

Department of Agriculture: Western Cape – A Case Study of certain management practices

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1. Introduction

The Department of Performance Monitoring and Evaluation (DPME), which is located within the Presidency of the Republic of South Africa is tasked, among others, with the monitoring of management performance in all government departments. For this purpose it developed the Management Performance Monitoring Tool (MPAT). This tool measures departmental compliance to regulated management practices as well as performance and innovation in this regard.

The tool sets specific compliance and performance standards against which departments assess themselves. These self-assessments are moderated by a panel of subject matter experts based on evidence provided by the departments in substantiating its self-assessment.

One of the key outcomes of the assessment process is the identification and documentation of good management practices.

1.1. The assessment of the Department of Agriculture: Western Cape's management practices in terms of MPAT

The DPME's assessment of the Department of Agriculture: Western Cape's (DOA: WC) performance in respect of management practices was largely not based on substantiating documentation (evidence). This was mainly due to a combination of evidence not being supplied, the required evidence not being readily available as well as challenges related to evidence management.

The department indicated its compliance with 94% of the standards indicated in the MPAT. In this, it claimed to exceed 55% of the standards. The department exceeded full compliance in:

- 75% of standards related to Strategic Management;
- 50% of standards related to Governance and Accountability;
- 62% of standards related to Human Resource and Systems Management; and
- 25% of standards related to Financial Management.

Although unsubstantiated, the DOA: WC's reported high levels of compliance placed a focus on the department as a possible example of good practice.

1.2. Overview of the DOA: Western Cape's management practices in terms of MPAT

The Western Cape Department of Agriculture provides a wide range of development, research and support services to the agricultural community in the Western Cape.

The department's administrative headquarters is situated on the historic farm of Elsenburg in the picturesque Boland region. We also accommodate new and commercial farmers at research farms, Further Education and Training Centers, extension offices, state veterinary offices and animal health technicians situated throughout the province.

The Western Cape Department of Agriculture delivers the following broad range of services:

- Technology development (research) for the animal and crop producers in the Western Cape.
- Agricultural advice and guidance to the agricultural community and all users of natural resources.
- Agricultural infrastructure to qualifying farmers.
- Agricultural training, higher education as well as Further Education and Training.
- Conservation of natural resources.
- Agricultural engineering services.
- Analytical services at our plant pathology and water and soil laboratories.
- Diagnostic and analytical services at our veterinary laboratories.
- Veterinary health services.
- Rural Development.

1.3. Methodology

The approach followed in this study was to be as open-minded as possible. This necessitated less structure and more open-ended interrogation of information. Following a desktop study of the evidence substantiating the department's MPAT self-assessment as well as the standards to which it was relevant, further background information was obtained from internet sources. As a matter of protocol, interviews were arranged by the provincial Office of the Premier, with the object department nominating the interviewees (Please refer to Annexure 1: Interview Schedule). Although vaguely thematic, the interview questions were unstructured. This was necessary to eliminate preconceptions about the department's performance and the possible conditions facilitating it.

The interviews were recorded to ensure the factual correctness and context of what was said. The findings were communicated to the department for verification and further contextualisation.

2. Considering good management practices

Mankind cannot exist without food. It is this dependence that led to purposeful cultivation of food evolving; over thousands of years, into agriculture as we know it today. In the process, we have gained immense knowledge of plants, animals and the conditions that facilitate its sustainable exploitation.

Today, agriculture is global. Objectives for the continued agricultural development stem from an intricate network of intertwined, cross-cutting and multi-disciplinary global, regional, national and local, imperatives, needs and expectations. Global demands on agricultural objectives relate to issues such as global warming; while at the regional level, there might be an expressed need for food security; at the national level, the prevention of the spread of diseases among livestock and; at the local level, the improvement of the livelihoods of farm workers. Addressing these complex and varying imperatives, needs and expectations require similarly complex and varied knowledge.

Agriculture is stable, with relatively slow changes in the range and extent of imperatives, needs and expectations. Politically, and specifically in the South African context, agriculture is also stable.

This does not imply that work in agriculture is less, lighter or slower. In fact, the rate at which disciplines/fields related to agriculture are developing, the agricultural environment seems to be very dynamic in responding to its complexity. It is this exciting and dynamic environment that was encountered when the DOA: WC was visited.

2.1. Strategic direction

Table 1: National Strategic Outcomes

| | |
|----|--|
| 1 | Improved quality of basic education |
| 2 | A long and healthy life for all South Africans |
| 3 | All people in South Africa are and feel safe |
| 4 | Decent employment through inclusive economic growth |
| 5 | A skilled and capable workforce to support an inclusive growth path |
| 6 | An efficient, competitive and responsive economic infrastructure network |
| 7 | Vibrant, equitable and sustainable rural communities with food security for all |
| 8 | Sustainable human settlements and improved quality of household life |
| 9 | A responsive, accountable, effective and efficient local government system |
| 10 | Environmental assets and natural resources that are well protected and continually enhanced |
| 11 | Create a better South Africa and contribute to a better and safer Africa and World |
| 12 | An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship. |

The globalization of agriculture provides certain logic and possibly structure to agricultural objectives and policy and the national and local levels.

The 12 national strategic priorities/outcomes (NSO) of the South African government, as indicated in **Table 1**, nearly all contain aspects:

- related to agriculture; and/or
- to which agriculture can contribute; and/or
- upon which agriculture impact.

The provincial government of the Western Cape has also identified 12 strategic objectives.

These provincial strategic objectives (PSO) relate closely to the NSOs. These are indicated by **Table 2**.

Table 2: Provincial Strategic Outcomes

| | |
|----|---|
| 1 | Increasing opportunities for growth and jobs |
| 2 | Improving education outcomes |
| 3 | Increasing access to safe and efficient transport |
| 4 | Increasing wellness |
| 5 | Increasing safety |
| 6 | Developing integrated and sustainable human settlements |
| 7 | Mainstreaming sustainability and optimizing resource-use efficiency |
| 8 | Increasing social cohesion (not final) |
| 9 | Reducing and alleviating poverty |
| 10 | Integrating service delivery for maximum impact |
| 11 | Creating opportunities for growth and development in rural areas |
| 12 | Creating opportunities for growth through infrastructure delivery and property management (not final) |

Similar to the NSOs, the involvement of agriculture in the PSOs is wide-spread. For this reason, the DOA: WC has identified 9 departmental themes. These, according to Table 3, are:

These themes broadly identify where agriculture feeds into / contribute to the NSOs and PSOs.

With these themes in mind, the DOA: WC identified 5 strategic goals (for the 5-year planning period 2010-2015). These are:

- Support the agricultural sector to at least maintain the 20.8% export contribution the province makes towards the country profile for the next 5 years.
- Ensure that at least 60% of all agricultural land reform projects in the province are successful over the next 5 years.
- Collaborate with farmers and industries to support the sector to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years.
- Protect, enhance and promote the use of our natural resources in a sustainable manner (within the constraints of climate change) to ensure food security.

- The development of selected rural nodes to facilitate their socio-economic growth within the constraints of a sustainable future.

Table 3: DOA: WC departmental themes

| | |
|---|--|
| 1 | Rural development |
| 2 | Market access for all farmers |
| 3 | Revitalisation of [agricultural] extension |
| 4 | Increase agricultural production |
| 5 | Human capital development |
| 6 | Research and technology |
| 7 | Natural resource management |
| 8 | Farm worker development |
| 9 | International cooperation |

The department places particular focus on the alignment and interaction among the various levels of objectives, goals and themes. For the department it is crucial that the roles/functions, dependencies and interrelation of units within the department be identified and clearly articulated. It is a process of firstly identifying ‘what we already delivery’ (current roles) and secondly, ‘what we need to delivery’.

Role, product and service identification are then directly linked to defining the appropriate delivery processes.

A characteristic of agriculture is that it is, on one hand, very hands-on and practical, while, on the other hand, being very scientific and complex, with many different specialist disciplines/fields. This poses a particular challenge in the practicalisation of high-level and broad-based objectives.

The department has been very effective in its translation of objectives into deliverable. This is mainly a result of wide-spread engagement and joint planning with national and international stakeholders as well as staff. The net effect of this is general consensus, buy-in to and support for the logic of the way in which the department positions and organizes itself to achieve its own and higher level objectives.

2.2. Leadership: A good team with a strong captain

One of the main factors attributed to the department's successes is the HOD's strong leadership as well as governance and learning orientation/drive.

Considering the political changes that occurred in the Western Cape provincial government over the past 5 to 10 years, the DOA: WC was fortunate enough not to have had an HOD change due to the political changes. This seems to uphold the distance and a balance between political dynamics and executive dynamics. The HOD is perceived to provide a buffer between the political and bureaucratic spheres. This is facilitated by her understanding of the provincial and sector context in terms of political dynamics and how this should manifest in public management.

The department has experienced strong continuity in senior and top management. This has led to strong cohesion, shared purpose and values. Top management displays respect and mutual admiration amongst members. Although this has the potential to stifle criticism and debate, their interaction is open, frank and critical when it comes to strategy and decision-making. Three interesting observations are that:

- The shared practical demeanor of the management team promotes critical and integrated thinking and inhibits thinking and acting in silos.
- Due to the various fields of specialization, there is not much competition between managers of the various fields. Members understand what other members are doing and how it fits into the bigger organizational picture, but they cannot replace that person on the level of specialization. This implies that they have to be open-minded to different views, disciplines and backgrounds.

The management team is described as a well-balanced team of experienced professionals.

In terms of strategy, the HOD takes the lead. The senior and top managers of the department further explore the practicalisation and roll-out of the strategic agenda. In this, they seek to maximize alignment and viability of implementation.

2.3. Enabling environment

The current structure of the department was designed in 2006 and has not changed since. This reflects the relative stability in the agricultural sector and limited need for significant organizational change. The stable structure produces administrative continuity in terms of staff working together for extended periods and the refinement of processes and procedures based on collaboration and similarity of experience. Among all the potential

pitfalls related to (perceived) rigid and/or stagnant organizational designs, the department has been able to exploit the benefits thereof.

There seems to be general agreement among departmental staff that the DOA: WC is their department (employer) of choice. The atmosphere is considered cooperative; people know each other on a personal level and know how to reach each other; a real sense of community. There is a lot of cross-fertilization because staff are used to working in multi-disciplined and -stakeholder settings. Staff of the department is very committed to agriculture. Due to its rural setting, including its natural beauty and relative inaccessibility of commercial centers, being based at Elsenburg provides an extra impulse to cohesion.

Intra-organisational communication is seen as a central component in creating a working environment conducive to open collaboration and innovation. Monthly team meeting are held in all units of the department. During these meetings strategic information is shared and feedback from staff is obtained. This feedback is consolidated and presented to the departmental management. This feedback loop promotes open interaction between staff and management and benefits strategic alignment and viability of delivery processes, procedures and roles.

Related to organizational culture and development, an important departmental initiative was continuous compulsory training on 9 areas relevant to the department. These 9 learning areas were derived from the Barrett survey on corporate culture. The department provided the training in 3-year cycles of 3 areas per year. Once a staff member completes the 3-year training cycle, the training would start again. The staff expressed a keen interest in keeping the 9 area's on the table because they came from their own priorities. Unfortunately, this training was discontinued due to training, as a function, being moved to the provincial Shared Services Centre (SSC). The perceived impact of the discontinuation of this training will be significant. Considering the concerns the DOA: WC raised in relation to the functionality of the SSC, it is not conceivable that similar customized training will ever be provided in future.

Overall the climate in the department is practical, perhaps even modest: they are 'just' giving their bests without much ado and always realizing that there is room for improvement.

2.4. Resources – Assets, challenges, innovation

2.4.1. Human Resources

In the field of resources the DOA: WC has a significant concern with human resource (HR) management and administration. In the Western Cape, and in an attempt to be more efficient, the HR management and administration functions, that originally vested in departments, were centralized and is since April 2010 performed by the SSC which is located in the Office (department) of the Premier.

According to the department, its high levels of compliance, reported in its MPAT self-assessment, was based on work done before the SSC took over the department's HR functions.

The movement of the HR functions to the SSC, especially considering the disfunctionality of the SSC, is seen as a major risk to the department's performance. Communication is severely inhibited due to departments having to do its HR through a call center and the client relations unit (CRU) not been well-established yet. In addition to this, Elsenburg is not in close proximity to the Cape Town where the SSC is located. They feel that being out of sight and perhaps also means being a slightly out of mind. The centralization of the HR functions has led to a loss of agriculture-specific requirements. As an example, the SSC provides certain crucial HR related information online. As part of the DOA: WC's staff has limited education or is illiterate, they cannot access the information.

Centralizing in itself does not have to be a problem, some services (organization development, labour relations, forensic accounting) have always been with the central provincial administration in Cape Town. HR, however, include certain delicate functions that is difficult to outsource. In distinguishing between 'hard'¹ and 'soft'² HR practices, the soft parts have a high risk of being neglected. This provides an essential risk for the department because effectively addressing the soft HR issues has a major impact on staff's sense of security, belonging, community. Soft issues impact significantly on organizational culture; something that is considered one of the DOA: WC's strengths.

The service level agreement with SSC seems to be incomplete / ineffective. It is not results-based and therefore 'pressure' to perform. It does not serve to regulate the relationship between service provider (SSC) and client (department). It only provides a scheme of the distribution of activities.

¹ Legislatively regulated, rule based, administrative

² Transformational, locally tailored, strategic; such as employee wellness and training

There is a feeling that the department cannot really influence SSC policies. They are afraid that management will be under pressure to perform extra / duplicate HR work because 'one way or another' they have to sort out all sorts of HR issues. HR does not stand still while the SSC 'sorts itself out'.

The DOA: WC is convinced that the perceived disfunctionality / failure of the SSC is a matter of conceptualization and requires fundamental re-design. It is not the teething problem of an organization with additional functions anymore.

The roll-out of the SSC should have been more incremental, than it was, with a focus on getting that tasks that were taken over right before taking on other parts of the HRM function. Furthermore, the 'hard' functions should have been taken over first, as these are highly regulated, systems already exist and not as time-consuming as 'soft' functions like training.

In the short-term, it helps that the department has a hands-on and practical mentality. It will find ways to deal with the loss of HR functionality / quality. However the department's HR mission: a happy, satisfied and well-informed staff; is at risk.

The department expects a sharp decrease in its MPAT scores since the HR function is not vested in the department.

2.4.2. Technological resources

The department has increased its use of high-end information and communication technology. A large part of the work of the department is on farms in remote rural areas. They have enhanced communication, amongst others, by using tools such as magic pens. They use these pens for the on-site recording of information emanating from visits to farms. It provides a very comprehensive and detailed source of information. Because of this efficiency gained, there is a high buy-in by user (departmental field staff) for these tools. For farmers, the use of such devices has the advantage that they get real-time, up-to-date information. From a management point of view, feedback to systematic quality monitoring, is much improved.

2.4.3. Financial resources

Due to the department's practical approach to planning, its ability to cost its programmes and activities is significantly enhanced. In addition to this, the relative stability of the sector also contributes to financial planning and forecasting.

Financial management is considered a simple case of compliance. One of the main strength is that the Chief Financial Officer (CFO) has been with the department for approximately 10 years. His financial management team is has an in-depth understanding and working

knowledge of the relevant legislation, regulations, prescripts and policies. This is reflected in the department's audit by the Auditor General of South Africa (AGSA).

2.5. Compliance innovation/improvement

Compliance starts with understanding the legal boundaries within which you are allowed to operate. This understanding is created by training on and working with the legislation. Experience in working with the legislation governing compliance only comes from thorough engagement with it. Compliance is not only seen as a management responsibility or issue. The analysis and 'repackaging' thereof into layman's policies is vital and management takes this responsibility. This is important in the DOA: WC specifically, where a substantial portion of the staff is partially educated or illiterate. When embarking on new processes/procedures, management anticipates risks and place compliance in the forefront as early as possible, so that it is catered for from the onset and not something one has to react to or work in as an add-on. This is also done when the department is cooperating with (new) external partners, such as non-governmental organisations (NGOs).

Generally, if work does not meet compliance requirements, it is sent back as is, to be rectified at the level at which the work is performed and provide support/guidance on how to ensure future compliance. The rationale is that people get complacent with low quality work if they know that errors will be 'fixed' at a higher level. The realization should be instilled that work should be done correctly in the first place. Support and guidance are provided in the form of training, mentoring and obtaining feedback in order to identify possible policy, process or procedure deficiencies that need to be rectified.

As part of the department's intra-organisational communication, it pro-actively seek feedback and are responsive in addressing systematic deficiencies.

With particular reference to financial processes, where processes related to compliance have a long tradition, it is hard to improve or excel on a systematic level. An option would be to put additional emphasis on 'green' compliance.

Overall, the department views compliance as a given and something requiring continuous innovation to improve.

2.6. Reporting and communication on progress

The department's last audit revealed no findings in respect of reporting on delivery. Auditing is seen as natural to the government environment: a 'fact of life' that does not pose any reason for concern. The department has reached a high level of comfort with auditing.

The DOA: WC does not consider the provisioning of performance information a challenge, as it has an in-depth knowledge of the relevant requirements and prescripts. Performance and compliance is seen as evidence-based. When considering delivery performance or compliance, the current state ('as is' state) is meticulously assessed and mapped. This is compared to what the department could achieve under optimal conditions. The gap between current performance and compliance guides strategic improvement.

2.7. Involvement of other stakeholders

In implementing agricultural policies the department deals with many different stakeholders, in different geographical settings and on both strategic and practical issues. A major part of the operation is out in the fields, working together with other people and organisations. This, as well as formal engagements, provides the DOA: WC with invaluable insight about the imperatives, needs and expectations of the sector in which it is involved. Its engagements are also outwards, in respect of sharing the world-class and, in some instances, world-leading expertise of its staff. This, along with its stability and consistent performance, is a major contributor to the international credibility of the department.

3. Conclusions

The DOA: WC recognizes the complexity of the strategic planning and management processes, specifically from a multi-disciplinary and -stakeholder perspective. It is a well-established and stable institution, with a good track record and much experience in the sector and in public management. Its use of high-tech tools adds to its efficiency and buy-in from front line staff. It displays an important focus on internal communication and buy-in at different levels of the organization.

Annexure 1: Interview Schedule

Interview DOA: WC - 17th July 2012 (13:30 - 16:00) and 18th July 2012 (09:00 - 14:00)

| Name of official | Department | Contact details |
|------------------------|---|---|
| Mr. David Marco | Department of Agriculture: Western Cape- Organizational coordinator | Telephone: +27(0)21 808 5051 Mobile: +27(0)83 324 0431 E-mail: davidm@elsenburg.com |
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