as aligned to changes in the policy. In formalising a new set of SLAs, emphasis should be placed on an interactive process between the CSC and departments which allows for some differentiation per department, including with potential recourse mechanisms in the case that revised service standards are not met. The revised SLAs should flow from the main recommendation and be the product of an interactive process between CSC stakeholders and departments which ultimately reflects in a shared distribution of responsibilities and obligations as set out in updated service schedules.
- The current pilot of an expanded service schedule with the Department of Agriculture should be expedited and, building on the experience of the pilot, an expanded set of service schedules should be developed concurrent to the revisions to the CSC Policy and SLA. The expanded service schedule should further clarify the respective obligations of the CSC and the client departments and distinguish between service measures of the CSC, and overall measures of corporate service performance (performance indicators that are a measure of end-to-end process rather than just the CSC's component).
- For the line functions where design and implementation challenges have been greatest (e.g. employee relations; recruitment and selection; and service benefits) joint task teams should undertake a careful revisiting of the roles and responsibilities of both client departments and the CSC, as contained in service schedules, SOPs and function-specific strategic documents such as the People Management Strategy. The task team should investigate the sharing and differentiation of obligations and roles with due regard to the practical and logistical arrangements of decentralised departments

and how this affects shared responsibilities practically. The task team should specifically propose how to manage disputes at operational level, identify opportunities for more efficient processing and propose possible recourse mechanisms where standards are not met. The Complaint Resolution Mechanism that is being piloted in Agriculture may also assist with this recommendation.

The most substantial changes required in relation to roles and responsibilities are for the CRUs and broader communication and change management to WCG staff. These are therefore dealt with under the latter recommendation sections.

6.3 Implementation Mechanisms

Recommendations for CSC implementation mechanisms are as follows:

- Firstly, the implementation and governance instruments utilised by the CSC should be more clearly defined and their roles described within and across the respective branches to provide greater clarity on their purpose, frequency of application, composition, functional scope and responsibility for administration. The Combined Assurance Framework and People Management Strategy are identified as important starting points in this regard. In this process, CSC communications should be adequately provided for, both in terms of a strategy and mechanisms for communications.
- Ample time and opportunity should be provided for departments to review and comment prior to tabling of draft policies and matters at PTM meetings for decision making. This may or may not involve clearing the matter via a department branch related structure, depending on what is appropriate, but allowing more time and opportunity for consultation with staff who have expertise related to the matter and/or will be affected by it prior to tabling is needed.
- As a matter of urgency, the job descriptions and functional responsibilities of CRUs should be jointly reviewed by a dedicated task team. Review should include the scope of the work they currently perform, a volumetric appraisal of their workload, and a workflow appraisal to assess whether processes are efficient, as well as needs identified from the revisiting of roles and responsibilities in line functions with enduring implementation challenges. Following the review, CSC and client departments must jointly decide how to proceed so that by the end of the process CRUs' roles are clear and there is alignment between post levels, job descriptions, skill levels / skills development plans and performance areas. The review should take into account the variety of departments and allow for some customisation within an agreed framework, particularly in light of the different structural realities of departments and the enduring implementation challenges. It is possible that achieving this will necessitate a complete redesign of the CRUs. It is critical that the process of reviewing the CRUs be transparent and based on clear parameters for transfer so as to avoid perceptions that certain staff are withheld or maintained unfairly.
- The CSC should further entrench an account manager-client model where CSC staff are allocated to service specific departments as this

will facilitate better client relationships and a deeper understanding of client business activities by CSC staff. There are ample examples of such models already functioning in the CSC, including the PTI Skills Development Facilitators and Ce-I's Service Managers. In all remaining CSC functions with similar services needs that are not being managed through a manager-client model, this should be introduced – with People Management Practices being the highest priority.

- The WCG should develop a comprehensive, province-wide monitoring framework for the CSC's functions, which includes end-to-end key performance indicators and not just those of the CSC's internal obligations. Province-wide indicators addressing the strategic intent of the CSC, end-to-end key performance indicators, as well as operational indicators at service level, should form part of this framework. The following three recommendations elaborate on this in more detail:
 - The CSC's performance dashboard should be revised in consultation with partner departments to produce a reduced set of key performance measures focused on the corporate service results achieved by mutual fulfilment of the CSC and Department obligations, for end-to-end monitoring. This will improve the utility of the dashboard for monitoring by Cabinet, PTM, and the CSC ExCo as a reflection of corporate service performance across the WCG.
 - At an operational level per line function for performance management purposes within the CSC and for the ExCo, the CSC should continue to track the service schedule standard measures internally. But the CSC should, in conjunction with client-facing staff and departmental stakeholders, address the weighting and relevance of some operational standard measures (e.g. issuing of reports) to ensure that there is understanding of where the internal performance dashboard fits into the comprehensive, province-wide monitoring framework which tracks the service measures for the corporate service performance of the WCG overall (end-to-end performance indicators).
 - The CSC should establish a common set of baseline measurements for indicators in relation to its strategic intentions as set out in the (updated) CSC Policy. While some relevant performance data elements are currently being tracked in relation to the performance dashboard and for the annual performance plan, these elements should be formalised in a monitoring framework related to the CSC's strategic intentions that set-out WCG baseline measures related to CSC associated costs, standardisation, efficiencies, etc. This exercise should be considered a pre-requisite before embarking on any future evaluation work of the CSC as a whole.

6.4 Behavioural and operational management

Considering the conclusions related to the introduction and implementation of the CSC, there is scope for a number of behavioural and operational recommendations that take into account the aforementioned recommendations:

- An update and revisions to the CSC Policy, SLAs, and expanded service schedules should be taken as an opportunity to embark on a broader communication and change management campaign to better clarify roles and responsibilities, support their understanding amongst key role-players and facilitate greater ownership of the shared obligations of the CSC and client departments.
- A change management initiative involving CSC staff and departmental staff should be undertaken to ensure awareness and uptake of the expanded service schedules and the shared obligations, resolution and monitoring mechanisms that will be applied.
- In all change management processes going forward, the following should be included:
 - Roles and responsibilities as per the SLA and service schedules should be updated, confirming end-to-end obligations of both client departments and the CSC.
 - If there is restructuring or movement of staff – HR Risk Management issues should be identified; a comprehensive match and place procedure should be implemented for all staff.
 - Communication should include simplified communication across multiple modes. Possible examples include mass SMSes to staff who don't have email, one-page weekly newsflashes that are printed and placed on noticeboards, emails, etc. This may be supported by guideline documents to managers regarding how to communicate, and department-specific communication strategies.
- In general, HODs and senior managers should ensure relevant CSC communications and notices are disseminated and accessible to all staff within departments as appropriate. Similarly, CSC staff should continue to prepare and prioritise concise mass communications for key developments related to the CSC's functional areas that affect all WCG staff.
- Any possible future functional additions or changes to the CSC should generally be preceded by a costed feasibility study associated with the change, followed by a transition change management plan and timeframes that provide for resource, structural, people, process and technological transfer in a consulted and incremental fashion.

6.5 Core recommendations for the improvement plan

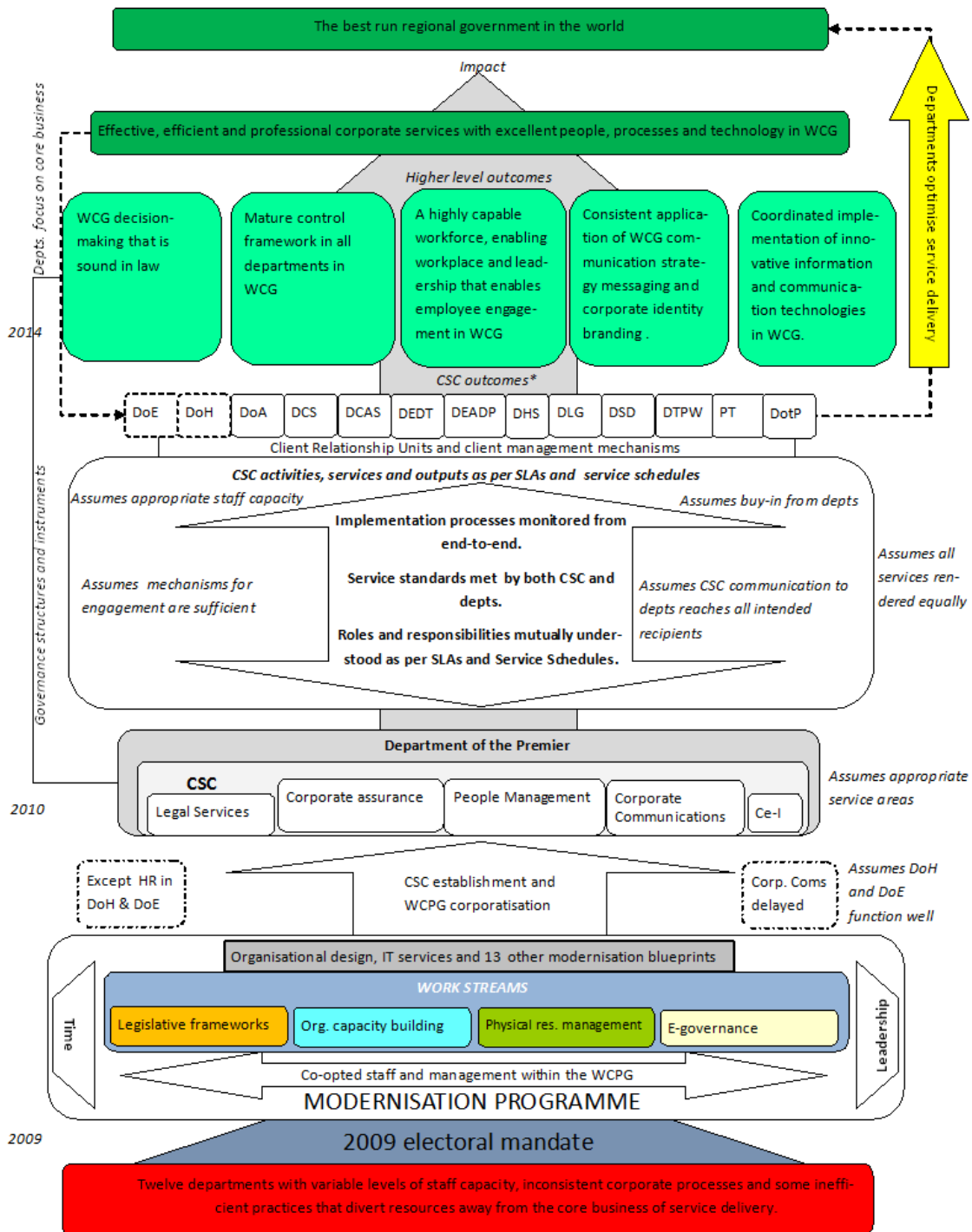
The above recommendations are expansive and address the range of issues the evaluation was expected to address. However, in arriving at a set of recommendations that are immediately useful for improvement planning purposes- the following are prioritised as relevant, specific, feasible, affordable and acceptable to stakeholders:

- The CSC should initiate a series of consultative engagements between the CSC and departments, on multiple levels, to acknowledge the disjuncture between understanding of the CSC’s responsibilities and department’s expectations of it. These engagements should be geared towards clarifying the multiple roles, types of services, relationships, framing documents and structures that shape these expectations, with a view to problem-solving around enduring challenges. In functional areas where clients have identified implementation issues (e.g. employee relations; recruitment and selection; and service benefits) and for specific mechanisms (e.g. CRUs), jointly comprised task teams are proposed to take forward the recommendations and propose solutions.
- Arising from the consultative engagements and task team recommendations, CSC stakeholders should revise and clarify the distribution of roles and responsibilities between the CSC and client departments, allowing the opportunity to go into sufficient detail to reach agreement on key operational processes. This will entail some revision to the CSC Policy, SLAs, Service Schedules and SOPs (as discussed previously) and may also include subsequent updates to function-specific strategic documents such as the People Management Strategy, ERM Policy Statement, Corporate Governance of IT Charter, etc., to ensure alignment between documents.
- Concurrent to the above, the CSC and its stakeholders should develop a CSC communication and change management strategy to ensure mutual and shared understanding, uptake and ownership of the corporate service roles and responsibilities, as well as mechanisms available to departments and the CSC. The strategy should provide for the effective communication and change navigation between the CSC and its stakeholders at various levels (e.g. senior managers, general WCG staff).

6.6 A revised Theory of Change

Based on the findings and conclusions emerging from the evaluation, and in line with the above recommendations, the following (Figure 102) serves as a revised Theory of Change for the CSC.

Figure 102: Revised Theory of Change



The revised Theory of Change differs from the draft used for this assessment with regards to the detail and core activities requisite for the successful execution of the five overarching functions of the CSC. Instead of the detail of the respective services offered, the Theory of Change now sets out the core activities that are the responsibility of both the CSC and departments in order to achieve the desired CSC outputs and service results: definition and mutual understanding of roles and responsibilities as per the SLAs and service schedules; fulfilment of service standard obligations as per Service Schedules by both CSC and departments; and monitoring of end-to-end processes for all key CSC services and outputs.

The three core activities can be adequately fulfilled if the following set of four supporting assumptions are also met: CSC communication reaches its intended recipients across departments; the mechanisms for engagement between the CSC and departments are sufficient; there is buy-in from all departments; and staff capacity is adequate for fulfilling obligations by both the CSC and departments. If these core assumptions are not met, or partially met, or only met by some departments and not others, the assumption that all services are rendered equally will not hold and departments will have distinctly different experiences of the CSC by department and by overarching functional area. This will undermine the guiding intentions of greater efficiency and effectiveness. However, if all of these activities are executed, and the assumptions met, the CSC will continue advancing towards the achievement of its strategic intentions.

*In the revised Theory of Change the CSC outcomes continue to reflect those statements as reflected in DOTP strategic planning, rather than as reflected in the CSC Policy. The recommended clarification and revisions that should follow this evaluation present an opportunity to address the strategic intentions of the CSC more directly and clearly in the Theory of Change. What are currently referred to as the organising principles of the CSC Policy should, once revised and established with identified baseline measures, reflect as a revised set of outcomes in a subsequently amended Theory of Change.

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Appendix

Analytical framework alignment

When the overarching evaluation questions are considered in relation to the objectives of the *Provincial Policy for the Rendering of Corporate Services by the Corporate Services Centre* (WCG, 2010) (hereafter referred to as the CSC policy), alignment between the policy and the overarching evaluation questions becomes clear. For the sake of brevity the following table captures the policy objectives in a concise form, the overarching evaluation questions in a concise form, and what are proposed as the customized elements of the analytical framework:

Table 13: Aligning policy intent to evaluation questions and the analytical framework

CSC policy objectives (concise)	Overarching evaluation questions (concise)	Analytical framework
Demarcates the core business of the centre	Establishment. Has the CSC been established correctly?	Establishment (design)
Establishes principles and criteria for determining scope		
Identifies the functional areas		
Demarcates the broad roles and responsibilities of role-players	Roles and responsibilities. Are assigned roles and responsibilities, including funding, appropriate?	Stakeholder roles and responsibilities (design) Stakeholder roles and responsibilities (process)
Establishes operational governance guidelines	CSC implementation/governing instruments. Are the implementation and governance instruments sufficient and effective?	Implementation mechanisms (design)
Establishes broad interdepartmental coordination, monitoring and evaluation guidelines		Implementation mechanisms (process)
	Readiness for implementation. Was the process well-planned and managed?	Establishment (process)

From the above it is clear that each one of the evaluation questions aligns fairly well to the policy, noting that these questions in full form request much more detail in evaluating both design and implementation, and that the above is a simplistic alignment, but a useful one for steering the evaluation towards an overarching analytical framework. The only question not addressed in relation to the above is the one labelled 'Readiness for

implementation³⁰- which is more accurately an evaluation of the overall establishment process in terms of the planning and management of the process from a behavioural and management perspective.

Analytical framework

The manner in which the evaluation questions were structured and titled bears a close resemblance to the components of the analytical framework and that is not unintentional since the precise nature of the queries necessitates a customization that is informed by other analytical frameworks. The framework is therefore proposed as follows:

Establishment

Establishment is understood as inclusive of the location, five overarching functional areas, scope, institutional arrangements and resources (including the funding model) available to the CSC. It can be differentiated on the basis of its business units (e.g. Legal Services; Corporate Assurance; People Management; Ce-I and Corporate Communications) and the corresponding line functions, as well as in terms of the evaluation framework of those distinct design and process elements. These are unpacked in more detail below.

Design

Judging the design of the CSC establishment will focus on whether the current composition of the CSC can be justified and rationally substantiated, as well as considering this in relation to what it is not (e.g. location of the CSC in DotP as compared to alternatives; inclusion of HR but exclusion of finance in terms of other functional areas; how funding is allocated to the CSC; etc.). Noting that some elements of the CSC's design have changed over the five years under review, this area will also have a clarificatory emphasis that will seek to describe and explain elements of the original design (as per blueprints and other founding documentation) in relation to later redesign or adjustments and provide an account of these changes.

The evaluation is further guided by the literature review which highlights good practice and provides a basis for judging design in terms of the selection or typology of included corporate services, the institutional arrangements and resourcing (Walsh, 2006), as well as provides guidance on reasons for a shared service centre. This analytical component includes aspects of the relevance criteria (e.g. the extent to which the establishment is suited to the priorities and policies of WCG) while locating the CSC within an environmental context and making a judgement on its design in relation to that.

Process

The process of establishment will be judged as the extent to which the CSC's location, functional areas, scope, institutional arrangements and resourcing was well-planned, managed and implemented from an operational and behavioural perspective. This will include the planning and management of the allocation of funding and human resources over the

³⁰ 'Readiness for implementation' is rather inappropriately titled when considered against the question itself which is clearly process orientated, rather than 'readiness' driven.

duration of the CSC's existence and whether this has been consistent with its design intentions and how these have changed. This process will be differentiated by functional area and will include some of the common elements of organisational assessments such as efficiency and effectiveness as they apply to the establishment of the organisational components, noting that this will exclude a judgment on the effectiveness of the CSC line functions and individual services rendered to client departments. The literature review emphasised the development of a business case (Venter, 2011) as well as management support and leadership, change management and People Management (Walsh, 2006) as salient process issues to consider in relation to establishment as these will be included within this area of evaluation.

Roles and responsibilities

Roles and responsibilities refer to the duties of all stakeholders involved with the CSC (e.g. provincial top management, CSC senior management, managers from client departments, executive authorities, etc.). These elements have to do with how the overall CSC establishment has been translated into business processes and relationships. They are, of course, closely related to the implementation mechanisms that regulate and provide a basis for these relationships.

Specifically designated roles and those with shared responsibilities and parties to accountability arrangements across the various institutions are understood to fall under this. This includes responsibilities for monitoring and funding determinations, to the extent that there is a specific role identified for funding allocations for the CSC. These roles will be further differentiated by the five overarching functional areas.

Design

The design of the roles and responsibilities refers to the extent to which there are clearly specified roles and responsibilities for different actors within the CSC and whether these roles and responsibilities can be motivated in respect of the intentions of the CSC, the accountability arrangements as well as the existing environmental and resource contexts more broadly. This therefore includes an element of the generic criteria of relevance as it pertains to whether the roles and responsibilities are suited and justified in relation to the intentions of the CSC, the legislative environment and the services it seeks to render as per its functional set-up. Further, it is noted that the intended roles and responsibilities have been dynamic and evolving and that this needs to be seen within its historical context and the organisational relationships that have informed it.

Process

Assessing the process and operationalization of those roles and responsibilities begins first and foremost with a determination of the extent to which those roles and responsibilities are well understood by the different stakeholders in practice. This can then become the basis for making a determination of the extent to which the current dispensation of duties are executed broadly in line with their designed intent by the different stakeholders. The literature review provides some instructive basis for assessing how roles and responsibilities can be set out and operationalised, as in the case of Queensland Government (2002). However, that is noting that in the case of the WCG that roles and responsibilities have changed and

developed over time, and that the evaluation will compare roles and responsibilities as they have evolved in process. The roles and responsibilities process therefore includes both relevance (in terms of understanding and buy-in) and an evaluation of efficiency in terms of the execution of specific implementation and accountability roles.

Implementation mechanisms

Implementation mechanisms refer to the instruments, guidelines and structures that govern and shape the implementation of the CSC's work. They are those platforms or tools through which the work of the CSC is actually executed, and through which stakeholders fulfil their roles and responsibilities, as in the case of the Client Relations Units, Contact Centres, and IT Service Desks as well as via the direct exchanges and protocols (e.g. Audit protocol, Ce-I Tools, etc.), amongst others. This is also inclusive of interdepartmental committees and governance structures (e.g. CITCOMs, DITCOMs) as well as the guidelines and monitoring frameworks in use for supporting and measuring the performance of the CSC. Implementation mechanisms will also be differentiated on the basis of the five functional areas.

Design

Judging the design of the implementation mechanisms will entail a determination of whether these mechanisms, whether instrumental or structural, are fit for their purposes and well composed given their reason for being. A key determinant of this will be whether there is a documented need or purpose for these respective structures. This will allow for a determination on the purpose of the implementation mechanism in relation to the overarching intentions of the CSC. This will comprise in part a determination of the relevance of the implementation mechanisms as conceptualised across each of the functional areas.

Process

An evaluation of the process of executing the implementation mechanisms will look at the extent to which these mechanisms are functioning as per the designed intention. While the CSC policy covers the services more broadly, these mechanisms will be viewed within their respective institutional contexts to determine whether they have been operationalized appropriately in a manner that allows for stakeholders to participate in them and use them appropriately. This will entail the frequency of the meetings, reporting, updating of instruments and use of these mechanisms. This combines some elements of the classic efficiency criteria along with determinations on the functioning of inter-departmental linkages, utility of the instruments and structural arrangements as executed in practice.

Documents received from the CSC

The following catalogues the list of more than a hundred documents received from the CSC or surfaced in the course of the primary data collection.

The following are a list of documents pertaining to the CSC overall and do not focus on one specific branch or department:

	Name	Type
1	CSC Policy	Policy
2	Signed SLA's between CSC and Departments x 13 (2010)	SLA
3	CSC Circulars 2014/15 (inclusive of CSC Policies)	Policy
4	CSC Circular Register 2010 to current financial year (Policies submitted via circulars)	Circular
5	Budgets & Expenditures 2009 to current	Budget
6	Modernisation Blueprints x15	Modernisation blueprints
7	Annual Performance Plans (2010 to 2014)	APP
8	Annual Reports (2009 to 2013/14 with 2014/15 is in draft)	Annual Report
9	CSC Dashboard Performance (from 2012/13 to 2014/15)	Performance Reports
10	CSC Audit Protocols (2012/13 to 2014.15)	Protocol
11	CSC Exco Minutes, 2011/2012 to 2015/2016	Minutes
12	QPR 2015	QPR
13	Executive Dashboard Projects 2010-2012	Performance reports
14	CSC Service Schedules per Branch (5) 2015/16	Service schedules
15	Department-specific addenda to Service Level Agreements between CSC and: DCAS (2010); Provincial Treasury (2011); DTPW (2011); Provincial Treasury (special Ce-I related agreements, no date); DCOS (2015); Agriculture (2012)	SLA (Addenda)
16	Service Schedules (1 per Chief Directorate of People Management; 1 each per other Branch of the CSC), 2012	Service schedules
17	CSC Circulars for the years 2010/2011 to the current financial year (excluding Circulars for the year 2012/2013)	Circular
18	Agendas and Minutes of Provincial Top Management Meetings, 2009/2010 to 2014/2015	Meeting Documents

The following are a list of the documents received related to the Centre for e-Innovation. Notable amongst these is the large number of SLAs, the variety of internal assessments, as well as the quantity of policy documents related to ICT.

	Name	Type
1	SLA Aptronics (MS Platform Development Services March 2014)	SLA
2	SITA: Department of Education	
3	SLA Aptronics (FMA Ce-I 0014)	
4	SLA Datacentrix (Implementation of an Enterprise Content	

	Name	Type
	Management Solution	
5	Torque Technical Computer Training	
6	DLK Group	
7	DLK Group (Mr Kevin Summer)	
8	Kanimambo (Elizabeth Young)	
9	Kanimambo (Chris van Rensburg)	
10	ITG Services Luminus Consulting	
11	ITG Services EMKAM Consulting	
12	LUP Hosting SLA 2012	
13	SITA Jtrack SLA Exp 31 March 2017	
14	SITA Oracle DBMS SLA 2014	
15	Third Quarter Technologies Close Corporation	
16	Gijima	
17	Gijima Addendum	
18	GISCOE	
19	COMSEL Eighteen T/A Kanimambo	
20	QLC Holdings T/A Quantum Leap	
21	Business Connexion	
22	DLK (Egon Preifer)	
23	DLK (Martin van Dyk)	
24	KPMG Engagement Letter	
25	CRM SLA	
26	WCG Internal Governance of IT Process Capability Self-Assessment Report (Feb 2015)	Assessment
27	DotP IT Governance Maturity Assessment (March 2011)	
28	Comparing COBIT 5 ITG Maturity Assessments to Cobit 4.1	
29	WCG Internal IT Governance Maturity Assessment Review 2012-13	
30	WCG Internal IT Governance Maturity Assessment March 2014-03-31	
31	WCG Online Content Policy April 2013	Policy
32	Network Security Standard	
33	Password Policy	
34	Physical and Environmental Security Policy	
35	Policy on the use of Cloud Services in the Western Cape Gov	
36	Security Charter	
37	WCG Enterprise Security Policy	
38	WCG Information Security Framework	
39	Anti-virus	
40	Anti-virus standard	
41	Approval of firewall rules	
42	Asset Management Policy	
43	Backup and Restoration Policy	
44	Communications Operations Management Policy	
45	Compliance Policy	
46	Human Resource Security Policy	
47	Incident Vulnerability Management Standard	
48	Information Security Incident Management Standard	
49	Information Security Plan Implementation	

	Name	Type
50	Information Security Requirements Analysis and Specifications	
51	Logical Access Control Standard	
52	Microsoft Windows Server Security Standard	
53	Mobility AUP	
54	WCG Corporate Governance of IT Policy and Charter	
55	IT Tariff Policy	Policy
56	Provincial ICT Plan, V4	Plan
57	Sintrex Consolidated Overview, 23 to 27 November 2015	Monitoring report
58	Sintrex Monthly Report: Workstation Module, November 2015	Monitoring report
59	Sintrex Module Weekly Overview of all departments, December 2015	Monitoring Report

The following is the list of documents received from the CSC related to the People Management Branch. Of note in this group is the high proportion of SLAs received and the catalogue of Standard Operating Procedures registered since the CSC's inception.

	Name	Type
1	Competency Assessment Policy	Policy
2	Employee Health & Wellness Policy	
3	Alexander Forbes	SLAs
4	Ayanda Mbanga	
5	BPO SLA	
6	ICAS Employee & Organisation Enhancement Services	
7	Graylink	
8	IPAC	
9	Minolta	
10	PNET	
11	Rental Agreement MIE	
12	Scanner Agreement MIE	
13	Stokpile Contract MH & Prem	
14	SOP register (from 2010-2015)	SOP
15	Example SOPs in hard copy	SOP
16	Cabinet Mandate for Competency Assessments, 2009	Cabinet Minutes
17	Strategic HR Assessments 2010-2015	Comparative monitoring report
18	People Management Strategy, Final Draft 23 December 2015	Strategy
19	Cabinet presentation: People Excellence in the Western Cape Government: People Management Strategy, March 2015	Presentation
20	People Management's register of Auditor-General requests for information (RFIs), example from 20 May 2015 and 12 June 2015	Register
21	Ce-I and PM Steercom: Agenda for 8 April 2015; minutes for 30 January 2015	Meeting documents

22	Corporate Communication on the GEPF, sent 2 February 2017	Email
23	Agendas from People Management meetings with HODs, examples from 2013 and 2014, x7	Agendas
24	People Management Steercom Terms of Reference, revised March 2014	Draft Terms of Reference
25	People Management Steercom Minutes, 25 April 2013	Minutes
26	People Management risk register, Quarter 3, 2015/2016	Risk register
27	Email correspondence regarding: Presidency's acknowledgement of receipt of Accounting Officers' performance agreements; Senior manager's note of thanks for service of People Management; Internal communications from People Management to HODs regarding an unauthorised strike action; departments seeking to create posts; sabbatical leave policy; recruitment and selection delays; DSD complains on appointment of student interns; Persal audit on expired work permits; DPSA communication on emoluments attachment orders; WCG response to the Presidential Commission of Inquiry into Remuneration; individual cases of salary and pay progression.	Email correspondence
28	Correspondence regarding departmental appointments	Email
29	HR Barometer fact files – examples from 2011/2012 to 2015/2016	Monitoring reports
30	Internal Audit report on Recruitment and Selection, March 2015	Report
31	Internal Audit report on Annual Leave Application Transversal audit, March 2015	Report
32	Internal Audit report on Service Excellence Awards, September 2015	Report
33	Draft proposal and Task Team Report on a needs analysis on Child Care facilities in the WCG	Reports
34	Draft Employee Health and Wellness policies, July 2015	Policies
35	Quarterly report on Employee Health and Wellness, December 2014	Monitoring report
36	Business Process Optimisation: presentation to the Governance and Administration Audit Committee, February 2015	Presentation
37	Barrett survey results 2015, 13 departments, CSC, and WCG overall	Reports
38	Barrett Survey report to DOTP Exco, December 2015	Presentation
39	Transversal Organisational Culture Strategy Proposal, May 2015	Proposal
40	Organisational Culture Change Implementation Plan 2015-2019	Schedule / Plan
41	OD Advice to the Department of Social Development's submission on the refinement of the Department's organisation and establishment	Submission
42	OD Progress reports for 13 departments, 1 st Quarter 2015/2016	Monitoring reports
43	Recognition of Improvement Qualifications by Department	Lists of RIQ; SOP
44	Template for Annual Request for OD Services 2015/2016	Template
45	People Management Practices HOD reports, December 2015, x11	Monitoring Reports
46	DOTP Workforce (HR) Plan 2015-2020	Plan
47	Bursary Policy v9 (with accompanying summary)	Policy
48	Report on Western Cape Government Bursaries, 2013	Report

49	Trend analysis report on bursaries for the Department of Social Development	Report
50	On-boarding framework V2, 2015, with accompanying summary	Framework
51	Training Impact Assessment Report, 2015	Assessment Report
52	Training Needs Analysis Report 2015/2016	Report
53	Provincial Training Institute Prospectus 2015	Prospectus
54	Presentation on Provincial Training Institute	Presentation
55	Youth employment policy V10, with accompanying summary	Policy
56	Business Process Optimisation Reports on Recruitment and Selection	Progress Reports
57	CSC Implementation of the new E-recruit solution: PTM Presentation July 2015	Presentation
59	Department of Community Safety Recruitment Plan 2015/2015	Plan
60		

The following provides an overview of the documents received from the Corporate Assurance Branch, the majority of which are examples of review or progress reports from across the different departments serviced by the Corporate Assurance Branch.

	Name	Type
1	Assessment of Service Quality (ASQ): Infrastructure Payments	Assessment
2	ASQ Transfer Payments	
3	ASQ DTPW: Transfer Payments	
4	ASQ: Transfer of Road Traffic Function	
5	Internal Audit Quality Assurance Review 2014	IA Review Report
6	1 st Quarter IA reports 2015 x 4	Quarter IA Report
7	Various WCG Departmental Monthly Progress Reports March-July 2015 x32	Progress Report
8	PFS Departmental Quarterly Reports June 2015 x 8	
9	ASQ Department of Education: Transfer Payments – Independent Schools (blank)	Assessment
10	ERMCO Charters and/or Terms of Reference (draft and/or final) for various departments	Terms of Reference or Charters
12	DOCS Internal Audit Monthly Progress Meeting May and June 2015: Per meeting – Agenda, Monthly Progress Report, and Minutes.	Meeting documents
13	Audit Committee Member Assessments (one per clustered Audit Committee, undated)	Assessment
14	Audit Committee Effectiveness Assessments (one per clustered Audit Committee, undated)	Assessment
15	Audit Committee Assessments by Stakeholders (one per clustered Audit Committee, undated)	Assessment
16	Organisation Design Organograms for Departmental Internal Control units	Organograms
17	Combined Assurance Framework 2015	Framework
18	Department of the Premier ERM Strategy and Implementation Pan 2015/2015	Plan

	Name	Type
19	Submission for the creation of additional DD post in the Directorate: ERM (May 2012)	Submission
20	Action Minutes from the FIU Transition Discussion between the WCG and Deloitte, 6 May 2014	Minutes
21	ERM Internal Audit Report, 31 March 2015, by KPMG	Assessment
22	WCG ERM Policy Statement, Version 1 Revision 4, 22 February 2012	Policy Statement
23	Quarterly Forensic Progress Reports for 7 departments, for the quarter ending June 2015	Reports
24	Department of the Premier Fraud and Corruption Prevention Implementation Plan, 2015/2016	Plan
25	Monthly Internal Audit Progress Reports for the Department of Health, April to July 2015	Reports
26	Examples of Monthly Departmental Internal Audit Reports, 2015	Reports
27	Examples of Monthly Departmental Internal Audit Reports to the Audit Committees, first quarter 2015/16	Reports
28	Examples of Agendas and Minutes of monthly Internal Audit Progress Meetings	Meeting documents
29	Internal Audit Charter 2014	Charter
30	National Treasury (2010), Condensed Public Sector Risk Management Framework	National Framework

Lastly, the following documents were surfaced or shared with the evaluation team on request or voluntarily in the course of the data collection. A significant portion relate to the roles of the CRUs and the People Management Branch more generally, while some documentation has also been shared related to Legal Services and Corporate Communications.

	Name	Type
1	CORPORATISATION (CENTRALISATION) of the following FUNCTIONS in the CORPORATE SERVICE CENTRE: HRM; Provincial Training; Organisation Development; Legal Services; Corporate Communications; Corporate Assurance: Internal Audit, ERM, and Forensic Investigative Unit; Centre for e-Innovation- 16 January 2012	CSC Progress Report
2	Draft Job Description- Assistant Director: HRM Client Liaison (Undated)	Job Description
3	Draft Job Description- Deputy Director: Corporate Services Relations Management (Undated)	
4	Draft Summary Job Description- Deputy Director: Corporate Services Relations Management (Undated)	
5	Job Information Summary- Corporate Services Relations Manager (1 st draft)- 7 March 2011	
6	Proposed CSC- Client Engagement Approach- Review Roles and JD's of CRU's – 3 April 2012	
7	CRU Review- CRU Meeting 3 August 2012	
8	Legal Services Client Survey Results 2006/2007	

	Name	Type
9	Corporate Services Relations Management Unit- Purposes & Functions	Miscellaneous
10	Audit Committee Member Schedule per Cluster (Undated)	
12	Corporate Governance Committee: Terms of Reference for Provincial Department of Economic Development and Tourism – 22 August 2015	Terms of Reference or Charters
14	CRU Meeting Minutes- 28/1/10; 23/9/11; 27/1/12; 6/7/12; 14/9/12	Meeting minutes
15	Cabinet Meeting Minute No. 362/2009 Modernisation Programme: Organisation Design Work Stream: Corporatisation of Support Functions- 23 November 2009	
16	Letter to A Joemat, Subject: People Management matters to be urgently addressed by the Corporate Services Centre from HOD TG Mguli, Provincial Department of Human Settlements- 26 August 2015	Departmental correspondence
17	WCG Department of Agriculture Modernisation Blueprint Comments x12	
18	WCG Department of Agriculture: Modernisation Process- HR Implementation at a practical level (2010)	
19	Efficiency gains: Chief Director Legal Services (Undated)	
20	Communication related to the Branding and Agency Briefing Steering Committees (October 2015)	
21	Corporate Communication Internal Creative Brief Form (Undated)	
22	Response to Department of Human Settlements on People Management Matters to be urgently addressed by the CSC (2015)	
23	Brand Assessment by Vibrand Research (October 2015)	
24	Revised Internal Creative Brief Form (May 2014)	Brief Form
25	Initial Creative Brief Form for TBWA (May 2013)	Brief Form
26	Agency Brief Form for Y&R (undated)	Brief Form
26	Signage Audit of CBD buildings (April 2015)	Assessment
27	Corporate Communications SLAs with Young and Rubicam, Draftfcb, TBWA/HUNT/Lascaris Johannesburg, FCB South Africa (Addendum only)	SLAs
28	Y&R Agency/Client Evaluation Feedback (January 2015)	Assessment Report
29	Y&R Status Report on various Corporate Communications tasks for DOH (2015), document as well as spreadsheet	Status Report
30	Draft Terms of Reference for the WCG Heads of Communication forum	

CRU staffing

Source: CRU submissions

Department and position	Approximate proportion of time dedicated to the respective functional areas					
	People Man.	Corp. Ass.	Ce-I	Legal	Corp. Comms	Other: Not CSC
Agriculture						
1 x Deputy Director: Corporate Services Relations Management	90%					10%
1 x Assistant Director: Corporate Services Relations Management	100%					
1 x Administrative Support Officer + 1 Administrative Officer (on loan from another unit - not on CRU structure)	100%					
1 x Administration Clerk (3 on structure; one utilised at Departmental Communications unit; One not funded)	100%					
Provincial Treasury						
Deputy Director: Corporate Services Relations Management	85%	2%	1%	1%	1%	10%
ASD: Corporate Service Relations Management (HRM&A)	100%					
Administrative Support Officer	100%					
ASD: Corp Service Relations Management (Transformation & OHS)	80%					20%
Administrative Support Officer	80%					20%
ASD: Bursary Administrator (Contract)	20%					80%
Administration Clerk	100%					
Social Development						
Deputy Director: Corporate Services Relations Management	100%					
Assistant Director: Corporate Services Relations Management	100%					
Administrative Support Officer	100%					
Administration Clerk	100%					
Administration Clerk	100%					

Deputy Director: Professional Development	100%						
Assistant Director: Professional Development	100%						
Social Work Policy Developer	100%						
Admin Officer	100%						
Admin Clerk	100%						
Local Government							
Deputy Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Administrative Support Officer	100%						
Administration Clerk	100%						
Administration Clerk	100%						
Economic Development and Tourism							
Deputy Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Administrative Support Officer	100%						
Administration Clerk	100%						
Administration Clerk	100%						
Cultural Affairs and Sport							
Deputy Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Administrative Support Officer	100%						
Administration Clerk	100%						
Administration Clerk	100%						
Community Safety							
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%	1%
Administrative Support Officer	95%	1%	1%	1%	1%	1%	1%
Administration Clerk	100%						
Human Settlements							

Deputy Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%
Administrative Support Officer	100%					
Administration Clerk	100%					
Administration Clerk	100%					
Environmental Affairs and Development Planning						
Deputy Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%
Assistant Director: Corporate Services Relations Management	95%	1%	1%	1%	1%	1%
Administrative Support Officer	95%	1%	1%	1%	1%	1%
Administration Clerk	100%					
Administration Clerk	100%					
Junior Clerk	100%					
Junior Clerk	100%					
Transport and Public Works						
DD: Corporate Service Management (SL 11)						
ASD: Corporate Service Management (SL 9)						
Administrative Support Officer (SL 7)						
Administration Clerk x 3 (SL 5)						
Human Rights Officer (SL 8)						
Administrative Support Officer (SL 7)						
1x DD ; OHS / 1x ASD OHS/ 1x Admin clerk						

No time allocations indicated

Evaluation communication

