

# PSM Public Sector

## Manager

### Lifestyle

Car reviews  
Grooming and style  
Food and wine

### Focus on DFIs

# PRESIDENT ZUMA

on the  
Public Service

### Profile in leadership:

Director-General  
Lesetja Kganyago

### Lessons from the World Cup:

a new public service  
can do things  
differently

### Vital statistics:

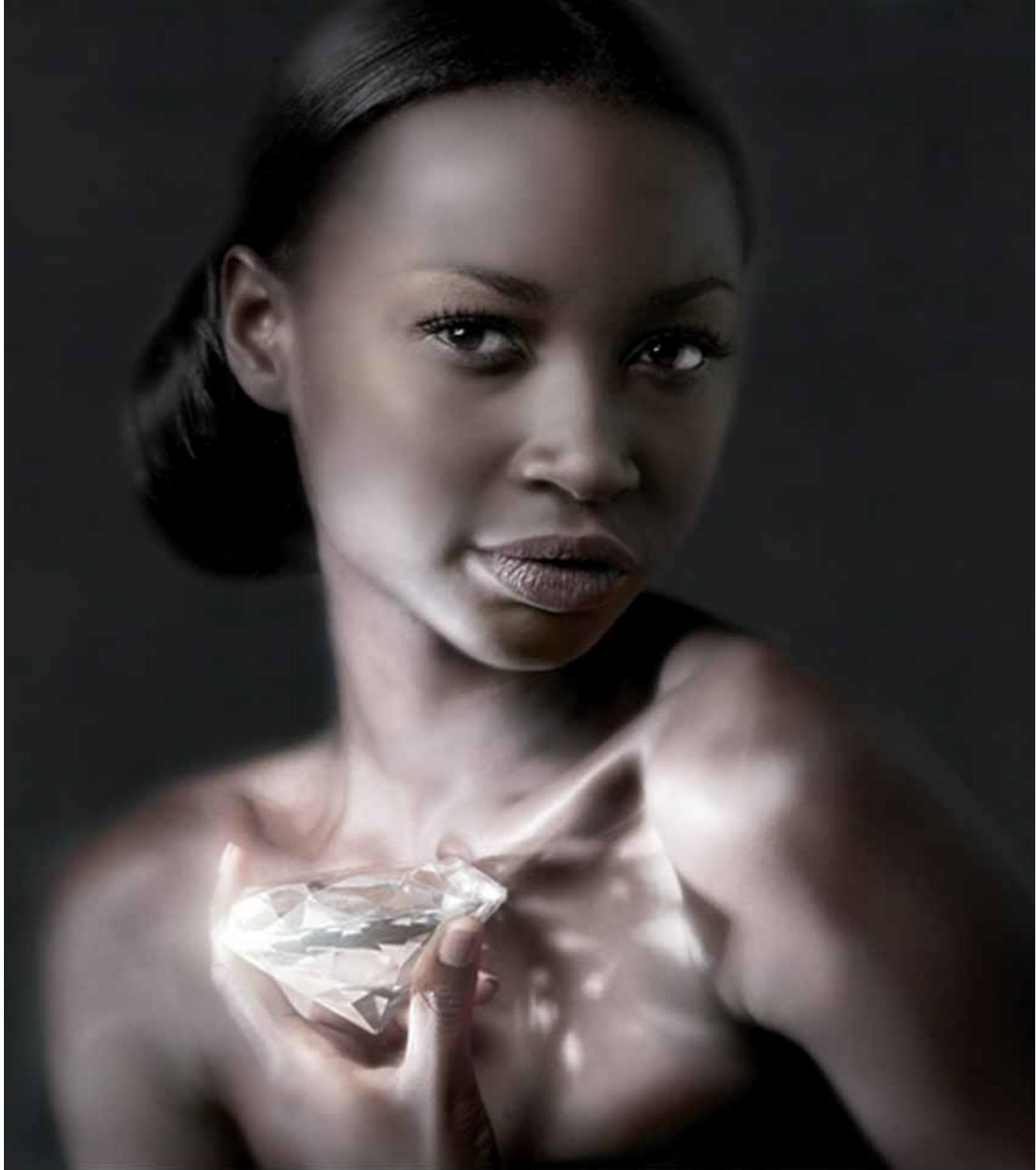
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It gives me great pleasure to present to you the official inaugural edition of *Public Sector Manager*.

Over the past few months, we have been, through the Government Communication and Information System (GCIS), hard at work conceptualising, publishing trial editions, consulting, conducting research and refining this publication. After many days of behind-the-scenes work, we have produced what you hold in your hands.

Particularly gratifying to all of us is the fact that this magazine is produced, editorially and in terms of layout and design, in-house by GCIS. It is encouraging to see civil servants tackling such a project by themselves without outsourcing it to contract publishers. Well done to the GCIS team.

GCIS plays a critical role in ensuring that the public has access to information on the programmes and plans of government that are meant to empower them to attain a better life. But in our consideration of “the public”, we sometimes forget that public servants are part of that public. They too have information needs which, if met, can empower them to perform better in their jobs, improve their lives and indeed become better ambassadors for government.

This magazine, the first of several media platforms targeting public servants, will seek to meet the information needs of government managers in particular and public sector

managers in general. Speaking of other platforms, an on-line version of *Public Sector Manager* is being planned and it will complement rather than replicate the print version. Once launched, it will make this the one-stop news and information service for public sector managers, delivering stories and articles that will enable them to perform better and stay on top of the issues impacting on their careers and service delivery.

Ultimately, this magazine is about contributing towards improving the performance of senior managers in government and the public sector in general. And this it will do by providing a platform for the sharing of best practices and running case studies of departments and state entities that have shown innovation in the way they do things. And here I find an interesting intersection between communication and the work we do within the Department of Performance, Monitoring and Evaluation (PM & E).

Stories about performing individuals and departments need to be communicated so that they can inspire those who are underperforming or averagely performing. Similarly, they could also encourage performers to excel even more in their work. *Public Sector Manager*, among other platforms, will be ideal for showcasing such performers.

The results of our monitoring and evaluation of government’s performance, especially in relation to the five national approaches and how they find expression in the 12 outcomes, will also need to be communicated. Again, the magazine will be a perfect platform to communicate the quarterly reports which will be published by PM & E.

In this regard, I am looking forward to the magazine helping us to build a performance-oriented public service, particularly at middle to senior management – a critical detachment of the civil service. Without the support and buy-in of this layer of public servants, our contemplated reforms on changing the way government works will be illusory. Again, it is in this context that we welcome this initiative, especially as it seeks to address public sector middle and senior managers as its target audience.

I will take the opportunity, as Minister responsible for Performance Monitoring and Evaluation, to consistently communicate, through this magazine, development and progress we are making.

I am also encouraging you to be full participants and write about issues in your line of work you wish to share with fellow public servants.

Enjoy your read and let us build a performance culture we can all be proud of.

  
**Minister Collins Chabane**  
 Minister in the Presidency: Performance Monitoring, Evaluation and Administration

# Meeting the information needs of **public sector managers**

It is a source of vicarious pride for me to join the Government Communication and Information System (GCIS) at a time when it is officially launching the *Public Sector Manager*.

This project has long been in the pipeline. It is clearly a well thought out product that will go a long way towards meeting the information needs of middle and senior managers within government.

In this edition, we carry an interview with President Jacob Zuma where he expounds on the Public Service and how it can improve service delivery. The role of public servants in our country is a matter close to the President's heart. You will remember the interaction he had with school principals in Durban in 2009 where he shared with them government's vision for basic education and listened to their challenges and suggestions on how to improve education in the country.

Then there was the meeting in Pretoria, in the same year, with more than 1 000 police station commanders. There the President shared his law enforcement vision, got a firsthand account of work at the coalface and discussed how to take forward the fight against crime.

The President also met in 2009 municipal managers, accompanied by Mayors, from all over the country and discussed with them the state of local government and service delivery at local level. In April last year, he met Directors-General and Deputy Directors-General from national and provincial departments to discuss his vision of changing the way government works. He followed up that meeting with another in October 2010 where he met with a task team representing Directors-General. There he was presented with a comprehensive report on the work being done to solve the problems identified during the April meeting.

We bring to mind all the above-mentioned meetings to show



one thing: President Zuma is serious about changing the way government works and wants civil servants in general and top managers in particular to change the Public Service machinery to ensure faster delivery. The interview with him emphasizes this point.

Then, of course, we have interesting articles that reinforce the President's message. There is the article by Busani Ngcaweni on how public servants played their role during the hosting of the FIFA World Cup and what lessons we can draw from that event. The article by Mbulelo Baloyi on the Centre for Public Service Innovation emphasizes the need to

unlock innovation for the kind of efficient and effective public service delivery envisaged by the President.

Equally fascinating is the idea of 'public entrepreneurship' by Professor Shahida Cassim of the University of KwaZulu-Natal which seeks to introduce innovation and competitiveness to government. In an era where citizens are mandating more public services and where governments are expected to do more with less, ones does not see how we can escape the concept of public entrepreneurship in our job settings – intimidating as it may sound. In order to stretch the public rand and achieve more with less, a degree of entrepreneurship and innovation within government is necessary.

We also have a special focus on development finance institutions and the role they play or can play in helping us achieve some of our national priorities.

Lastly, we do have a fair dose of light reading which includes car reviews, food and wine, real estate, and grooming and style. Enjoy the read!

**Jimmy Manyi**  
GCIS: CEO  
Cabinet Spokesperson

*"... President Zuma is serious about changing the way government works and wants civil servants in general and top managers in particular to change the Public Service machinery to ensure faster delivery."*

### A breath of fresh air

**S**ir, I just wanted to commend you for breaking new ground with the recently published *Government Executive* and *Public Sector Manager*. As someone who has always detested public service publications because of their dull content and irritating rhetoric, I rejected the two [trial] magazines when a friend gave them to me. He urged me to check their content and I am so glad I did. Wow, what a breath of fresh air! I loved the "Dress for Success", "Food and Wine", "Last Laugh" pages as well as the overall spunk of the magazine. You have brought some cool swagger to public sector publications.

You have proven that there is skill, effectiveness, efficiency and competence within the Public Service.

Ongezwa Manyathi deserves a pat on the back for the lead story "Leading from the front", not only is the piece smartly written but it flows and is light reading – something usually difficult to achieve in a lead story. It was certainly not the usual stereotypical hard interview littered with political jargon. Now I know how DG Lubisi spends his free time and that he has a role model.

The variety is so awesome and creates balance. Chris Breen's "The art of noticing" was another hit for me as well as the "Trailblazers" section. You have presented Advocate Mthunzi Mhaga in such an "approachable" way and I am so thrilled to know his lighter side. I hope to see more of such. Well done guys!

– *Nonhlanhla Yvonne Mondlane, Witbank*

### Excellent content and design

Your trial editions were excellent and contained a number of interesting articles. The designs, which I must say are unusual in government publications – were an even better presentation of the content. Issues that might have once seemed dry – the ideal Public Service cadre, performance monitoring and evaluation, government communication were presented in a very refreshing manner. I hope you will do



the same in exploring other public sector topics. Your eclectic mix of commentators offered useful insights into some of the debates within the Public Service. In this regard, Busani Ngcaweni's article on public service mandarins stood out. Well done GCIS!

– *Peter Mthembu, Pietermaritzburg*

### Keep up the good work

I have been reading the publication and wanted to drop you an e-mail to say congratulations on an

excellent edition! This is definitely a first in the public sector and I look forward to future editions. Keep up the good work.

– *Skhumbuzo Mona, Nelspruit*

# We hear your views!

### More provincial news

You have outdone yourselves on this one! Congratulations, we have been waiting for such opportuni-

ties in the public sector. I hope you will have space for capturing provincial news also. Personally, I am excited and would like to form part of the contributors to the stories. In the future, I would like to see some provincial appointments being published, for instance we have a new Director-General, Ms Rachel Modipa, for Limpopo – a woman for that matter. We also have another new appointment, again a woman, in the person of Ms Nana Manamela, who is the

new Deputy Director-General responsible for Shared Services in the Department of Local Government and Housing. – *Dieketseng "Tseng" Diale, Acting CIO: Department of Local Government and Housing, Limpopo*

**Ed's reply:** *Thank you Tseng. We would welcome contributions from your province and are pleased that you would like to be a contributor. That is the idea. Government communicators such as you should shape the content and information.*

### Great but here's advice

Great and insightful magazine. In general, I like the magazine – it is of good quality, especially the texture of the pages, which are the same standard as *O* magazine or *GQ*. Few things I would like to highlight:

- n The letter from the editor – to introduce the reader to the publication e.g. why the new government magazine, frequency of the magazine and the benefit of having this publication (the uniqueness of it).
- n The appearance of the magazine is more masculine – unless if we say that most of our readers are males then it is okay. Maybe we should balance the number of interviews by featuring both males and females where possible. In addition, one has noticed that most of the adverts featured in the magazine were masculine and only pages 40, 41 and 57 catered for females.
- n The last thing is to have some soft issues or I should say some emotions in the publication. I am referring to things like how to maintain the balance between family and work as a manager, personal financial management, some tips and so on. – *Solly Molayi, Gauteng*

*Please continue to help us make each issue better than the last by writing to the Editor, e-mail: Vusi Mona, vusi@gcis.gov.za. Don't forget to include your name and the city, town or village where you live.*



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# President Zuma on the Public Service

With 1,3 million staff reporting to him and a budget of just under R1 trillion to spread over 50 million citizens, the man at the helm of the Public Service has clear and exacting expectations of his Persal troops. President Jacob Zuma shares his views with *Public Sector Manager*.

Writer: Tyrone Seale

It's the day after Finance Minister Pravin Gordhan presented the Budget in Parliament.

At the President's official residence in Cape Town, Genadendal (meaning "valley of mercy"), very little mercy is to be divined from his hectic schedule.

Since the Budget speech 24 hours earlier, he's been back to Gauteng for engagements, including the opening of the Tripartite Alliance Summit and has returned to the legislative capital to meet his Finnish counterpart at Genadendal this evening.

It's a punishing schedule, but not enough to impair the President's focus on the only tool he has to ensure that the country succeeds: the Public Service of 1,3 million people.

In the gloom of an overcast afternoon, the President settles into a wingback chair in a reception lounge delicately lit by energy-saving lamps – a token that illuminates The Presidency's leadership by example – and featuring an antique dinner service.

In the 17th year of democracy, the trappings of the colonial era sit unperturbed alongside the gadgetry of the 21st century: a plasma screen tuned into Al Jazeera's accounts of the uprisings of the day along Africa's Mediterranean coast.

For a precious half-hour, though, the President is able to shut out the troubles of the troubled world to reflect – a few days after delivering the State of the Nation Address – on the state of the Public Service.

His own life and career have been that of public service: to the people of KwaZulu-Natal, originally; the liberation movement; and the country at large, as Deputy President and, since 2009, President. Given South Africa's role on the continent as well as on the international stage, President Zuma has, in one way or capacity or the other, served numerous peoples around the world in various circumstances.

## So, what does public service mean to him personally?

"It offers an opportunity for us as individuals to serve the people. I really am very passionate about it. It has been my passion to serve the people all the time. To be given the opportunity to be in government, to serve the people at the level at which I do, is an honour – a humbling experience."

The President wishes more public servants would look at



work – and life – this way: “One is given an opportunity to contribute to changing the quality of life of our people. If you weren’t in the Public Service, you could have the capacity and the means, but you’d be doing it more in the quiet. Here, you are given the opportunity to serve the people.”

His assessment of the state of the Public Service is that while the culture is shifting, it remains “something rather heavy; a cumbersome machinery.”

“There’s bureaucracy in the Public Service. It’s been my concern that we need to change that culture, do things differently, do things quicker than the civil service does things.

“That’s what I hope we can achieve. We must be user-friendly. We need to change the culture and therefore perception about the Public Service.”

President Zuma is anxious that failure to speed up, modernise and innovate will leave government and the country stuck in the parable of the two loaves of bread.

It is an analogy that the President shared at a meeting he had with directors-general and deputy directors-general

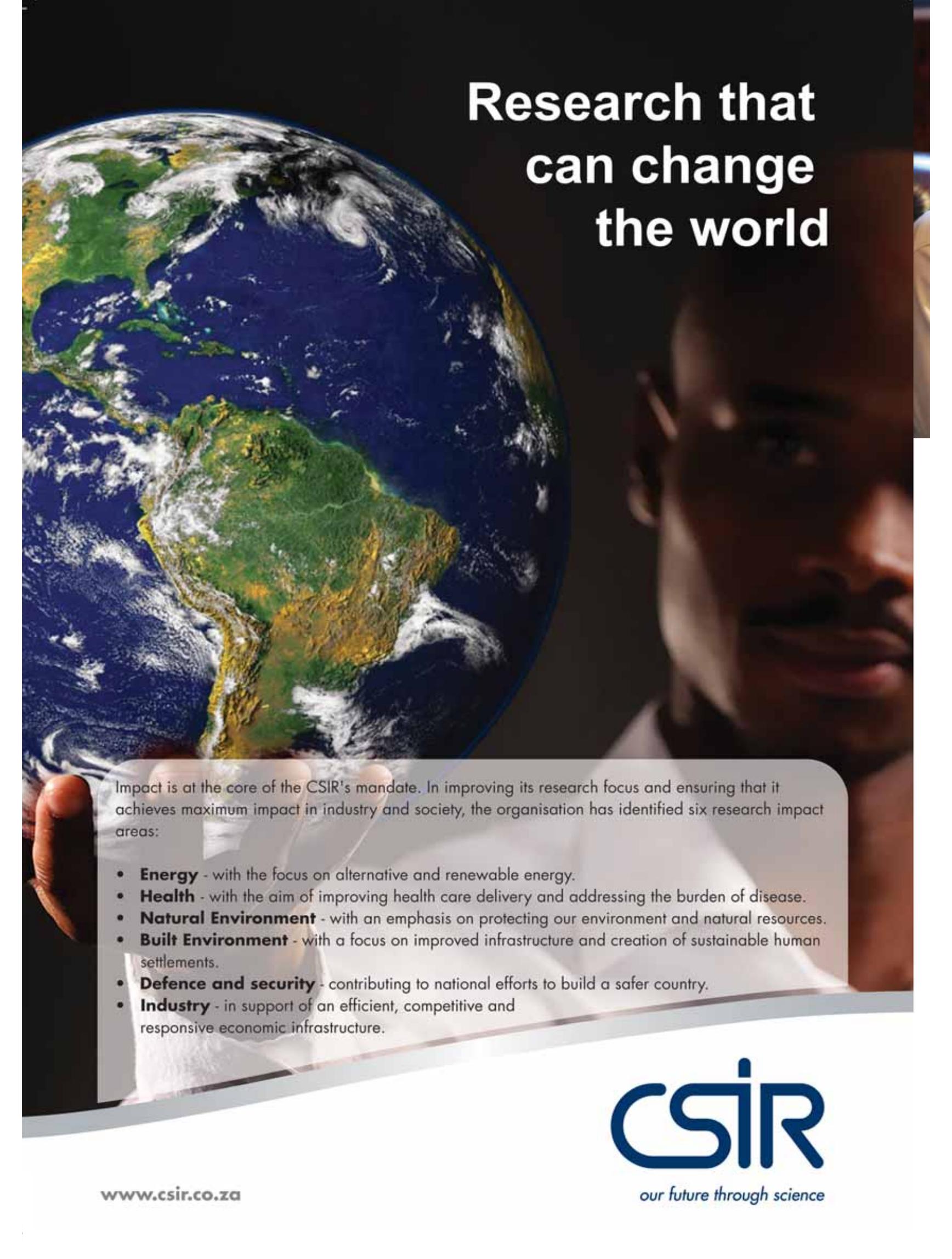
in Kempton Park last year. The meeting was convened to discuss the challenges that beset the Public Service and how to address these in a manner that will lead to better service for citizens.

“If you come to a corner shop and there are two identical loaves of bread from the same bakery, but the owner of the shop says ‘this (one) loaf is a government loaf, and the other is from the private sector’, which one would you buy?”

The President foresees that, in the context of his parable, many South Africans would, on the basis of experience or perception associated with aspects of the Public Service, opt for the private-sector loaf.

The President places his finger on the problem and prescribes the way ahead: “We need to change the culture, (our) appearance and the manner in which we work.” This new manner, he suggests, is one that takes all of us back to basics.

“We need a public service that’s user-friendly, that puts people first. We need to put into practice our slogan, Batho Pele. People must feel more encouraged to come to the



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- **Defence and security** - contributing to national efforts to build a safer country.
- **Industry** - in support of an efficient, competitive and responsive economic infrastructure.

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Public Service for help. I have been communicating that message. The response to problems needs to be quicker.”

In 2011 – a year of job creation – the President believes that transformation of the Public Service ethos is an urgent priority.

“I want to bring in a sense of urgency. I established a performance monitoring and evaluation (and administration) department. People need to appreciate what this means. It means that the department is a driver, that all of us in government need to look at our performance.

“In no time, we are ready to know who or what is working and who or what is not. To me, that department is very crucial to enforce the culture of doing things differently.”

Some do things so differently, that they bring government into disrepute and disappoint citizens and the President alike.

President Zuma feels personally let down when a public servant steps out of or crosses the line of ethical and professional rectitude. “I feel disappointed. I feel bad about it. It doesn’t give a good name to government and the civil service. Why do these things?”

Given the President’s strength of feeling on those who get it wrong, it is fairly simple to earn his approval: “There are people who are working very hard, who are innovative, and who don’t sleep. They make me feel very proud about the civil service; people who are very concerned about their work, who want to deliver. They have ideas and if you give them work, they do the work.”

For public sector managers, “doing the work” is a fine balance between the administrative rigours and routines of compliance and accountability, on the one hand, and making a difference in citizens’ lives, on the other.

### The President is keenly aware of this balancing act

“The challenge facing managers in the Public Service is that of function and compliance. Government is about serving the people. It is good to be intact and proper, but you must be able, at outcome level, to show you are doing something for the people, for the country.”

On the eve of the local government elections, all candidates are volunteering themselves to do something “for the people, for the country”, while many more South Africans are rehearsing where to make their mark on the ballot paper.

The President has advice for both candidate and voter.

“Those who are considering the people who must take up positions as mayors or councillors must first ask themselves: ‘why do we need this person in a political position?’”

“You need a political office bearer who must help government function and deliver. [Your choice] must be informed by your understanding of why you need this person.

“Equally, the person who’s keen to stand for a position must appreciate why that position is there and what is expected. The person must be honest and ask, ‘am I qualified, capable to do this job?’”

Having catalogued his apprehensions, the President turns to his call to action for the Public Service, summed up in four letters: JOBS.

“All of us must work towards using every opportunity to create jobs. We have to be innovative and open. From the part of government, I have said there should be no funded vacancies in the civil service. We are going to monitor that.”

The President is all too aware that job creation is not just the responsibility of government. That is why he called for a business summit on job creation, which was held in March.

The President begins to wrap up the discussion with the job-creation example of developing dairy farming in rural areas: “Once you are able to provide jobs to those who aren’t highly qualified, you give them an opportunity to put something on the table, send children to school; (you are) empowering the citizens of this country.

“If you empower yourself with education, you are better placed to make a contribution to society.

“Let us be innovative, create jobs as much as possible. Let’s have everyone doing something.”

# Experience doesn't have



The conceptualisation and implementation of *Public Sector Manager* is proof that strategic alignment of the enthusiasm of young government employees and the experience of the older generation is possible, writes **Vusi Mona**.

**H**ow does an institution as big as government, with a multigenerational and hierarchical workforce, get the best out of its employees?

It is a question one has been reflecting on ever since we started working on the project of a magazine for middle and senior managers in the public sector. For the record, the magazine you hold in your hands is the product of relatively young managers and employees within the Government Communication and Information System (GCIS).

Those of us who are at the upper echelons of the organisation simply planted the idea and provided guidance but it is our young managers and employees who have made it happen. And they did so without much of the tension and misunderstanding that often characterise relations between employees from different generations and/or ranks.

The lessons we have learnt during the conceptualisation and implementation of this project are particularly instructive, especially if we want to manage young government employees' enthusiasm and desire for career growth in the public sector while passing on our experience to them.

## Enthusiasm versus experience

Having worked in the publishing industry and bringing one's experience as a former magazine editor, I discussed with colleagues within GCIS (after analysing our target audiences) the idea of starting a magazine for public sector managers. With the kind of responsibilities one has, there was no time to focus on the project. I delegated responsibility for it to Dorris Simpson, who is a director within the organisation (I will not divulge her age but she is certainly below 40!).

# ...e to kill enthusiasm



*The PSM team*

She and her team took up the project with great enthusiasm. Within days, they walked into my office with two layout and design concepts which could stand their own in any magazine publishing environment. Since both concepts were brilliant, we decided to publish two pilot magazines and let the target audience decide which one they preferred. Needless to say, the results were very close and that is why in this final layout and design you see elements of both.

When Dorris and her team came to present to me, she brought the two young colleagues (Ntsiki Mputamputa and Rachel Mloi) who had done the design and layout – and there and then smashed the wall that often exists between senior

managers and junior employees. To put things in perspective, there are five levels between me and the designers. Ntsiki and Rachel were very forthright in their articulation of the design concepts they had chosen.

Whatever I questioned had to be based on merit – and not on their age or rank. This might have been a bit of a “culture shock” to senior managers who were schooled to respect one’s seniors and “pay your dues” before you could earn your right to be invited to a meeting with your boss, let alone to speak up in his or her presence. But had I insisted on rank, I might have killed their enthusiasm, creativity and the individualistic streak in them.

And so, what was the lesson? Just because they are young or junior in rank, it does not mean they don’t know anything or have no opinion. Today’s young government employees want to work in an environment in which their ideas, often analytic and out-of-the-box, are heard and valued. They desire to work in



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an environment that is more linear and less hierarchical. Younger government employees' frustration is often exacerbated by being judged on age or rank and having no access to their senior managers.

One has heard of employees in government being refused access to certain meetings on the basis of rank (a director-general does not allow directors in his/her meetings, only chief directors and deputy director-generals). What a load of balderdash! (to borrow from Inkosi Mangosuthu Buthelezi's rich vocabulary). Admittedly, there may be valid reasons as to why public service chief mandarins want to keep juniors out of their offices or meetings but when this is overdone, that is when experience kills enthusiasm.

This dynamic between enthusiasm and experience did not only play itself out between me and the junior team within my branch. It also manifested in my relationship with Themba Maseko, the former Chief Executive Officer of GCIS. Whereas I have experience in publishing, my experience in the Public Service is limited. So, it was natural that I would have more enthusiasm for the magazine than Maseko but he brought to the project public service experience. For example, it was his idea that we should do a limited readership survey before we launch the magazine.

As we were discussing and rolling out the project, Maseko never felt or gave the sense that I and my enthusiastic troops were moving in on his turf much too quickly, without having paid our dues. Some senior managers find it difficult to supervise newer or younger employees who are not afraid to challenge the status quo and who strongly value creativity and independent thinking. Not Maseko. The team pays tribute to his leadership.

He gave us space on the project and we allowed him space, as leader of the organisation, to highlight the possible drawbacks of the new things we were proposing. The lesson? Experience does not have to kill enthusiasm. The two can coexist.

### **Finding the balance between enthusiasm and experience**

Finding the balance between the two, though difficult, is not impossible. The South African Public Service has faced similar, if not bigger, challenges in the past and tackled them successfully. For example, the creation of a single public service involved the integration of different former homeland-based public administrations, which came with their own cultures, values and

idiosyncrasies. That was a bigger challenge than how to align the enthusiasm of younger government employees with the experience of the older generation.

And so, what are the steps that younger and older employees within government can take to narrow the divide between their values and outlooks? First, younger (and I would include newer though they may be older) government employees should demonstrate respect for the institutional knowledge and experience that already reside within government.

A lot of government resources would be saved if the younger or newer can ask more senior and/or experienced colleagues about what has or hasn't worked in the past. When I proposed the idea of this magazine, the intention was to wholly outsource it to contract publishers. After all, that is a model a number of departments use. However, long-serving employees pointed out to me that there is capacity within GCIS. What you hold in your hands is proof that indeed there is.

What is the role of older employees and senior managers in this equation? They need to take advantage of the enthusiasm and creativity of younger or newer employees. They must demonstrate an interest in the views of the younger or newer employees – who by the way may have innovative ideas or suggestions to some of the Public Service challenges that have come to be accepted as unshakable. Senior managers in particular must constantly give feedback to younger employees and not just during the formal performance reviews. When the team that worked on this magazine produced the trial editions, we let it be known to them and the organisation in general that they had done a fantastic job.

### **Conclusion**

This project has taught us, among other things, how to harness the enthusiasm of the young with the experience of the older generation. It has also demonstrated how new employees and their ideas can blend into an organisation by focusing on the common mission and vision rather than personalities. It has taught us to look within rather than outside government for innovation. Finally, it has shown us that whatever differences are there among government employees – be they rank, generational or experience-based – they are surmountable.

***Vusi Mona is Deputy CEO: Communication and Content Management at the GCIS.***

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KONICA MINOLTA

**bizhub** 



Writer: Busani Ngcaweni

# A new public service cadre can do things differently

Lately, a question has arisen seeking to establish how the President's call to "do things differently" implicates the public sector manager. Understandably, this pertinent enquiry invokes assorted feelings of doubt, flux, excitement, hope and pride.

In conversations, public sector managers doubt whether they indeed can "do things differently". Some feel the very same question results in volatility. But more encouraging is a noticeable rise in energy and patriotism when prospects of a new way of doing things are explored.

All in all, indications point to a public service pregnant with the possibilities of efficiency, responsibility, caring, responsiveness and innovation.

***"... we need public servants that will always uphold the interests of the people they are employed to serve ... we want to build an administration that knows where people live, which knows what they think, and which acts fast, efficiently and effectively on the issues they raise."***

Developing a "new public service cadre" should not be mistaken for winning a lottery – for it's neither a gamble nor an instant gain. It is a long haul. First, there must be appreciation of the President's call:

This ought to develop out of a meta-consciousness premised on normative values which our democratic society and government stand for: a united, non-racial, non-sexist and prosperous society.

Understanding the volcanic effects of accumulated disabilities of apartheid on the majority of the population is what should inspire public servants to want to do more,

faster, responsibly and efficiently.

In the pilot issue of this ground-breaking magazine, a treatise was offered on the concept of "public service mandarins";

the advanced detachment of public sector managers who constitute the nucleus of a democratic developmental state.

Let us add that possibilities of such a cadre abound largely because the political, policy and material space permits.

Apart from political interventions, the emergence of public service mandarins will be a cumulative outcome of individual and collective efforts of senior managers through deliberate interventions of training and development, performance management, mentorship and talent retention, waste reduction, improved coordination, better planning, monitoring, evaluation, professionalism and better communication.

What informs this conviction, you may ask. South Africa's success in delivering the single biggest project does. The successful hosting of the 2010 FIFA World Cup™ can safely be attributed to a growing culture of delivery among public sector managers.

### How did they do it?

- n They elaborated and worked towards meeting the targets set by the leadership. Various project teams were organised to tackle each guarantee which had a defined specification and timeline. No game could not be televised since broadcast and telephony infrastructure was specific and functional before kick-off. Event visas were issued, passengers swiftly processed, cargo was facilitated and emergency services were deployed.
- n Delivery was against clearly defined timelines albeit tight schedules and in some instances, lost labour hours. Project teams were never at a loss about when they were expected to deliver, on each guarantee and more. For example, it is now history that no soccer fan sat on wet cement since stadiums were completed on time.
- n Project teams coordinated efforts across sectors, disciplines and spheres of governance, that is, national, provincial and local government departments.
- n They organised themselves in project teams with defined roles and responsibilities. Except for a few instances



Busani Ngcaweni

where major deliverables organically grew into a "guarantee", roles and responsibilities were clear, thus making it possible to deploy resources and hold people accountable.

n Governance structures and reporting protocols were in place and respected.

From local coordinating structures to the 2010 Inter-Ministerial Committee at national level, the message was consistent – monitoring reports had to be delivered to appraise the leadership, facilitate decision and debottleneck where necessary. In principle, no task was too small to asphyxiate from the leadership. Again, it is now history that public sector managers are perfectly capable of better coordination.

n Contrary to many other projects, perhaps even less complicated, managers were able to recruit and retain talent. Speculating about this development, some argued that perhaps the knowledge of what was at stake (delivery, on

time, according to specifications and within limited budgets) pushed managers to employ the right people in correct positions. With the world's eyes on South Africa, there was pressure to do things right.

As the country continues to bask in the glory of a successful World Cup, so should public service mandarins be inspired by their contribution to this achievement – the most decisive evidence to date of gravity towards "doing things differently."

The stage is set; cast selected; script rehearsed; enter the new public service cadre and do things differently! We must aspire for excellence and save ourselves from the "chorus" when the theatre of our developmental state is so rococo.

South Africans deserve better. And public servants can do better. They have proven it with the World Cup.

**Busani Ngcaweni heads the Office of the Deputy President.**





## SANDTON CONVENTION CENTRE

Johannesburg | South Africa

# SANDTON CONVENTION CENTRE – IT ALL STARTS IN THE CENTRE

*What gem is situated in the centre of Sandton, the centre of Johannesburg, the centre of Gauteng, the centre of South Africa? Sandton Convention Centre, of course! The global business community are increasingly recognising Sandton Convention Centre as the preferred venue for national and international meetings, conferences and exhibitions.*

The Sandton Convention Centre's prime location is one of its biggest assets, as 74% of all South African corporate headquarters are housed in Johannesburg. The Sandton area has the highest visitor attendance "draw factor" in South Africa for high level meetings and exhibitions and therefore the ideal choice for business visitors. With unparalleled value for money, state-of-the-art facilities, highly trained professional staff and centralised safe location, the SCC has become the venue of choice for discerning corporate clients, PCOs and event organisers.

The opening of the Gautrain station around the corner from the Sandton Convention provides easy, safe and seamless travelling from the Oliver Tambo International Airport. The Skybridge between the Michelangelo Hotel and the Sandton Convention Centre offer delegates the opportunity to walk the full circle from the convention centre to Sandton City, and then through the Nelson Mandela Square into the Michelangelo Hotel. So effectively guests can attend a conference, have dinner and shop all within walking distance!

The Sandton Convention Centre is flanked by three Southern Sun hotels alone providing 1000 guestrooms on the doorstep of the Sandton Convention Centre. A further 15 hotels lie within a relaxed and comfortable walking distance.

The Sandton Convention Centre offers unlimited potential with over 22 000m<sup>2</sup> of state-of-the-art



Richard Flack Davidson, Janine Baltensperger, Cedric Laurie and Mati Nyazema. Front: David Doosi, Jabulile Khumalo, Michael Hogeweg, Karin White and Debra De Sousa

meeting, exhibition and special event space. Multiple events can be staged simultaneously on four main levels, and 10 000 visitors can be accommodated at any one time.

The Sandton Convention Centre has launched its new International Sales Strategy beyond 2015. "Johannesburg has come of age, particularly since the World Cup. Our focus now is on more joint efforts together with the City of Johannesburg to actively market the Province, Johannesburg and Sandton as the preferred business tourism destination", says Mati Nyazema, Executive Director at the Sandton Convention Centre.

Sandton Convention Centre is managed by Southern Sun Hotel Interests Phone: +27 11 779 0000  
Fax: +27 11 779 0001 Email: [info@saconvention.co.za](mailto:info@saconvention.co.za) Website: [www.saconvention.co.za](http://www.saconvention.co.za)

# Raising the standard of living for all South Africans

Photographer: Ntswe Mokoena  
Interview: Ongezwa Manyathi

*"There's nothing as undignifying as not being able to provide for yourself and that means we should be creating jobs for South Africans so that people are able to provide for themselves."*

**K**ey to the responsibility of National Treasury is improving the lives of all South Africans by promoting economic development, good governance and social progress.

*Public Sector Manager* met one of the key forces behind this entity, the Director-General of National Treasury, Lesetja Kganyago. Kganyago has been in the driving seat since 2004, among other things, managing the department, producing a sound and sustainable national budget and improving financial management throughout government.

### **How would you define the role of National Treasury?**

National Treasury has a responsibility to advise the Executive on the prudent management of fiscals and the optimal allocation of national resources. This is guided by legislation that includes the Public Finance Management Act (PFMA). Having said that, we are aware of the fact that we are operating in an environment where things are changing. In the past three years for instance, the world economy experienced a recession. Treasuries around the world questioned themselves about their roles in the changing economic environment and found themselves in a situation where they were struggling to find resources to meet the commitments of their respective governments. Fortunately, in South Africa we have had a political leadership that had foresight and developed measures that would provide some protection, should the global economy enter a recession. The challenge for National Treasury now is that we are operating in an environment where it is no longer about allocating resources but also establishing how the resources are being utilised. The allocation of resources is politically influenced, in other words, it speaks to the political mandate of the Government of the day. So when our fourth government administration took over in 2009, we had to translate the political mandate into a programme and into the Medium Term Strategic Framework – and National Treasury translates that mandate into numbers.

***In your view, has government spending been successful in turning the tide and changing the lives of our people?***

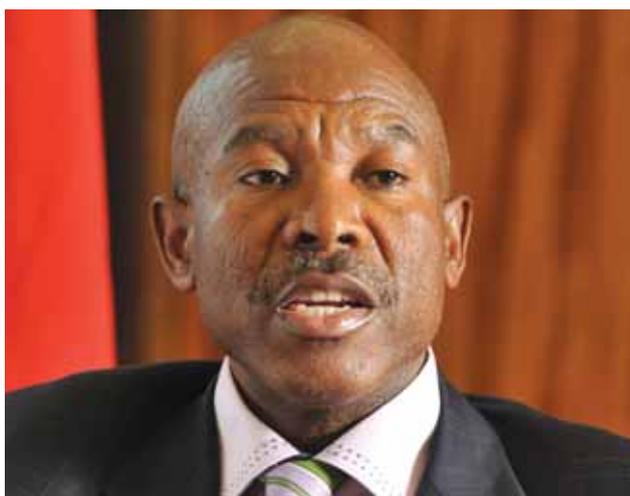
The data, in spite of what commenta-

tors are saying, demonstrates that South Africa has made significant strides in improving the lives of the people over the past 17 years. If one measures government against what we committed ourselves – which is to improve the general lives of our people; one can see that in areas such as the provision of housing, electricity, water and sanitation, even education – we have made significant progress. Also, recently the South African Institute of Race Relations released a report that shows that the majority of the people have benefited significantly from the new democratic dispensation. That said, we as government are the first to acknowledge that there is still more that has to be done. It will take generations to totally transform the education system and make sure that it serves the needs of our economy and to build an economy that can meet the needs of the South African population. We still have a difficult task ahead of us but as a nation we have always overcome adversity and managed to take on and succeed at challenges. All of these things take time to implement. The question for us now is how to cushion the population in that transition period as the economy and society are transformed. We've partly addressed that question by providing social assistance to our people in the form of social grants, but we still need to give people their dignity. There's nothing as undignifying as not being able to provide for yourself and that means we should be creating jobs for South Africans so that people are able to provide for themselves.

### **What are the main drivers of government spending?**

The main drivers are government's key priorities. Over the past 17 years, the bulk of spending has been on social development, education and health. There is a different way of looking at what the economic drivers are – an economic classification of what actually drives

government spending and by far you will find that the largest driver of government spending will tend to be remuneration of employees. That is something that we need to constantly watch. So, constantly you will find that budget dominance over the past three years has called for a balance between social and economic expenditure. We have also called for a balance between capital and recurrent expenditure and we



have called for a balance between spending on the remuneration of employees and spending on goods and services that are essential for the delivery of services.

***What will be the future drivers of government spending?***

The future drivers should not differ from the current ones because the priorities of this government are education, health, rural development, creating decent work, and fighting crime. These priorities will continue to drive spending in the future. As we go forward, the important question to ask is: to what extent does every rand that government spends go towards the key priorities?

***Which areas of the economy do you think need government intervention?***

To grow any economy you need to invest in two things – people and physical capital. Successful countries across the world all have one thing in common and that is their investment in people. If you want to invest in people, it means that you must channel resources into education. But then people need to be healthy so that means that you need to channel resources into health. That is why government spending is focused on health and education. We need to invest in people so that we are able to produce the skills that the economy needs to be able to compete globally. The second thing is investing in physical capital, which entails investing in infrastructure that facilitates economic activity – in other words roads, telecommunications, ports, rails and public transport. The kind of questions we now need to ask are: how efficient is the investment? In other words, you have invested in education, what do you get from it? If you are going to invest a certain amount in education, are you getting the right number and sets of skills, and also does your physical capital investment make you competitive? Are you able to bring goods to industries speedily and at the least cost possible? Now, that is generic. In South Africa, we had to ask ourselves the questions: why is it that the South African economy is not growing at a pace that would enable us to create jobs, and what are the constraints on growth? Whichever way we look at it, there are skills constraints or bottlenecks.

Government knows that we are facing bottlenecks and that we need to invest to relieve the constraints the economy faces.

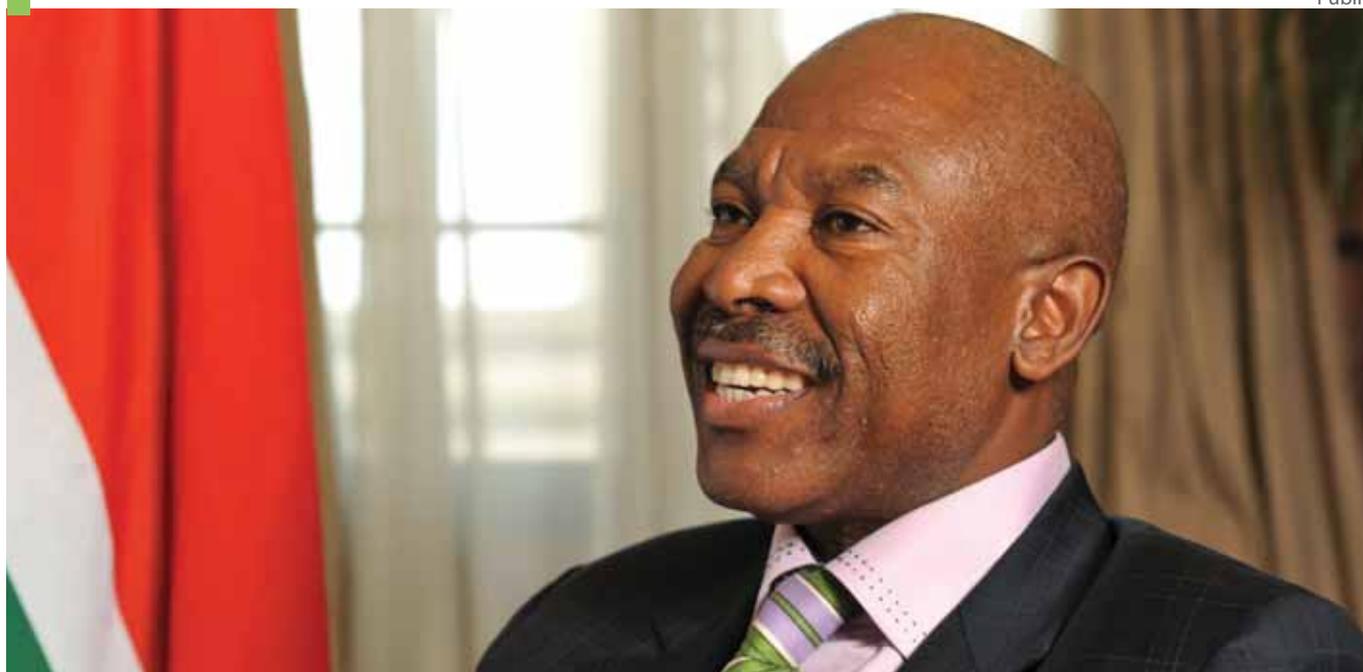
***Where are the weaknesses in the economy? How do you plan to overcome or deal with these?***

In identifying our weaknesses we need to locate South Africa in a global context. South Africa is now firmly integrated into the global economic system. The events that take place in the world are likely to affect us and when there are weaknesses in the global economy, the South African economy will be affected. For example, South Africa produces goods that are consumed in South Africa while others are sold in the world. There is no country anywhere in the world that grows successfully by producing goods that itself needs. We need to not only produce the goods that we need but those that the rest of the world needs. We also need to invest in the kind of goods that are needed in the country. South Africa has low savings and because of this, for us to be able to fund our investment programmes, we need to access foreign savings. We need to get the savings of other countries and in so doing, we are mobilising finance from the international capital market to fund our own investment programmes. What we need as a country is to generate savings to enable us to reduce our dependence on foreign savings. The only way we can deal with these weaknesses is through partnerships. We need partnerships between government and the private sector and labour. We need partnerships to make effective use of our development finance institutions (DFIs). The DFIs need to partner with the private sector to deliver on their mandates. We need partnerships with respect to some of the key factors that have been identified.

***What is your view on the issues raised by unions on inflation targeting?***

We welcome debates and discussions not only on inflation but also around issues that affect the economy because it will only enrich the political discourse. What I tend to find problematic is the notion that inflation targeting is a problem. Let me explain what inflation targeting is. It is simply a monetary policy framework. There are three monetary policy frameworks that are available in the world. The first is what was pursued by the South African Reserve Bank called the eclectic monetary policy framework. Government then decided to abandon that policy because it was unclear and there was no transparency. The second framework is something that a number of Asian





countries have done, which is to choose a level which you want and which you defend. The third monetary policy framework is inflation targeting, which South Africa decided to adopt. The reasons are not hard to find. When South Africa was using the eclectic framework, we had extremely high interest rates – in 1998, for instance, interest rates rose to 25,5%. With the interest rates at 25,5%, there was no inflation targeting and the inflation rate went up to as high as 15% or 16%. So, the Reserve Bank put resources into defending the currency. In the process, South Africans were hurt. We lost billions defending the currency, instead of channeling these billions to other areas. You can take away inflation targeting but no central bank worth its salt can ignore inflation targeting or let inflation run amok. Lastly, high inflation hurts poor people the most – the people who are dependent on social assistance. Any government that cares about the poor will decide to keep inflation in check.

### **Briefly tell us about your family.**

I am married and I have three children.

### **What are your thoughts on leadership? What drives you?**

Leadership is very complex. There are many who see themselves as leaders because they have been put in positions of authority. For me, leaders take calculated risks and this involves testing the boundaries of the people that you are leading. It's also important to be able to look back and see if you are being followed because you might find that you think you are leading people only to find that you are leading yourself. Leadership in the Public Service is complex because it involves serious grounding in politics and being able to understand the political landscape within which

you are operating. I am surrounded by very good and competent technocrats and many of them will tell you that I do not want to be a leader. I just want to do my job. That's because the people understand the complexity of leadership. For me, the big challenge of leadership in the Public Service is to get people who are technically competent to live in the political environment and execute their mandate. Public servants' jobs are to translate the mandate of the Government of the day into concrete programmes. In terms of what drives me, I would say it is my passion to serve South Africans. I prefer to drive things to ensure that the desires of South Africans are met.

### **What do you like to do in your leisure time?**

I hardly get the time to relax, so when I get a few weeks off in December I try to squeeze in a lot of hiking and golf. I also read autobiographies, and I listen to music – mainly jazz and some classics.

### **How would you like to be remembered?**

I'd like National Treasury to be the first port of call for bright young minds in economics, finance and accounting so that it can deliver on its core mandate and make sure that the needs of South Africans are met. I'd like to be remembered as someone who has been able to reposition Treasury in that respect. I also believe that I helped to get people to see Treasury as a partner with respect to their mandates. Simply put, I'd like to be remembered as an honest and hard-working public servant.

***\*Lesetja Kganyago has been appointed the Deputy Governor of the South African Reserve Bank***

# Trailbl

**Name:** Itumeleng James Moses  
**Designation:** Chief Economist,  
 Free State Provincial Treasury  
**Qualifications:** M.Com (Economics),  
 University of the Free State

**My job entails ...** research and analysis of various socio-economic issues so as to provide sound and research-based policy advice in so far as the allocation of scarce public resources is concerned. Within the realms of a developmental state, and the economic reality of the Free State, the provincial budget remains a vital instrument to bring about change to the illiterate, the hungry, the homeless, the jobless and the discouraged.

**My greatest strength is ...** my belief in three things, namely knowledge, passion and teamwork. Knowledge is at the heart of problem-solving, which is why I always encourage my team to study further, to read and to explore anything that will expand their knowledge. I also believe that passion is a prerequisite for motivation. I also believe in teamwork, which is why I spend a lot of time sustaining and motivating the team because I know that as individuals, we can achieve little, but together we can do more!

**The best advice I ever received is ...** people don't care how much you know until they know how much you care. Change to your life comes as a result of the change that you make in other people's lives. True fulfilment comes from being of service to others.

**My motivation comes from ...** believing that no challenge is insurmountable! People fail when they reach a point of unwillingness in their lives, but a never-say-die attitude will carry you through difficult times. We fail because we have given up, we don't give up because we have failed! When we have hope, then the march to change the world will be won.

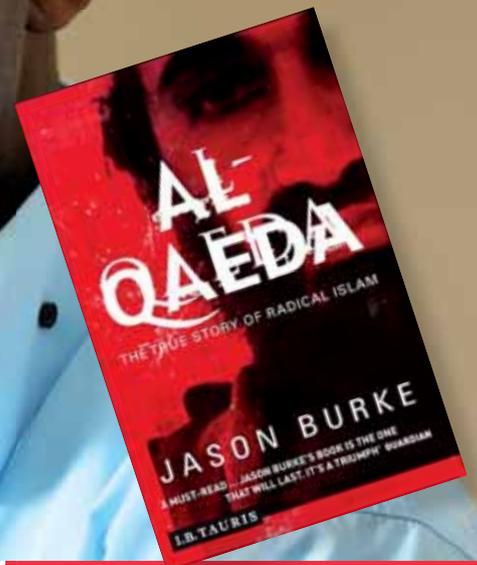
**The highlights of my career to date are ...** many, but being appointed to serve in the Premier's Economic Advisory Council by former Free State Premier "Mme" Winkie Direko at the age of 29 will always rank as one of the greatest opportunities. I had the privilege of learning from the best minds and leaders. I was also nominated to be among the lead authors of the Organisation for Economic Co-operation and Development's report on the role of higher education institutions in economic de-

velopment: *A Self-Assessment Report for South Africa with Free State Province as a Case Study*. This was also an opportunity for me to learn from highly distinguished academics.

**My number one thing I would like to accomplish while I'm in the Public Service is ...** to assist in developing and implementing policies that will unlock the economic development potential of the Free State and ensure that economic growth in this province is used to reduce unemployment and poverty among the people of the Free State.

**The most important lesson I've learnt in my career is ...** that you can fool everybody else but you cannot fool yourself! They say life is a journey. So, no matter your achievements, there will be scope to do more. In that sense, for as long as you live, you will never arrive! The day you have arrived, then you must know that you have stopped living!

**Right now I'm reading ...** *The Shackled Continent: Africa's Past, Present & Future* by Robert Guest, *The End of Poverty: How We Can Make It Happen in Our Lifetime* by Jeffrey Sachs as well as *Al-Qaeda* by Jason Burke.



**To unwind I ...** play soccer on PS3; watch documentaries; listen to classical, jazz and gospel music; and enjoy quad-biking with my family.

**What most people don't know about me is ...** that I'm scared of failure. This does not mean that I only do things where success is almost guaranteed. Rather, I prepare sufficiently before embarking on any course of action, even those actions where the margin of success appears very close to zero.

**I'm proudly South African because ...** South Africa is a special country, a nation of winners! It is not a mere coincidence that we have great leaders who continuously aspire to change the world, nor is it a mere coincidence that we espouse the value of Ubuntu, we are the cradle of human kind! Karl Marx wrote: "The philosophers have only interpreted the world, in various ways; the point is to change it." Embedded in each of us, big or small, educated or uneducated, rich or poor, is the ability to make a difference to humanity!

# azers

GOING PLACES

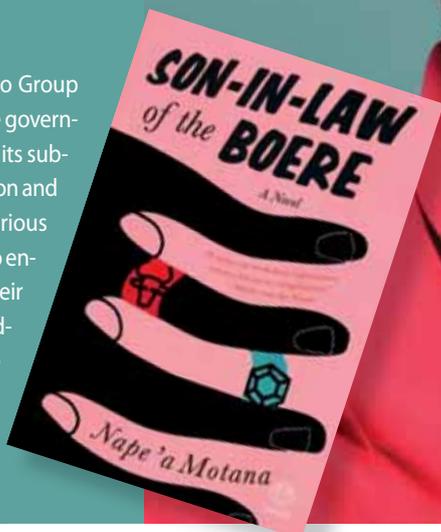
**Name:** Bessie Bulunga

**Designation:** Group Company Secretary, South African Post Office (Sapo)

**Qualifications:** B. Proc, LLB

University of Durban-Westville;  
Certificate in Management Development, Wits Business School

**My job entails ...** Advising key Sapo Group governance structures on good corporate governance and ensuring that the company and its subsidiaries comply with the relevant legislation and governance codes. I also manage the various shareholder compacts within the group to ensure that the various entities discharge their mandates as agreed to with the shareholder. In addition, I manage the office of the Chairperson and the Secretariat division that provides overall governance and secretariat support across the group.



**My greatest strength is ...** I am very detailed in my overall approach to work and other aspects of my life. However, most people say I am “pedantic” because I tend to be concerned about rules, procedures and protocols, which probably explains my choice of career!

These attributes can be viewed as both strengths and weaknesses. Strengths in that they demand accuracy, perfection and certainty – which are all very important in the type of work I do. These attributes also have their drawbacks as they can slow down my work pace as I tend to check and re-check things before I am satisfied with the final outcome. Being somewhat of a perfectionist, I thus tend to set very high standards both for myself and for the people I work with.

**The best advice I ever received is ...**

To remain humble in my dealings with others and not to forget all the influences that made me what I am today.

**My motivation comes from ...**

Waking up each day and noting that I am alive and that each day has opportunities in store for me. My motivation is brought on by the fact that

I have been put on this earth for a purpose and I have no excuse for not making a contribution in whatever small way I can.

**The highlights of my career to date are ...**

The promulgation by the Department of Labour of the Domestic Worker Sectoral Determination, which sets minimum wages and regulates conditions of employment for this vulnerable group of workers. I was extensively involved in the processes that led to its final promulgation and this remains a highlight of my career.

**The most important lesson I've learnt during my career is ...**

Given the high unemployment rate, we must be grateful for the job opportunities and positions that we have been appointed to. As employees, we all have a contribution to make within our chosen career paths, no matter how menial the tasks may seem!

**Right now I'm reading ... or my last read was ...**

*Son-in-law of the Boere*, by Nape 'a Motana, which is a book about an interracial couple that had to overcome

great adversity in their relationship due to racial intolerance as well as cultural barriers. My last read was *The Book of the Dead* by Kgebetli Moele, which addresses the scary aspect of HIV and AIDS.

**To unwind I ...** read a lot, especially novels by African writers and I also read magazines on home décor and improvements.

**What most people don't know about me is ...**

I collect antique furniture and ornaments and can be seen in dusty antique shops and second-hand shops looking for the ultimate bargain on an antique piece.

**I'm proudly South African because ...**

I witnessed the birth of democracy when I cast my first vote in 1994, which gave us this wonderful country that hosted the 2010 World Cup, marking us as a truly great nation that can overcome adversity.

I also work for the Sapo, one of the oldest South African establishments, but which is a wonderful and exciting place to work in as it is young in spirit!

# Liquid Gold



## SCIENCE TURNS WATER THREATS INTO OPPORTUNITIES

*Are you worried about the safety of tap water? Did you have to evacuate your home during the recent floods? Lost your crops? Does the looming acid mine drainage disaster scare you? Has water supply become a business risk to your organisation?*

As populations grow and global living standards rise, we are consuming more water than ever. Industrial activity and carbon emissions are affecting the global climate, resulting in devastating floods and droughts. We are faced with a choice: we either turn the tide or perish.

All over the world, scientists are looking for innovative solutions to make industrial processes more water-efficient and less damaging to the environment. New technologies to re-cycle water, remove pollutants and to uncover alternative sources of freshwater are continuously emerging.

The Water Research Commission (WRC), South Africa's custodian of water research, draws on the best and brightest scientists in the country to resolve our water challenges. For the past 40 years, the research outputs of this organisation have been supporting decision making on all aspects of water management.

South Africans are currently very concerned about the damage that acid mine drainage can cause. Over the past 10 years alone, the WRC has completed more than 60 studies on mine water. These studies have shown that the threat can be turned into an opportunity: Water so acidic that it kills wildlife can be successfully treated and re-used, even as safe drinking water.

A process like BioSURE, for example, will enable municipalities to transfer their wastewater to mines. The mines, in turn would use sewage sludge, a by-product of the wastewater treatment process, to treat acid mine water. BioSURE, with other unit technologies, have successfully been tested in Ekurhuleni in Gauteng. This process is estimated to save the municipality millions per year.

Treated acid mine water is not only potentially drinkable; it could also generate useful industrial materials. Through studies funded by the WRC, water treatment companies developed processes to remove metals and other valuable by-products during the acid water treatment

Acid mine water can be successfully treated and re-used, even as safe drinking water

processes. By-products from acid water treatment include gypsum, which is used to manufacture building materials. Twenty (20) houses can be built from the 100 tons of gypsum that the Emalahleni treatment plant produces per day.

Studies funded by the WRC have shown that crops irrigated with gypsiferous mine water can be profitable, environmentally friendly and economically sustainable, especially in areas where there is a shortage of water. *"The potato crop irrigated with treated mine water was of the best quality I have ever reaped"*, said Niel Smith, following a case study in the Emalahleni area, where treated water from the Kleinkopje Coal Mine was used.

It is estimated that approximately 300 abandoned coal mines are responsible for acid mine drainage. An estimated R3 billion is required to treat contaminated water per year. It is therefore essential that mine water is effectively managed throughout a mine's lifetime so that it never becomes a serious threat. The WRC is researching mine water management as a proactive measure.

Also, the Water Research Commission is investing in innovative solutions across all sectors to guide South Africa towards food security, sufficient energy, economic growth and a sustainable environment. To cite a few examples of previous and current projects:

- A Water Safety Plan, developed by the WRC, provides hands-on assistance to struggling municipalities to run and maintain their water treatment plants.
- Renewable energy from water has enormous potential. Africa is the most underdeveloped continent with regard to hydropower generation, with only 6% of the estimated potential exploited. South African scientists are researching a process

## The Water Research Commission harnesses the best scientists in the country to resolve our water challenges



that generates power by supplying water through high-pressure pipes.

- Food production uses 60% of all water in South Africa; therefore crop irrigation must urgently become more effective. In 2010, the WRC-funded Water Administration System (WAS) won the international Watsave award for its outstanding achievement in irrigation efficiency. This system was implemented in the largest irrigation scheme in South Africa, Vaalharts, saving 17.5 million cubic metres of water per year for other uses.
- Desalination technology was used to provide water to Sedgefield during the recent drought in the South Western Cape.
- The WRC's Water Resources Study keeps track of how much surface water and groundwater we have available, currently and over the next 20 or 30 years,

building in the variables of climate change, population increase and economic growth.

Science can't do it alone. Only through the collective effort of government, scientists, the private sector, and YOU and ME, will we be able to ensure water for all, now and in the future.

**Uma sisebenza ndawonye  
sithola izixazululo.  
Working together we find solutions.**

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**W**omen are continuously increasing their presence and influence in the Public Service. Though there is still a glass ceiling, an increasing number of them are breaking through and becoming a growing force of the Public Service's senior management talent pool.

One such woman is Phumla Williams, the Deputy Chief Executive Officer (CEO) responsible for Corporate Services at the Government Communication and Information System (GCIS). She embodies the charisma and determination of a woman who knows where she is going in her career and is keen to encourage, motivate and lead other young aspiring women to follow in her footsteps. Williams holds a Masters degree in Public Administration from Unisa.

At just 18 years-old, she became involved in student politics while at high school. She joined the African National Congress (ANC) and worked for eight years during the 1980s in Mozambique.

She was thrown into the world with no skills, qualifications or assistance and had to fend for herself. She started as a researcher

I am happy about my career and the contribution I am making to the Public Service."

She learnt and grew within the ranks through various internal and external training programmes and mentorships from various supervisors and colleagues. Williams says she has always motivated herself to think and dream big, to continually set new goals for herself and to strive to meet them. She describes herself as humble, assertive and goal-driven.

She believes the key to changing the lives of the people public servants serve, is being compassionate, dedicated and most importantly, having a good work ethic. "On many occasions, I have come across citizens being treated disrespectfully by public servants. This is unacceptable. We need to change our attitudes, our mindsets and start serving our people with respect.

"Working within government, one does come across challenges. However, we must overcome them by being able to work smarter to ensure that we never have to find ourselves as a coun-

# Breaking through: no holding back for Phumla Williams

in a male-dominated field. "It was tough. My first experience presenting in front of a group, I was stopped in the middle and ridiculed. It broke my spirit but with help of my mentor, Ronnie Kasrils, I soon learnt the ropes and regained my confidence."

Upon the unbanning of the ANC, Williams worked briefly as an administrator at a non-governmental organisation that disbursed bursary funds. She subsequently went to work as a personal assistant at the head office of the ANC in Johannesburg. After the elections in 1994, she joined the Public Service as Assistant Director: Administration for the Gauteng Provincial Government. She was then promoted in 1996 to Deputy Director responsible for the Procurement, Human Resources and Auxiliary Services of the Premier's Office. She joined the GCIS in June 1999 as the Director: Finance. In 2001 she was promoted to Chief Financial Officer (CFO) before attaining her greatest achievement within the Public Service to date – securing the position of Deputy CEO in May 2009.

"Although I was subjected to a rigorous interview process, I was excited with the career achievement when I was appointed.



try having the public going out in the streets revolting due to our failure to serve them. Public servants are the key to service delivery and to ensuring that direct communication between government and its citizens happens."

Williams urges women never to stagnate in their professional development. "I started off as a secretary and built my way up the ladder through hard work and determination. Far too often, we come across employees who lack motivation and who are not managed properly. I have had the pleasure of working under great managers who have guided and taught me skills that have moulded me into the type of manager I am today. I try to inspire and encourage employees to further their studies, gain new skills and never be afraid to take on something new. There are many opportunities for women within the Public Service. It is an exciting career choice, especially if you have a passion to change the lives of the millions of South Africans. It has a wide spectrum of career choices



*Phumla Williams*

from scientists, educators, administrators, military sciences, financial management, information technology, human capital to tourism and much more.”

Williams is not talking theory here. Her colleagues at Gcis admire her for her great clarity of vision, her ability to articulate that vision, her drive, strategic focus and ability to stay on course without being derailed even under the greatest of pressures, and yes, her nerves of steel when she has to show them.

Her outlook on life stems from her upbringing. “As human beings we learn and grow from various role models that we interact with in our lives. The overall person who imparted a solid foundation and played a major role in who I am today, is my late mother. She taught me and my siblings the basics of life – to be independent, respect ourselves and others around us and most importantly, she drummed this principle into our heads, to appreciate who you are and what you have. This is something I have tried to instil in my own children, so that they in turn can grow up to be strong-minded, self-thinking, independent individuals.”

One thing Williams hopes to accomplish or contribute towards significantly while in the Public Service is making sure that whatever she does within her working environment, it challenges the misconceptions that the Public Service is a slow-moving bureaucracy with bad work ethics. “We must benchmark ourselves against best practice in whatever we do.” She urges those who are interested in going into the Public Service to have a passion to change the lives of people. When asked, what’s next on her list? She replies: “At this stage of my

career, I am just enjoying every area of my work. I have the most wonderful team that is energetic and cooperative in all respects. We are learning from each other every day and we have the same passion – that of serving and being part of an efficient, effective and delivering machinery.”

Williams, whose career in the Public Service now spans about 17 years, believes those with experience must mentor the up-and-coming. There is an idea floating among senior women managers within government to form a Senior Managers Women’s Forum for the purpose of mentorship and sharing best practices with upcoming female managers. She supports the idea: “We do need a structure for the purpose of mentorship and sharing best practice with upcoming senior managers in the Public Service. However, I think senior managers, both men and women in the Public Service, need this kind forum.”

And what about the need to chronicle or document the contributions of public servants to our society? Is enough being done? Williams replies: “South Africans would love to see and hear the success stories of the public servants who are making a difference. We have thousands of dedicated public servants, yet sadly the media tends to focus more on the negative. Such stories even discourage any young person who might even consider the Public Service as a possible career choice. Importantly, we need this so as to encourage those who are within the service to realise that their contribution is appreciated.”

***You can contact Phumla Williams at [phumla@gcis.gov.za](mailto:phumla@gcis.gov.za).***

# Solar water drive steams ahead



*Writer: Mbulelo Baloyi*

**A**bout three years ago, South Africa's energy challenges were brought close to home when households and large industry alike had to ration their electricity supply through a programme called load-shedding.

State power utility Eskom had to implement load-shedding across the country to avert blackouts.

Since then, Eskom has rolled out a comprehensive programme of building new power stations and revitalising those power stations that had been mothballed (decommissioned in the past).

The power utility has embarked on an energy-saving programme to meet a national target of ensuring that in two-years' time (2013), 10 000 gigawatt-hours of energy would come from renewable energy.

Renewable energy includes solar (sun) power. With our sun-soaked weather throughout the whole year, Eskom believes that South Africans can save a substantial portion of their electricity costs if they were to switch to solar energy to heat water.

Solar power is clean and has no direct emissions. Solar panels

can be used almost anywhere in South Africa and are suitable for low energy use such as lights and television.

To encourage households to switch to solar energy for water-heating purposes, Eskom offers rebates on a portion of the installation and purchase costs of a solar heating system.

To qualify for a rebate from Eskom, consumers must have a timer on the solar geyser so it does not switch on during periods of peak electricity consumption or when the sun is available to heat the water.

In addition, the solar geyser must be accredited by Eskom. Consumers will not get a rebate if they use a supplier not accredited by Eskom.

The solar geyser has to be appropriate for use in the area in which it has been installed. This relates to size and protection against frost and must be compatible with the quality of water supplied in the area.

Eskom also requires that the solar geyser be comprehensively guaranteed for five years. It must also pass the South African Bureau of Standards (SABS) tests and comply with the South African National Standards requirements in terms of thermal and mechanical performance, as well as safety.

Suppliers of the solar geyser have to be registered members of the solar water-heating division of the Sustainable Energy Society of South Africa.

## Do the sums

### Eskom's rebate to you for switching to solar

A solar geyser system for an average family of four costs about R27 000 and the rebate is between R7 000 and R9 000. A slightly smaller system of 200 litres costs between R19 000 to R20 000 and the rebate will be about R4 800.

## The saving you will make

Water-heating contributes significantly to the entire cost of a monthly electricity bill. According to Eskom, opting for solar energy could see households saving between 50% and 70% of the water-heating bill.

**Eskom says a 150-litre solar-water heater can save 4,5 kilowatt-hours of electricity per day.**

## Energy facts

**About 1 800 megawatts in electricity consumption were saved over the past six years due to energy-efficient lighting, according to Eskom. This is enough to power a city the size of Durban.**

**Between 2004 and 2010, about 43,5 million compact fluorescent bulbs were rolled out as part of Eskom's National Efficient Lighting Programme.**

To determine the amount of rebate that solar geyser buyers get, each solar geyser system tested by the SABS gets a rating. This rating indicates the kilowatt-hours of electricity that could be saved by the solar geyser on an average day.

The departments of energy and of human settlements have committed to ensure that all new housing projects will have to be installed with solar water-heating units.

During April last year, President Jacob Zuma launched the National Solar Water-Heating programme in Winterveldt, north-west of Pretoria. Speaking at the launch, he said: "People use various methods to heat water, ranging from a stove, kettles and pots to water geysers for those who can afford them.

"Fortunately, water should not necessarily be heated by electricity. There are other cheaper and cleaner forms of energy to do the job. We want to spread the message that we can all enjoy free hot water, while at the same time saving money and the environment.

"In government, we are converting water-heating for hospitals, clinics, prisons, barracks and other government buildings to solar water-heating. You will see a lot of that happening in the next few years."

During 2010, the Department of Energy set a target of installing 50 522 solar water heaters. The target for 2011 is 111 356. For 2012, the target is 215 984 while 311 099 and 402 530 are installation targets for 2013 and 2014 respectively. This will result in one million solar geysers being installed by 2014.

A provincial breakdown of the rebate programme shows that the Eastern Cape, Gauteng and the Western Cape have the highest number of installations with 5 511, 5 660 and 4 274 installations respectively. These solar geysers were installed between November 2008 and December 2010. Mpumalanga, the Free State and Limpopo show the lowest figures with 261, 1 172 and 197 installations respectively. Across all nine provinces the number of geysers installed reached just over 52 000 by January 2011.



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# DFIs in South Africa

**P**resident Jacob Zuma has declared 2011 as “the year for job creation” and government is ready to push forward with economic growth through the New Growth Path (NGP). Implementation of the NGP will require greater leveraging of key institutions and agencies of the State, including but not limited to, the various development finance institutions (DFIs) in the country.

As one of the key channels through which government funding reaches communities, these institutions all have a real opportunity to improve the quality of life of people in South Africa.

The table below gives a breakdown of some of the DFIs and their mandates. *Public Sector Manager* also looked at some perspectives and DFI operations to unpack this sector.

Institution	Mandate	Contact Details
<b>Industrial Development Corporation (IDC)</b>	The IDC is a self-financing, state-owned national DFI that provides financing to entrepreneurs and businesses engaged in competitive industries.	Tel: 011 269 3000 Fax: 011 269 3116 www.idc.co.za
<b>Development Bank of Southern Africa (DBSA)</b>	The purpose of the DBSA is to accelerate sustainable socio-economic development by funding physical, social and economic infrastructure. Its goal is to improve the quality of life of the people of the region. The bank plays a multiple role of financier, adviser, partner, implementer and integrator to mobilise finance and expertise for development projects.	Tel: 011 313 3911 Fax: 011 313 3086 www.dbsa.org
<b>National Housing Finance Corporation (NHFC)</b>	The NHFC was set up with a mandate to ensure that every South African with a regular source of income is able to gain access to finance, to acquire and improve a home of his or her own.	Tel: 011 644 9800 Fax: 011 484 0204 www.nhfc.co.za
<b>Khula Enterprise Finance</b>	Khula is dedicated to the development and sustainability of small businesses in South Africa. It provides finance, mentorship services and small business premises to small and medium enterprises (SMEs) through a network of partnerships and to encourage the sustainable development of SMEs while ensuring that Khula remains financially viable.	Tel: 086 005 4852 Fax: 012 394 6901 www.khula.org.za
<b>National Empowerment Fund (NEF)</b>	The NEF promotes and facilitates Black Economic Empowerment (BEE) and transformation. Its mandate and mission is to be a catalyst of Broad-Based BEE through asset management, fund management and strategic projects.	Tel: 011 305 8000 Fax: 011 305 8001 www.nefcorp.co.za
<b>Independent Development Trust (IDT)</b>	The IDT has a mandate to support government in meeting its social mandate of alleviating poverty in improving the quality of life of poor rural communities. It has created a reputation for being a development programme-implementing agency focusing on development planning, implementation, and the coordination of government programmes.	Tel: 012 845 2000 www.idt.org.za
<b>Land and Agricultural Development Bank of South Africa</b>	The Land Bank is a specialist agricultural bank guided by a mandate to provide financial services to the commercial farming sector and to agribusiness and to make available new, appropriately designed financial products that would facilitate access to finance by new entrants to agriculture from historically disadvantaged backgrounds.	Tel: 012 686 0500 Fax: 012 686 0718 www.landbank.co.za
<b>National Youth Development Agency (NYDA)</b>	The NYDA's mandate is to: advance youth development through guidance and support to initiatives across sectors of society and spheres of government embark on initiatives that seek to advance the economic development of young people develop and coordinate the implementation of the Integrated Youth Development Plan and Strategy for the country.	Tel: 086 009 6884 Fax: 086 606 6563 www.nyda.gov.za
<b>National Urban Reconstruction and Housing Agency (Nurcha)</b>	Nurcha supports the national programme to house all South Africans in sustainable human settlements. Nurcha provides bridging finance to contractors and developers involved in the construction of subsidy and affordable housing, community facilities and infrastructure.	Tel: 011 214 8700 Fax: 011 880 9139 www.nurcha.co.za
<b>Rural Housing Loan Fund (RHFL)</b>	The RHFL's core business is providing loans, through intermediaries, to low-income households for incremental housing purposes. Incremental housing is a people-driven process; and the RHFL's core business is to empower low-income families in rural areas to access credit that enables them to unleash the potential of their self-help, savings and local ingenuity to build and improve their shelter over time.	Tel: 011 621 2513 Fax: 011 621 2520 www.rhfl.co.za
<b>South African Micro-finance Apex Fund (Samaf)</b>	Samaf is tasked to facilitate the provision of affordable access to finance by micro, small and survivalist business for the purpose of growing their own income and asset base. The primary purpose of Samaf is to reduce poverty and unemployment and also to extend financial services to reach deeper and broader into the rural and peri-urban areas.	Tel: 012 394 1796 Fax: 012 394 2796 www.samaf.org.za
<b>Micro Agriculture Finance Scheme of South Africa (Mafisa)</b>	Mafisa was developed as a micro and retail agricultural financial scheme for economically active poor people. Mafisa allows access to financial services through selected institutions on an affordable and sustainable basis. It assists with loans to target groups, individuals, farmers and other groups as well as savings and banking facilities at approved financial institutions.	Tel: 012 319 7295 Fax: 012 319 7278

# A new way of doing things:

## Focus on development finance institutions

**S**outh Africa is facing huge developmental challenges. It has the highest levels of inequality among middle-income countries with a Gini Coefficient of 0,578. The unemployment rate of 24% indicates that inequality is likely to worsen unless there is rapid labour-absorbing economic growth. The South African Government seeks to achieve rapid labour-absorptive economic growth through the Industrial Policy Action Plan and the new macroeconomic economic policy, the New Growth Path. These initiatives are aimed at growing the economy at a growth rate far above 6% and the creation of five million jobs by 2020. Government has also characterised itself as a development state, which highlights its developmental characteristics and ideology.

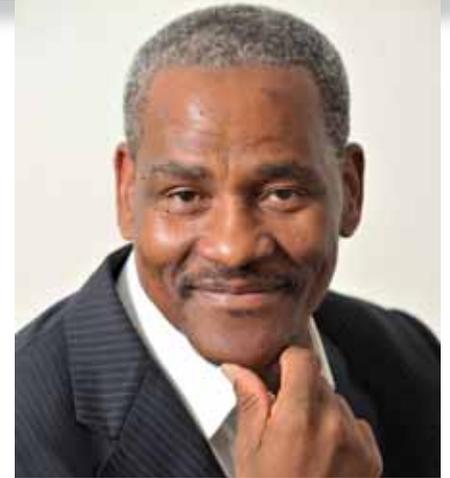
While there are various forms of a developmental state in economic history literature, the Government's character is informed by its ideology, governance and public policy-making approaches as well as the role of development finance institutions (DFIs). The following features of a South African developmental state are critical:

- n an ideology of accelerated economic development in the form of rapid industrialisation with products targeting the export market with the State determined to influence the direction and pace of economic development by directly intervening in the development process rather than relying on the uncoordinated influence of market forces to allocate resources
- n the State actively intervening in the market to guide, discipline and coordinate the private sector (private capital) towards the strategic allocation of economic resources to meet national interest and priorities
- n a strong state with the capacity to negotiate and bargain with other non-state sectors to champion a particular economic growth path and the mobilisation and channeling of critical financial, human and technological resources towards prioritised economic activities
- n an adaptive, flexible but decisive state with respect to policy and strategy choices and their implementation
- n rational and competent government bureaucrats, employed

on merit, are the key to the successful intervention by the State

- n social cohesion influenced by a homogenising culture is key to the consensus-building processes and the collaborative relationship between captains of industry and bureaucrats.

DFIs such as the Industrial Development Corporation (IDC) have mirrored the structural change of the South African economy and benefited heavily from economic theory and instruments of developmental state such as the infant industry theorem. South Africa as a developmental state, attempts to address its problems of economic inequality, poverty and unemployment, by highlighting the significant role of state-owned enterprises (SOEs) and DFIs. Moreover, a significant institutional and organisational effort is required to devise appropriate instruments for active production policies, as the old apparatuses of inter-



Writer: Lumkile Mondi

***“South Africa has transformed itself from a primary producer to an industrial and service powerhouse in Africa. At the centre of this massive performance is the critical role played by the State in using instruments such as DFIs to finance new industries.”***





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vention under apartheid were either dismantled or significantly weakened during the phase of liberalisation in the first 10 years of democracy.

Crucially, the financial sector relies on information to assess risk and this means that it tends to fund projects in sectors that are well developed in the economy, of which much is known, and where there are readily available examples.

This implies an intrinsic bias against products which are undeveloped, but where there is potential, and a bias against groups of agents (for example, small and medium black-owned and -run businesses) of which relatively little is known because, historically, banks have not focused on them.

As such, the financial sector tends to be conservative, reinforcing existing patterns of economic flows, and yet it is potentially critical for new ventures for which access to finance is necessary to break the self-financing constraint. The particular problems with information also have reinforcing tendencies. In many sectors, linkages between firms engaged in similar interlocking activities are important for the success of each. A network of firms ensures that complementary products are produced and that a skills-base is developed. Failure to finance one project, therefore, means that others are less likely to succeed (and to attract finance).

**Finance patterns are important**

Most economists agree that financing of investment is an area where the assumption of efficient markets is least warranted. The nature of finance, and in particular, the importance of information, means that market “failures” are intrinsic to the financial sector rather than being rare and temporary aberrations that can be “corrected”. Indeed, it is misguided to refer to intrinsic factors in the organisation of production as “market failures”.

Instead, the implications of the inherent characteristics of the financial sector should be recognised and built into economic policies. The far-reaching interventions in the financial system by East Asian governments such as in South Korea and Taiwan were a very important part of their ability to support large-scale investments in developing new industrial capabilities.

The fundamental reorientation of the South African economy means patterns of finance are particularly important. This

The financial sector plays an important role in economic development as it channels resources from sectors where there is a surplus to those where there is a deficit. It therefore selects firms and groups of economic activities, which will receive resources for investment, and potentially act a catalyst for structural change in an economy. However, there are many reasons why financial sectors tend to follow, instead of lead developments in the real economy.



relates both to the need to promote balanced growth and development, with employment creation and more equitable outcomes, and to the importance of financing the development of “sectors of tomorrow”. But, the intrinsic nature of the financial sector highlighted here, suggests it will not respond adequately to these imperatives.

DFIs thus have a crucial role in increasing investment rates, through lending where the orientation of private institutions means the private sector will not extend finance (or only on onerous terms). In addition, private institutions only consider private returns and not the linkage (and positive externality effects) of projects, nor the wider development impact. The “insider” position of institutions such as the IDC may also, in itself, improve the prospects of certain projects through ensuring the appropriate connections with other branches of government (including the use of incentives and the provision of necessary economic infrastructure).

Mechanisms for ensuring development finance for industry have played a significant role in the industrialisation of many countries. While much of recent attention is focused on the experiences of the East Asian newly industrialising countries, countries such as the United States of America (USA) employed proactive industrial policies, including finance. Even today, the USA provides high levels of financing for priority areas such as research and development in the space and defence industries, and pharmaceuticals.

The challenges of “catch-up” by follower countries in industrial development indicate even greater returns from effective financing of industrial development. Rather than focusing on pushing back the technological frontiers, rapid industrialisation can be achieved through the adoption and adaptation of existing technologies, coupled with rapid accumulation of physical and human capital. Key to this process is the flow of finance to potential areas of high growth, meaning that development finance is key to the “rise of the rest”.

The South African Government placed investment at the core of the macroeconomic Growth, Employment and Redistribution (Gear) Strategy. Yet, few direct mechanisms were put in place to increase investment. It was largely assumed that



macroeconomic stabilisation would in itself encourage investment, recognised in recent references to Gear as a stabilisation strategy rather than a growth plan. In addition, investment is particularly important in South Africa as the economy undergoes protracted and painful restructuring associated with liberalisation. Restructuring implies some sectors contract, and production shifts to sectors in which the economy is more competitive and/or has greater future potential. New ways of doing things are introduced. To borrow from Schumpeter: new goods and services, or new qualities of goods and services; new production methods or marketing strategies; the opening of new markets; new sources of raw materials; and new market structures.

All these innovations involve active learning and diffusion processes, characterised by dynamic scale economies. Without new investment, productive capacity in potential growth sectors does not expand, while other sectors contract. The economy gets the “pain” with little of the “gain”.

Given the crucial linkages between economic and social development, a developmental state should design integrated policy frameworks to take such connections into account, as well as those of social policy linkages and economic policy. A major weakness in this regard is the lack of appropriate coordination between economic and social authorities. Coordination should start by creating mechanisms that facilitate the “visibility” of social effects of economic policy and provide effective systems for mainstreaming social priorities into economic policy.

**Lumkile Mondli is Chief Economist and Vice-President of the IDC.**

# Economic resuscitation for companies in distress

With stories from around the globe of well-established companies being impacted on by the global economic downturn, and government bail-outs becoming commonplace – often with little effect – it is of great interest to see South Africa's approach to this problem and to learn of the efforts of the Industrial Development Corporation (IDC) to assist distressed companies, writes **Mandla Mpangase**.

**A**s you near the town of Wellington in the Western Cape, two things start to happen. Firstly, you find yourself marvelling at the beauty of the lush green surrounds of the Paarl area. Secondly, you start noticing more and more trucks passing you by, all branded with the name: Slabbert Burger. As you make your way down Distillery Road through the heart of this picturesque town, the frequency of these passing trucks increases, until you find an impressive head office and adjoining truck depot, with red corrugated roofing with the same branding as the passing trucks.

These are the headquarters of Slabbert Burger Transport. It has the intimacy of a small business about it, but is by no means a small player in the southern African transport industry. This second-generation family-owned business has come a far way from its inception in 1957, when founder Burger bought his first few trucks and began offering logistical services to fruit farmers and fruit-juice manufacturers in Paarl.

Today, the company employs more than 800 people, and with a fleet of over 400 vehicles, services diverse sectors from food and beverage to mining and steel. But this tale of success could have been lost, just a few months ago.

Director, Martin Burger, explains: "We have many clients in

the steel industry, which in the last couple of years leading up to 2008, was going through a boom. There was a big push from these clients for more and more logistics capacity and an increased number of trucks. Steel industry clients require in-bound and out-bound logistics for bringing in raw material crucial in the steel production process – such

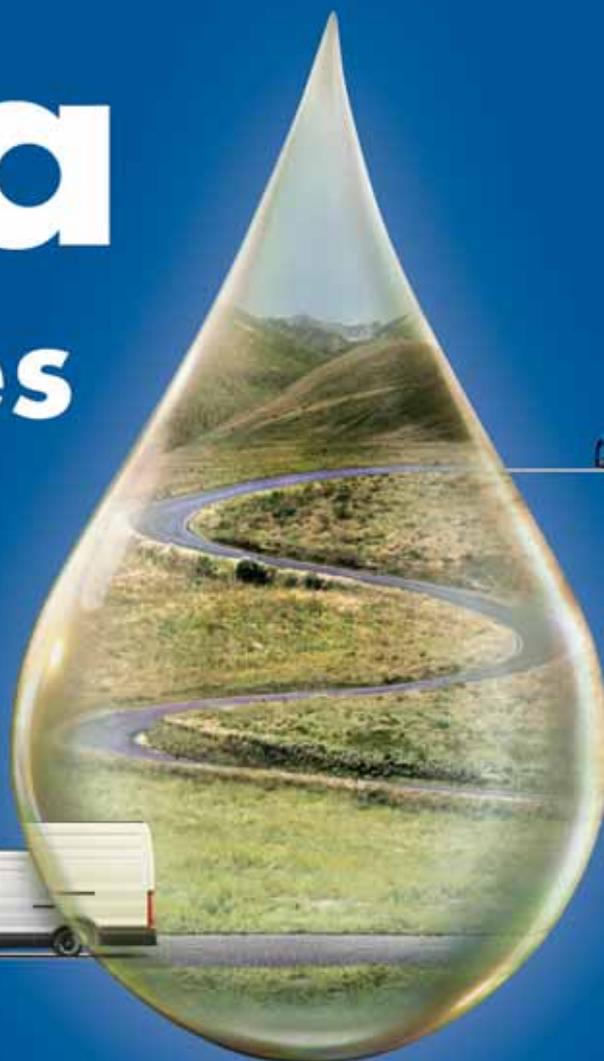


*From left to right, Martin Burger, Katinka Schumann of the IDC and Jannie Burger*

as lime, manganese and coal, and for exporting finished products. This shortage in supply was further aggravated by the failing of the local railway services in accommodating the increased demand for transport."

What happened next was a double blow: In a notoriously competitive industry like transportation, the continuous pressure and growing demand for service drove the com-

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## DEVELOPMENT FINANCE INSTITUTIONS: CASE STUDY

pany to almost double its fleet from 220 to 450 trucks in the space of just three years. This was met with the sudden collapse in transport demand from the mining, steel and construction industries in the wake of the global economic crisis. The company was left facing severe cash-flow pressures and an inability to service debt.

"Things became progressively more difficult. In mid-2009, we began experiencing a serious cash-flow problem, which we couldn't trade out of. That's when we decided to approach the IDC for assistance," says Burger, who has a background in general management and has been with the company since 1991.

The IDC is a self-financing, development finance institution. It was established in 1940 to promote economic growth and industrial development in South Africa. Realising that South Africa would not be spared the effects of the global downturn, in 2008, the IDC set up a R6,1-billion fund to assist companies that were negatively affected as a result of the recession. The fund focuses on assisting businesses, like Slabbert Burger Transport, who have successful track records and a strong potential to emerge from the crisis. However, the main objective is to preserve existing jobs while creating new ones.

As part of the IDC's intervention, a due diligence study was conducted which revealed that the company could return to a position of profitability on a month-to-month basis. This meant the company could definitely trade out of its situation given the opportunity.

Katinka Schumann, Divisional Executive of Services Sector, says at the time that the commercial banks were tightening their lending criteria; the IDC was able to step forward and provide a R60-million facility to assist Slabbert Burger Transport.

"We provided the company with the necessary support they needed to help them turn their operations around. The IDC team involved has done a tremendous job. The company is not completely out of the woods yet, but the worst is definitely behind them," explains Schumann.

As one of the largest businesses in the area, Slabbert Burger procures services and supplies from many of the smaller businesses in the Paarl area. To avoid a ripple effect (on small businesses), the IDC prioritised paying all outstanding small creditors up front. This allowed these small businesses to continue trading unaffected by Slabbert Burger's cash-flow woes.

"If it wasn't for the IDC we would've drowned. We were able to retain jobs. The IDC's support has given our banking partners the reassurance to continue doing business with us. The IDC team has been very helpful. If I ever need advice, I know they're just a phone call away. The team is a sounding board for ideas and a great support structure," says Burger.

The help of the IDC enabled the company to continue operations, keep alive a 53-year-old legacy, save hundreds of jobs and ignite hope for future growth.



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# Promoting development *finance* in Africa

Writer: Mbulelo Baloyi

Last year marked 50 years of independence from colonial rule for most African countries. During this time, several African countries have made great strides to overcome years of underdevelopment.

Central to this development has been economic renewal, driven by the long-term objective to better the lives of Africa's people.

To harness this economic renewal of the continent, a number of African countries came together to establish multilateral institutions with the sole objective of advancing the political, economic and cultural causes of their respective countries such as for example, what is now known as the African Union (AU).

There are also various regional bodies that look at the economic and political interests of several countries on a geopolitical basis. Among such bodies are the Southern African Development Community (SADC), the Economic Community of West African States, the Arab League, and the Common Market for Eastern and Southern Africa.

It was against this background that the Association of African Development Finance Institutions (AADFI) was established in 1975.

Headquartered in the Ivory Coast capital city of Abidjan, the AADFI is an international organisation created under the auspices of the African Development Bank (ADB).

The members of the AADFI are banking and financial institutions engaged in development finance activities in Africa and membership is open to any banking or finance institution in Africa.

The AADFI Chairperson is Mvuleni Geoffrey Qhena who is also the Chief Executive Officer of the Industrial Development Corporation (IDC) in South Africa and its Secretary-General is John Amihere.

The IDC, an agency of the Department of Trade and Industry (dti) and the Development Bank of Southern Africa (DBSA) are the official partners of the AADFI.

During the past decade, the IDC, through its Africa Unit, has been proactively identifying investment opportunities on the African continent working with other member development fi-

nance institutions within the association, according to Qhena.

"In supporting the South African Government's leading role in promoting the New Partnership for Africa's Development, we view ourselves as the catalyst for sustainable industrial development in Africa," says Qhena.

Among the economic sectors that the IDC has been focusing on when investing in Africa are manufacturing, mineral beneficiation, agro-industries, mining, oil and gas, energy and industrial infrastructure.

In addition to the above economic sectors, the IDC's focus has also been on tourism, telecommunications, information technology, selective franchising, retail infrastructure and a host of other activities.

Qhena says the corporation's Africa Unit through its different divisions provides guidance to prospective clients with respect to the IDC's requirements and expectations.

"We also provide export opportunities for South African capital equipment and related services. We have become the African development finance institution of choice, both throughout Africa and internationally."

The AADFI also provides its members with statistical and technical data on projects, changes and trends in the banking sector in Africa and the world.

The association has a database of members, consultants, projects and emerging markets in Africa.

***"In supporting the South African Government's leading role in promoting the New Partnership for Africa's Development (NEPAD), we view ourselves as the catalyst for sustainable industrial development in Africa"***



It also produces a quarterly information bulletin, a directory of financial institutions in Africa, press clippings on development issues, an annual report of activities and a biannual finance and development review.

The AADFI maintains close cooperation with several international organisations and institutions, including the:

- n ADB
- n United Nations Industrial Development Organisation
- n the United Nations Economic Commission for Africa
- n AU
- n World Bank Group.

Membership of AADFI enables banking and finance institutions to benefit from AADFI assistance for lines of credit from development partners.

Utilising its continent-wide network of banking and financial institutions, the association enters into dialogue with multilateral institutions on development policies and issues concerning project financing and promotion in Africa.

Member DFIs also benefit from technical assistance for in-house training as well as staff exchange and secondment to member institutions.

DFIs that are members of the AADFI benefit from protocol services and assistance for business activities in Côte d'Ivoire, especially with the ADB Group.

DFIs that are members of the association usually provide seed or developmental funding in the following economic sectors: transport; telecommunications; oil and gas; mining and minerals; electrification; power generation; infrastructure; healthcare; education; agriculture; rural economy; small, medium and micro-enterprise development and industrial development.

**For more information on the AADFI, go to [www.aadfi.org.za](http://www.aadfi.org.za)**

## Funding big change

In South Africa, the African Development Bank (ADB) is working with the Development Bank of Southern Africa (DBSA) to provide funding for some of the major infrastructural development projects, particularly in the area of power generation.

The bank's 2008–2012 *Country Strategy Paper for South Africa* was developed in collaboration with the National Treasury, the bank's principal counterpart in South Africa, and through consultations with other country stakeholders.

It is built around three main pillars: private-sector development, regional integration and capacity-building.

Bank lending has included a Credit Risk Sharing Line to Nedcor of R1 billion (about US\$170 million) to promote the development of small and medium enterprises, natural resources, Black Economic Empowerment and infrastructure projects.

The bank has also provided a R695-million (US\$100-million) in sovereign regional line of credit to the DBSA to finance competitive infrastructure development, expansion and rehabilitation projects in the Southern African Development Community (SADC) subregion.

In 2004, the bank approved a R45-million (US\$ 6,28 million) programme to develop small, medium and micro-enterprises through franchising.

More recently, the bank has also approved a R3, 475-billion (US\$-500 million) loan to Eskom Holdings Limited, South Africa's electric power utility, and has invested R1 billion (US\$ 170 million) in Nedbank's 10-year Domestic Medium Term Note Programme to facilitate the expansion of Nedbank's community-development activities.

To make its operations in the country more effective, the ADB, in the last quarter of 2008, concluded an agreement with the Government of South Africa for the opening a regional office in Pretoria.

The South Africa Field Office will cover Botswana, Lesotho, Namibia, South Africa, Swaziland, Zimbabwe and the SADC Secretariat, previously covered by the bank's Mozambique Field Office.





# Bringing communities to life: the National Empowerment Fund at work



*Jozini Tiger Lodge is boosting the local community*

It is often – and ignorantly – argued that Black Economic Empowerment benefits those who are politically connected. However, one state agency has been making significant strides to debunk this widely-held myth, reports **Mbulelo Baloyi**.

Since its inception in the late 1990s, the National Empowerment Fund (NEF) has sought to realise its core objective of promoting and facilitating meaningful black participation in the mainstream economy, thus ensuring that there is equality and real transformation in the economic landscape of South Africa.

An agency of the Department of Trade and Industry (the dti), the NEF has been a key financier and supporter of business enterprises owned and managed by black entrepreneurs.

In addition, this dti agency has also been inculcating a savings culture among South Africans, particularly black people, through promoting savings and investment schemes such as the Asonge Share Scheme. This has ensured that there is broad-based participation of black people in equity ownership.

Just over a year ago, the rural community of Jozini in the far north of KwaZulu-Natal also attested to this when a four-star

lodge, financed by the NEF, entered the lucrative tourism and hospitality market in this very impoverished part of the province.

The 60-room Jozini Tiger Lodge is partly owned by the Signature Life Hotels Group with the local community holding a 33% ownership in the tourism and conferencing facility.

Situated a stone's throw away from the imposing Pongolapoort Dam, also known as the Jozini Dam, the Jozini Tiger Lodge has stimulated an economic boom in an area that is recognised as the gateway to the northern Maputaland area of KwaZulu-Natal.

Signature Life Hotels Group partnered with Jozini Tiger Lodge owners Cobus Brecher, Nathi Thusi, Alex Shazi and Albert Lourens to develop this accommodation and conferencing facility in this small town famous for its water-sports attractions.

### About the National Empowerment Fund (NEF)

- n The NEF was established by the NEF Fund Act, 1998 (Act 105 of 1998), to promote and facilitate black economic equality and transformation. Its mandate and mission is to be a catalyst for Broad-Based Black Economic Empowerment in South Africa.
- n The objectives of the NEF are to finance and support business enterprises owned and managed by black entrepreneurs, as well as to promote savings and investment schemes for black people and in so doing, to develop an understanding of equity ownership and a culture of savings among its beneficiaries.
- n Until the Asonge Share Scheme was launched in June 2007, the activities of the NEF centred principally on providing financing and support for black empowerment businesses and entrepreneurs.
- n The establishment and promotion of a savings and investment culture among all black people, supported by clear and accessible savings and investment products, is key to assisting South Africans to move to full participation in the inclusive economy.

With NEF funding, the owners of Jozini Tiger Lodge hoped to stimulate the economy and support the region, which forms part of KwaZulu-Natal's Elephant Coast tourism route.

To ensure that there was meaningful and broad participation of black people, the lodge recruited over 80% of its staff from the local Myeni Traditional Authority. In addition to working at the lodge, locals are also involved in several community projects that include mentoring in the leisure and hospitality industry.

Most of these projects, including setting up a curio and craft shop inside the lodge, benefit the local population. Set against the scenic background of the Lebombo mountains and the natural beauty of the Jozini Dam, the lodge has certainly stimulated the economic profile and recognition of the region.

According to Signature Life Hotels' Managing Director, Alan Vels, the patronage shown by the lodge guests has been overwhelming.

"Tourism's capacity to employ women and youth, as well as other vulnerable members of society, can contribute greatly to socio-economic development. Not only will the Jozini Tiger Lodge provide accommodation and entertainment to visitors but it also offers employment opportunities to the community," said Vels.

Zulu monarch King Goodwill Zwelithini officiated at the opening ceremony of the lodge and praised the initiative taken by the owners to enhance the economic profile of the Jozini area.

He further lauded them for involving the local community by providing entrepreneurial opportunities through a community trust.

The Zulu monarch also remarked that the majority of those employed at the lodge were women.

"I am proud to be here seeing what a true partnership between the Government and private sector can do to create

work opportunities for the people of Jozini. The opening of this lodge will certainly take the Umkhanyakude district forward on its path of socio-economic development."

He added that initiatives like the Jozini Tiger Lodge played a meaningful role

in closing the economic and social gap between the rich and the poor.

He also said the vegetable garden set up for the community to sell their produce back to the Lodge's kitchen would pave the way to a successful partnership.

As part of its mandate of ensuring that there is a culture of savings and investment among black people, the NEF has also facilitated mass participation of previously disadvantaged people in the mainstream economy.

Through investment schemes such as the Asonge Share Scheme, the NEF says the promotion of a savings and investment culture among black people should benefit the bridging of the gap between the first and second economies also known as inclusive economy.

NEF Chief Executive Officer Philisiwe Buthelezi says the successful Asonge Share Scheme has also debunked the myth that the investment world is only for the rich.

The highly successful R2-billion Asonge Share Scheme, which sold MTN shares at a discount to black shareholders and stokvels has attracted 86 000 investors.

"Investment opportunities are available to any South African," said Buthelezi.



King Goodwill Zwelithini, Zola Mafu and Dr Mangosuthu Buthelezi at the opening ceremony of Jozini Tiger Lodge.

# Free State:

## A provincial picture on development finance

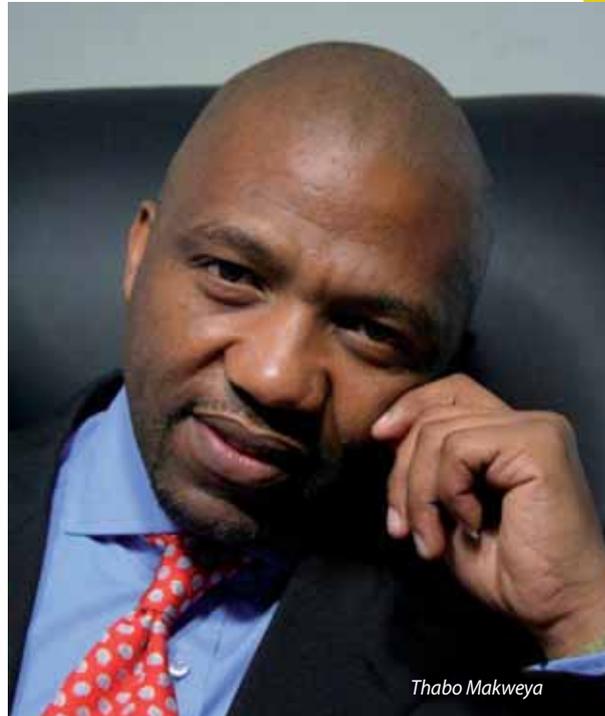
**D**evelopment finance institutions (DFIs) were established to accelerate sustainable socio-economic development through funding. The purpose of DFIs is to ensure investment in areas where the market fails to invest sufficiently. DFIs have a key role to play in realising government's key priority areas. As government embarks on a new economic growth path in an effort to better the lives of South Africans, it is institutions such as the DFIs that it will have to tap into to improve the lives of people.

While many of the national DFIs are well known, the role and achievements of provincially-based DFIs tend to be localised. On the flip-side of this, though, is that it is precisely their closeness to communities that places them in better stead to recognise and boost local potential.

One such DFI is the Free State Development Corporation (FDC). The former Free State Investment Promotion Agency (FIPA) was recently incorporated into the FDC to turn it into a formidable economic development agency responsible for a wide array of activities in that province.

The FDC Act, 1995 (Act 6 of 1995), was amended to reflect the incorporation of the FIPA after the decision of the executive council of the Free State legislature. This Amendment Act was promulgated and became effective on 8 June 2010. The Act sets out the main objectives of the corporation as follows:

- n promoting and developing small, medium and micro-enterprises (SMMEs)
- n assisting Free State-based SMMEs with funding
- n assisting those Free State-based SMMEs in financial distress
- n initiating economic empowerment projects that will benefit the Free State
- n promoting investment in and trade within the province and identifying, analysing, publicising and marketing investment and trade opportunities in the provincial economy, in such manner and by such means as the



Thabo Makweya

board of directors may from time to time deem appropriate

- n undertaking, at the request of the responsible member or other stakeholders or agencies, activities for which the necessary resources can be raised and which, in the opinion of the board of directors, will contribute to the strengthening of the provincial economy.

This has positioned the FDC as a key economic development change agent in the province that is focusing on contributing to the economic transformation of the provincial economy through targeted interventions in enterprise development, property development as well as export and investment facilitation.

The FDC management team, led by Acting CEO Thabo Makweya, is in the process of implementing a comprehensive turnaround strategy to enable the FDC to deliver on its extended mandate.



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A pilot project to provide about 150 jobs at the outset has just been unveiled in the Kroonstad Moghaka Municipality. The medical supplies company Unicore is to produce band-aids, abdominal swabs, medical linen, wound pads and uniforms for the health sector. "The project has huge potential in terms of growth and job creation," says Makweya. He adds that there is, for example, no local manufacturer of swabs in the country. The factory, a R35-million total investment, is a pilot venture in establishing a "manufacturing triangle" in the area of Parys, Sasolburg and Kroonstad.

Additional investments in excess of R850 million are in the pipeline for the Free State, all part of the corporation's turnaround strategy.

Makweya said the FDC's leadership had a number of key priorities to drive the corporation to make an impact on poverty. Key among them is ensuring that the FDC obtains a clean audit consistently to improve areas of compliance. This means sharpening compliance and promoting business excellence in the FDC.

The corporation has adopted a strategy that will assist with a bigger impact on the war against poverty. In this way, the FDC will leverage funding to accelerate the attainment of its objectives. The acting CEO of the FDC is also set to announce a number of major outreach programmes to link up with investors, especially in the Orient.

The FDC SMME Funding Policy is also to be amended to enhance issues such as criteria for the granting of loans and approval processes. The corporation has set itself a loan recovery rate of above 70% to contribute to the sustainability of the organisation and increase the number of entrepreneurs to be assisted.

Some of the entrepreneurs who were assisted by the FDC and who have become successful in their businesses include Freddy Kenney of Kenworth Centre in Mangaung. Kenney is widely regarded as a versatile and talented businessperson with interests in low-cost housing development, retail development and construction.

Another entrepreneur is Clara Makara, who obtained a Woolworths franchise in November 2006 in Ladybrand together with her partner Pule Makgoe. The Ladybrand shop was turned around in one year and they then bought another Woolworths franchise in Phuthaditjhaba. Both shops have shown positive growth rates (Ladybrand 50% and Phuthaditjhaba 30%). Makara won the Best Franchisee Award in 2010.

As part of the new-look FDC, a new unit, known as Grow Free State, has been established. The unit will be responsible for mega-projects that will generate much-needed jobs. This exciting new addition to the fold will be responsible for project management as well as dedicated major infrastructure projects.



# Creating a culture of innovation in government

Gone are the days when innovation was the sole preserve of the private sector and academia. In its continuous pursuit to enhance service delivery, government is changing the innovation landscape with outcomes benefiting both the public and the private sector, writes **Mbulelo Baloyi**.

**A**t its most basic, “innovation” is associated with renewal, or a new way of doing things. The ultimate objective is to find better and simpler ways of doing things.

In keeping with this, the Centre for Public Service Innovation (CPSI), established by government in 2001, defines innovation as “applied creativity that is contextually relevant”. The definition acknowledges that public servants can, and must, be creative to drive government’s outputs, specifically in improving service delivery.

Established under the auspices of the Ministry of Public Service and Administration, the CPSI’s primary objective is to support and nurture innovation in the public sector. It consistently provides the Ministry with independent, diverse, and forward-looking research findings and advice on service-delivery innovation.

The CPSI strives to unlock innovation in the public sector and create an enabling environment for improved and innovative service delivery that will benefit the end-user – largely, the public that receives government services.

The Centurion-based centre acts as a facilitator for the un-

earthing, development and implementation of innovative ideas within and throughout the Public Service in all three tiers of government. The CPSI’s cross-sector reach allows it to act as a resource to the whole of government, crossing institutional boundaries.

The centre also creates a climate in which innovation is encouraged, prized and rewarded. This is achieved through its robust Public Sector Innovation Awards Programme that culminates in an awards ceremony held annually in November.

The awards celebrate and recognise the successes of individuals, teams and departments in the quest for a more effective, efficient and accountable government through the effective application of innovative approaches, methodologies and tools.

The CPSI is one of 29 online regional and international centres of the United Nations’ Public Administration Network Portal (UNPAN). It remains one of the top uploaders of documents and other relevant material to the portal. An active network of knowledge champions from the Southern African Development Community countries is convened

once a year by the CPSI to build capacity, share experiences and address challenges.

The centre has received international recognition for its contribution to public sector knowledge and innovation management. Last year alone, it was awarded the UNPAN 10-Year Anniversary Award for Outstanding Performance in Knowledge Management at the Workshop on Harnessing Knowledge Management through Web 2.0 Tools in Shanghai, China. It also received an award for Leadership Commitment to Knowledge Management.

Thuli Radebe, CEO of the CPSI, says: "Each of us is a knowledge worker and a learning champion in this knowledge economy. We all have a role to play in turning the Public Service into a 'learning public service for quality service delivery'".

**For more information, visit [www.cpsi.co.za](http://www.cpsi.co.za)**

## Innovation at work

Recognising the blockages that have hampered effective service delivery, the Centre for Public Service Innovation (CPSI) has, since inception, sought to develop sustainable models for innovative service delivery.

The scope of innovation applied by the centre is diverse. One example is the development of a foam manifold chemical fire-fighting system with the City of Johannesburg's Emergency Services. The system is widely used in the petroleum industry where a special foam is effective in extinguishing fire caused by burning chemicals. This system earned the Emergency Services the Public Sector Innovator of the Year award in 2006.

Another example is that of Mindset Network, a television educational programme initiated by pay television network, Multichoice, in partnership with a number of other corporate companies. Through Mindset Network, Multichoice developed tools to provide teaching and learning support material and resources using television connected by satellite for rural areas.

These stories reflect only a slice of the CPSI's offerings. It also works outside the country in the interest of innovation. Opera-



*Thuli Radebe,  
CEO of the CPSI*

tion Rachel saw the South African Police Service (SAPS) partnering with the Mozambican police to stamp out the proliferation of firearms used in criminal activity in South Africa. This innovation saw units of the SAPS going into Mozambique where they worked with the local police to seek arms caches that were stashed away at the height of the civil war in that country. Once found, the weapons, including AK-47 automatic assault rifles, hand grenades, landmines, rocket-propelled grenade launchers and other small arms were destroyed.

This innovation earned the SAPS an award in the category of Innovative Service Delivery Projects involving the South African Government's Partnership with other Southern African Development Community Governments in 2004.

## How public sector managers can benefit

In June last year, the Minister of Public Service and Administration, Mr Richard Baloyi, launched the Public Sector Multi-Media Innovation Centre.

The purpose of the innovation centre is to:

- Provide a learning platform for the public sector on innovation implementation, in support of government's efforts to encourage a culture and practice of innovation. This will be achieved through various repositories of innovation experiences, innovation projects and innovators embodying and demonstrating practically the concept of innovation and all its ramifications.
- Provide space and a platform for public servants, away from their offices, to interrogate their specific challenges, and explore and incubate solutions in a multi-stakeholder environment.

This will be achieved through an incubation solution centre, allowing both public and private sectors to conceptualise, incubate, develop and pilot public service solutions to identified challenges. The Multi-Media Innovation Centre is a platform where different stakeholders (public sector, private sector, different sector experts and academia) explore and find innovative solutions to improve public service delivery.

*For more information or to schedule a visit, contact the CPSI at 086 000 CPSI (2774).*

# Building BRICS:

Writer: Clayson Monyela

## Broadening South Africa's international leadership

In 2001, Jim O'Neill of Goldman Sachs – an international economic research organisation – coined the term BRIC in an article entitled *Building Better Global Economic BRICs*. This term referred to the emerging (developing) economies, namely, Brazil, Russia, India and China, that would, according to this analysis, reshape the world's political and economic landscape. In 2009, the elected leadership of these four countries met for the first time in Yekateringburg, Russia, and formally declared their membership of this economic bloc. An acronym coined by an economic analyst then became a reality and, more importantly, a mutually beneficial political and economic entity. Fast-forward to April 2011 when President Jacob Zuma will meet, for the first time, with leaders of the BRIC nations in Beijing, China, as the Republic of South Africa has been endorsed with membership of this economic and political entity in December 2010, leading to an entity now called BRICS.

### What is BRICS?

The BRICS group represents spheres of political and entrepreneurial coordination, in which member countries have identified several business opportunities, economic complementarities and areas of cooperation. These emerging markets were seen as collectively able to usurp the G8 (Canada, France, Germany, Italy, Japan, the United Kingdom, Russia and the United States of America) within 50 years. In simple terms, the markets and the strength of these countries were developing (and continue to do so) at such a rapid rate that their attractiveness to corporations and investors from capital-rich nations increased significantly. The flow of trade and investment in the BRICS countries is undergoing an intense process of transformation and member countries are now global investors, as their economies were able to overcome the global financial crisis and they have become a source



Rank	Country	GDP (PPP) (USD)	GDP(nominal) (USD)
51	Russia	15,807	10,521
71	Brazil	11,289	10,471
76	RSA	10,505	7,101
93	PRC	7,518	4,283
127	India	3,290	1,176

(Source: IMF, 2010)

of stability to the global economy. These investments were (and are) positively changing the lives of the people of these countries. It was projected that from 2010 to 2013, the BRIC(S) member countries would be the ideal destination for corporate expansion. Prior to the acronym's materialisation, each of the BRIC(S) countries was developing strongly and in 2001 (excluding Mexico, the only



non-BRIC country), they each accounted for more than one per cent of the global emerging market output. Each BRIC country had shown robust urbanisation, industrialisation and modernisation, along with rising incomes and living standards – shaping the global commodity markets. The materialisation of the acronym into reality has given an elevated voice to the global dialogue that aims to achieve economic transformation.

### Why did South Africa join?

BRICS ultimately is a platform to represent the voices of the emerging markets. The member countries of BRICS are working together to ensure that the international political and economic landscape changes to reflect a more just world order. This group represents the voices of the emerging world and South Africa, as a gateway to the African continent, with the most sophisticated economy, a strong corporate identity and institutional maturity, joined BRIC(S) to aid in transforming our country, our continent and the world for the better. In the words of the Minister of International Relations and Cooperation, Maite Nkoana-Mashabane:

“The age of globalisation requires that we elevate these partnerships to a different level, building on the wells of goodwill and solidarity, and generate mutually beneficial economic relations. We share similar perspectives about the reform of global governance, in particular the imperative for enhanced representation and a voice for developing countries in decision-making processes. Significantly, we share a common view that multilateralism and a rules-based global governance mechanism is the best guarantor of stability, and provides a better framework for asserting our values and interests.”

The 2010 BRIC Summit Joint Statement focused on, among other things, the reform of global governance, the work of the G20, international trade, development, energy and climate change. These are issues of global concern, which have been an important component of South Africa's foreign policy for many years. By their very nature, they are also challenging and require flexibility, adaptation and alliances to advance them. Importantly, South Africa has garnered experience on these themes which can be shared within BRICS for mutual benefit. On global governance, South Africa, India and Brazil seek to be permanent members of a reformed United Nations Security Council, to which Russia and China already belong. All five coun-



tries are advocates of reform of the international financial institutions. The agenda set by the two BRIC summits also means that we should move away from seeing BRICS today only in its original conception by O'Neill. The countries came together and set an agenda for themselves, which might not be what O'Neill originally conceived when he coined the term.

Beyond the global issues mentioned above, South Africa could benefit from the concrete projects of BRICS in areas such as agriculture, science, statistics, development finance institutions, security and justice. BRIC agriculture ministers have agreed to cooperate in agricultural technology development and exchange. Under the auspices of BRIC, meetings of the scientific and research centres of the four countries had been convened. These are just two examples of some of the specific sectoral initiatives from which South Africa could benefit through its participation in BRICS.

Which country would miss out on an opportunity to cooperate with Russia, China, India and Brazil on agricultural technology development and science? These will also complement the work of IBSA (India, Brazil and South Africa).

While the discourse on BRICS has focused on the sizes of the economies, populations and future projections of stature, there are other important attributes which South Africa brings to the group. The 2010/11 *Global Competitiveness Report* of the World Economic Forum ranks South Africa favourably in relation to the other BRIC countries. The 2010 *United Nations Conference on Trade and Development World Investment Report* puts South Africa in the top 20 of priority economies for foreign direct investment in the world. Among developing countries, South Africa is still the biggest investor in the African continent. This means that although our economy is small in relation to other BRICS members, we have attributes that have positioned us well in the world and which will allow us to bring special insights into the work of BRICS.

It also goes without saying that since our foreign policy prioritises the African continent, we are uniquely placed to bring the African perspective to the many global forums in which we participate.

**Clayson Monyela is Deputy Director-General: Public Diplomacy at the Department of International Relations and Cooperation.**

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# What you need to know about retiring

**G**oing on pension is a reality for all employees. This is a period when one has to reap the fruits of a hard-earned pension, which was prudently saved throughout one's pensionable service in government – a time to look forward to enjoying retirement peacefully.

A Government Employees Pension Fund (GEPF) member can retire from the age of 60, unless his or her employment contract or the law governing their employment stipulates otherwise. This means that as an employee, a member has attained a prescribed age and thus qualifies to retire from his/her employment in terms of his/her service condition.

GEPF members who are going on retirement have a particular process to follow to ensure that their exit is hassle-free.

Members must notify their employers of their exit at least six months in advance to allow for sufficient time for their documents to be processed by both the employer and the GEPF.

***The following forms need to be completed by the member when they retire:***

- n **Z894** (bank form) – to be completed by the bank
- n **copy of identity document (ID)** – must be certified (certification stamp must not be older than six months)

- n **Retirement Choice Form** – applicable if the member has more than 10 years' pensionable service and only if the member is married
- n **Z864** – updating of personal particulars; only applicable if the member has more 10 years' pensionable service
- n certified copies of the marriage certificate, birth certificate and copies of children's IDs
- n **Z583** – (medical subsidy form) – only applicable if a member wants a continuation of the medical subsidy (applicable for members with 15 years' pensionable service and who have contributed for at least one year to a medical scheme)
- n **Medical Choice Form** – applicable if a member has more than 10 years of service and a one-year medical membership certificate
- n **An approval letter** – applicable if retiring prior to the age of 60 (approved by the head of the department)
- n **WP 1002 Form** (to nominate beneficiaries).

***The following form must be completed by your Human Resources (HR) Department:***

- n **Z102** – withdrawal form or exit request



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**The following forms must be verified and co-signed by your HR Department:**

- n Z583
- n Medical Choice Form
- n Retirement Choice Form.

**Additional information required includes:**

- n last two available salary pay slips
- n proof of supplementary contributions
- n proof of service termination (Persal printout).

It is the responsibility of the employer to submit the application forms to the GEPF three months prior to the member's exit date.

Members are advised to resolve outstanding debts with the employers to avoid deduction from their pension fund.

Tax issues with the South African Revenue Service (Sars) should also be addressed with that department. Members earning more than R60 000 must be registered with Sars.

Members are urged to confirm their starting date, i.e. when they were admitted as a GEPF member by submitting documents such as pay slips to the HR Department (the employer has this on record).

## Benefits payable

If a member has worked for 10 or more years of pensionable service, he/she will receive a lump sum and a monthly pension, also known as monthly annuity.

If a member has worked for less than 10 years of pensionable service, he/she will receive only a cash lump sum called a gratuity.

**For more information, contact: 0800 117 669**

**or visit: [www.gepf.gov.za](http://www.gepf.gov.za). You can also direct your queries and comments to [enquiries@gepf.co.za](mailto:enquiries@gepf.co.za).**

## GEPF regional offices

PROVINCE	CONTACT DETAILS
<b>Gauteng (Pretoria) Head Office</b>	34 Hamilton Street Arcadia, Pretoria
<b>Johannesburg Satellite Office</b>	2nd Floor, Lunga House, 124 Marshall Street (Cnr Marshall and Eloff streets – Gandhi Square Precinct) Marshalltown, Johannesburg
<b>Limpopo</b>	87a Bok Street Polokwane
<b>Mpumalanga</b>	19 Hope Street, Ciliata Building, Block A, Ground Floor, Nelspruit
<b>KwaZulu-Natal</b>	3rd Floor, Brasfort House 262 Langalibalele Street Pietermaritzburg
<b>Durban Satellite Office</b>	8th Floor, Salmon Grove Chambers 407 Anton Lembede Street Durban
<b>North West</b>	Mmabatho Mega City Ground Floor, Entrance 4 Mafikeng
<b>Eastern Cape</b>	Port Elizabeth Satellite Office Circular Drive Bisho
<b>Port Elizabeth Satellite Office</b>	Ground Floor, Kwantu Towers Vuyisile Mini-Square, next to City Hall Port Elizabeth
<b>Mthatha</b>	Office 53, 8th Floor, PRD Building Sutherland Street
<b>Western Cape</b>	21st floor, No 1 Thibault Square Long Street Cape Town
<b>Northern Cape</b>	Ground Floor, 11 Old Main Road Kimberley
<b>Free State</b>	No 2 President Brand Street Bloemfontein

**Members/pensioners can visit regional offices/walk-in centres during office hours.**

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# Promoting the spirit of entrepreneurship for public sector excellence



Writer: Professor Shahida Cassim

**T**he public sector comprises those organisations that are either directly controlled by the State or public authorities that operate for the common good of citizens. The quality and size of a country's public sector is generally used as an indicator of its well-being. Whichever way one measures it, South Africa's public sector is large and impacts on the everyday lives of its citizens in a myriad ways.

Despite several criticisms relating to the challenges encompassing the systems, and human and institutional weaknesses in service delivery, South Africa understands its responsibilities in ensuring public sector excellence. In his State of the Nation Address in 2010, President Jacob Zuma called for improved state performance.

This call for excellence may be interpreted as a call for the delivery of high-quality public services, the antecedents of which may be construed as efficient and well-run public sector organisations. The search for efficiency and effectiveness in public sector organisations is not

new and is manifest in several laudable initiatives which have been launched over a period of time, such as the Public Sector Excellence Initiative; the Public Administration Leadership and Management Academy; Centre for Public Service Innovation Initiative; Batho Pele; and Productivity South Africa's Managing Performance in South Africa's public sector training.

These initiatives parallel the development of thought throughout the developed world where there appears to be a recognition that social development and economic growth depend on efficiency and effectiveness in public sector organisations.

## Innovation is a complex concept

The importance of a focus on what really drives efficiency and effectiveness in public sector organisations is more relevant now than ever before. Administrative manoeuvring, reconfiguring human and financial resources, re-engineering, and moving the accountability are all techniques that appear not to be delivering on the promise. More recently, attention has turned towards innovation in the public sector as the strategy with potential.

The concept of innovation is a complex one and has been applied in different interpretations. The academic literature on innovation in the private sector is vast. There have been many attempts to adopt and apply the principles and practices of innovation in the private sector to public institutions. The literature on innovation in the public sector may at best be described as being in

the formative state with a clear reflection of a surge in interest and research in the past few years.

The research is varied as some researchers have, for example, focused on the national systems of innovation in a country, others on the process of invention and yet others on the impact of innovation in the economy. The common theme in the description of innovation does, however, refer to the processes by which new ideas, products and/or processes are developed. This definitional focus on the creative or invention activity has been expanded in recent years to incorporate the aspect of added value through changes in behaviour. Interesting literature from the London School of Economics Public Policy Group (Dunleavy, 2008) refers to "invention-based"

***"The Public Service has to respond to the call to make this term one of faster action and improved state performance. We require excellence and hard work. We need public servants who are dedicated, capable and who care for the needs of citizens."***

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innovation (focusing on the invention aspect) and “diffusion-based” innovation (where an invention is adopted in a particular setting) as two categories of innovation in the public sector. Innovation in the public sector may thus be described as creating and adopting changes in the way government work gets done.

### Public sector entrepreneurship

This expanded notion of innovation with a focus on implementation is akin to what is now beginning to emerge in literature as public sector entrepreneurship. The terms public entrepreneurship, public sector entrepreneurship, corporate entrepreneurship in public settings, strategic entrepreneurship in the public sector, enterprising government, and so forth, are now featuring in the literature.

As with the term “innovation”, entrepreneurship is a multifaceted construct incorporating innovation, change and new products or organisations. (Kim, 2010) in reviewing entrepreneurial practices in the public sector presented some pieces of research focusing on the concept since as early as 1985. These (and other literature reviews) include some elements of entrepreneurship, for example, citizen participation in the design and delivery of public goods and services; perceptiveness to change; fee-for-service entities within the public sector; use of risk in delivering services; organisational learning; knowledge management; introducing innovation, and so forth.

These previous works appear to generalise on the approaches to reduce inefficiencies and “modernisation” of the State. More recent work on entrepreneurship focuses on the “entrepreneurial orientation” of public sector agencies which manifests in three dimensions: innovativeness, risk-taking and proactiveness (Kearney, Hisrich, & Roche, 2007). Thus, Kim’s definition of public entrepreneurship as “any attempt at creating new opportunities with resulting improvement in government performance characterised by risk-taking, innovativeness and proactiveness” is more encompassing than previous definitions. Their conceptualisation focuses on the three dimensions namely, risk-taking (the ability and willingness to pursue risky alternatives in decision-making); innovativeness and proactiveness (a future defined focus in current operations).

Public sector entrepreneurship encompasses the very important component of innovativeness and innovation but includes the implementation and management of the innovation for added value in the design and delivery of public services. It is acknowledged that public sector agencies are distinct from their private sector counterparts as regards entrepreneurship in many ways but particularly in their goals and objectives (also termed asymmetric incentives), their levels of competition and the requirements of public sector agencies to comply with mandated procedures.

Innovation and entrepreneurship will find application in the full spectrum of public sector operations. Entrepreneurship may, however, manifest in:

- n the services or products offered by the public sector with innovative products or changes in features and/or design of products or services
- n innovative delivery
- n the processes or operations, with new procedures, policies or organisational forms developed for better service delivery
- n policy with new strategy and/or new rules of operations
- n interactions, in new ways of interacting with the various stakeholders incorporating these interactions into the operations.

### Types of innovation and entrepreneurship in the public sector

An entrepreneurial orientation can only develop if the environment is enabling and facilitating. The following conditions have to be present to achieve the advantages of entrepreneurship and innovation:

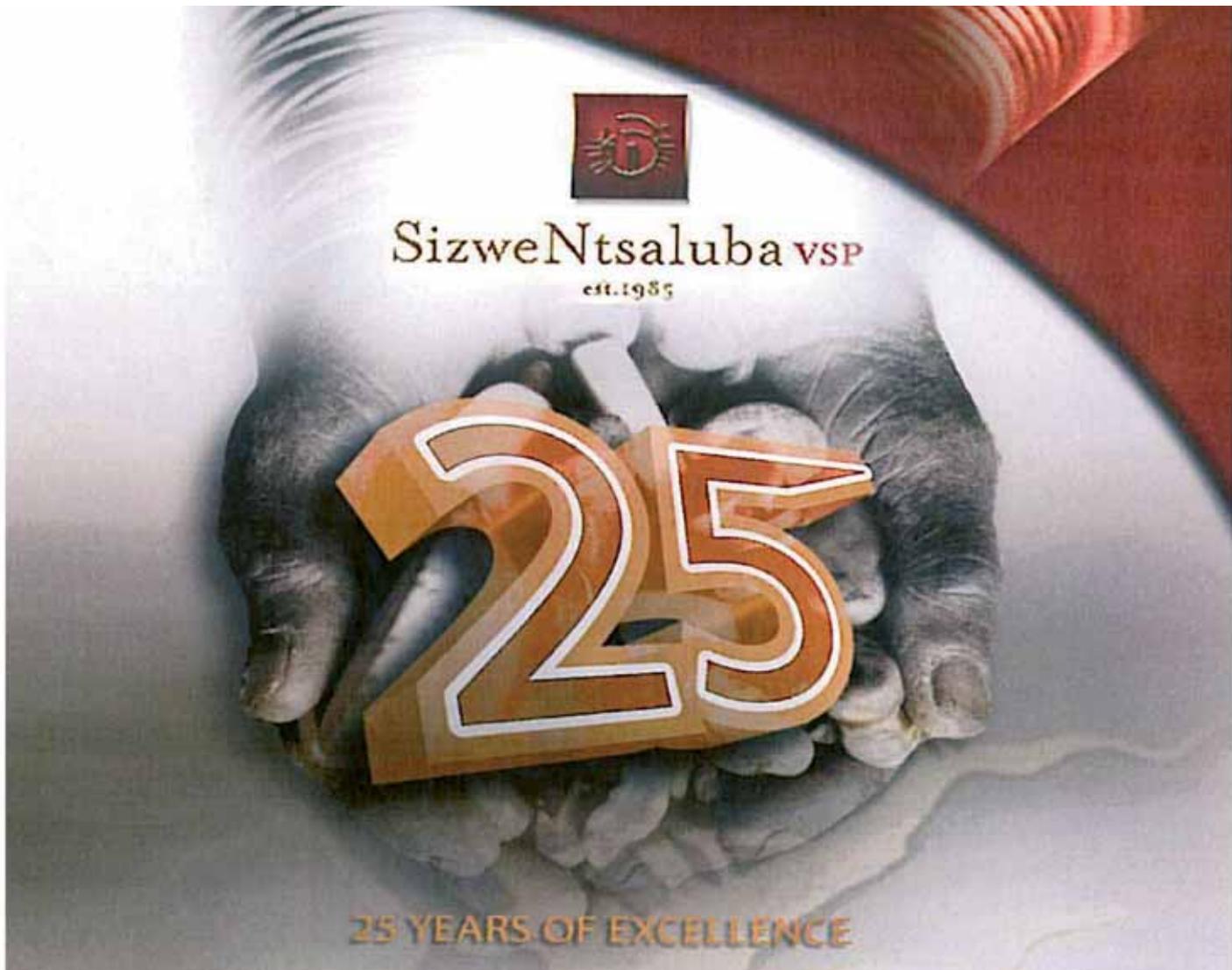
- n an entrepreneurial culture: a common set of values and beliefs in the importance of entrepreneurship and innovation for personal and organisational success
- n an entrepreneurial structure: an organisation that is characterised by flat hierarchies (or short reporting lines), a willingness to find ways of overcoming formalisation (policies and procedures) and higher levels of flexibility
- n entrepreneurial management: management that is committed to innovation and change will be characterised by devolution of authority to lower levels, willingness to tolerate failure, engaging in participatory decision-making, developing performance objectives and providing entrepreneurial leadership
- n entrepreneurial staff: members who adopt innovativeness and proactiveness as their work values, who are prepared to take risks, who can fulfil multiple public goals, who are not threatened by ambiguity and complexity and who are prepared to be held accountable for their decisions.

The presence of these conditions from the bottom levels of the organisation to the top will determine the entrepreneurial and innovative orientation of the organisation.

### Conclusion

An entrepreneurial government is thus conceptualised as being driven by goals rather than governed by rules in the provision of public services; a government in which innovation delivers proactive initiatives through a delegation of authority and one in which cross-disciplinary and integrated initiatives are commonly found. The results of such an entrepreneurial orientation must deliver lowered costs and new standards of conduct in the delivery of public services.

**Professor Shahida Cassim is Director of the Centre for Entrepreneurship at the University of KwaZulu-Natal. This article was first published in The Public Sector Annual 2010.**



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# Delivery starts with accountability

Public-sector internal auditors have a significant role to play in our government's pursuit of quality public-service delivery and accountability, writes **Nkoana Dalson Modiba**.

**W**hy is it that as one travels the length and breadth of our country, one sees many visible and tangible service-delivery successes of our government, yet very little is known in the public space about these achievements? Of course, one is under no illusion about the fact that more work still needs to be done.

I can already sense the armchair critics pointing fingers in all directions, seeking to find scapegoats to blame for this. It has become commonplace to engage in blame-game tactics rather than work as a collective to find solutions to the challenges besetting not only our public service but the country at large.

An important resource within the public sector – the Internal Audit function – can play a role in the collective effort to improve governance and contribute to the alleviation of poverty and unemployment.

Internal auditors have an important role in contributing to the success of government institutions by ensuring that risk manage-

ment is applied in strategy setting (goals and objectives), implementation of the strategy (operations), managing external events (compliance), ensuring that communication (reporting) with all key stakeholders takes place and feedback and expectations are incorporated into the institutions' day-to-day operations.

### **Evidence-based monitoring and evaluation**

The Auditor-General of South Africa (AGSA) recently released a report on the auditing of state institutions for the 2009/10 financial year. Overall, there are improvements, particularly in the so-called traditional audits of finances, compliance and information technology. However, the improvements are minimal when compared to 2008/09 audit outcomes. Once again, the AGSA points to issues of governance as central to the improvement of state institutions' audit outcomes.

Importantly, in the context of the AGSA's findings – and at the risk of being selective – internal auditors can contribute to the institutions' evidence-based monitoring and evaluation (M&E) capacity, which is crucial to good governance.

Good governance is about the institution's ability to craft and implement a strategy centred on identifying the

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opportunities available in the service-delivery space. It is also about using internal competitive strengths (resources) to exploit these and to manage the competing forces (challenges) in the external environment and weaknesses in the institution's internal environment. It includes the ability to monitor performance, identify deviations and institute corrective action timeously to achieve its predetermined objectives. The figure below illustrates this more succinctly.

The role of Internal Audit falls within the M&E phase – as the last tier in this assurance portfolio – in an institution and within the broader context of the strategic management discipline.

Most “disclaimer” audit opinions by the AGSA and other external auditors are attributed to the lack of supporting evidence about the transactions – financial and non-financial – within institutions that took place in the financial years that were subject to audit review.

As illustrated in the figure, reporting is an important critical element in the governance process. Internal auditors must

therefore ensure their annual operational plans incorporate scope to audit how information about the institutions' affairs is managed. Institutions, as part of their strategy implementation, do a lot in terms of building state infrastructure. They also deliver social services, develop and disseminate information products about their services and how people can access them, and conduct public participation programmes or stakeholder engagements. Yet, when the time comes to substantiate or account for all these achievements, institutions are found wanting.

**Supporting evidence is vital**

Perhaps the root cause of this challenge is that the role of information management has been understated or sold short in the past, hence the important role that the M&E unit in The Presidency is playing and will continue to play in future to elevate this important institutional asset to its rightful place.



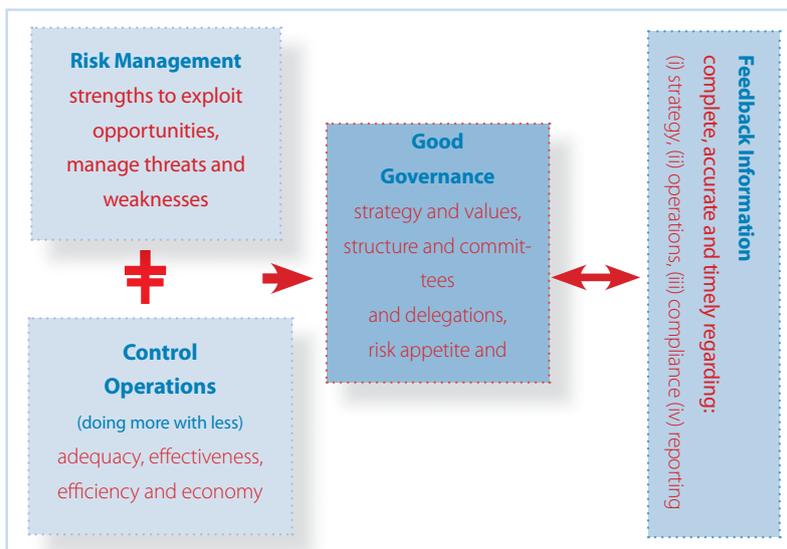
It must be understood that in the absence of evidence to support reported information in the institutions' annual reports and other publications, there will always be questions around the credibility of such reported information.

One way for internal auditors working within the collective governance system is to encourage institutions to compile and publish quarterly performance reports – this is already a legislative requirement – and for internal auditors to examine these reports on a quarterly basis. These reports must be:

- n quality-controlled by the M&E units (to check, among other things, completeness, accuracy and relevance in relation to the predetermined objectives, and for changes to be managed)

- n submitted to senior and executive management committees for discussion to assess progress and take decisions on corrective actions
- n tabled before the relevant authorities as part of accountability mechanisms.

Auditors must obtain the supporting evidence,



including conducting site inspections to corroborate performance information reported. This way, they can add value by identifying organisational performance- and information management-related weaknesses and/or opportunities early in the financial year and inform the institution's leadership to take corrective actions. The absence of evidence-based information about progress or the lack thereof to implement the country's developmental goals through various government institutions compromises the:

- n institutions' learning and growth
- n country's national research efforts to assess progress and identify challenges to contribute to the country's long-term planning capabilities
- n country's competitiveness image globally, impacting on its ability to attract foreign capital and investments.

**Nkoana Dalson Modiba is Chief Audit Executive at the GCIS.**



Writer: Professor Lekoa Solly Mollo

# Building the developmental state

Training and development is critical to government's objective of building and implementing a democratic, developmental state. The Public Administration Leadership and Management Academy (Palama), as the Government's training academy, is working across the public sector towards achieving the outcome of a skilled and capable public service workforce.

**P**alama contributes to the development of an effective public service through the provision of relevant programmes that inculcate the attributes, values and service culture that support the implementation of the Government's development agenda. This requires the development of cadres, from frontline workers to executives, who do what needs to be done, with care and consideration, in the service of the citizens of South Africa.

Despite the achievements of our democratic government, there remain serious challenges for improving service delivery in the current economic context. Unemployment has increased

and our government faces the mammoth task of providing services to citizens with less resources. Despite the progress made in providing greater access to healthcare, education, clean water and sanitation, electricity, housing and social grants, we continue to face protests from communities over poor delivery, corruption and inadequate provision.

The Public Service Commission, in documenting the performance of the Public Service, has noted challenges in terms of service, management, performance and compliance. Communities are demanding more of public officials. To ensure that the developmental state is able to deliver on its mandate and achieve its set outcomes, it needs a focused strategy to build capacity across the Public Service. The development of professional administrative, management and leadership skills is critical to the effective functioning of government and ensuring that services are delivered to the citizens of South Africa.

Palama has a key role to play in enabling the achievement of a number of these outcomes, but in particular the creation of an efficient, effective and development-oriented public service. This implies the development of a team of public servants who have the requisite skills, knowledge and attitudes to control the resources of the State and apply them to strategic tasks to achieve the goals of government.

## Capacity development

Training and development is only one aspect of successful capacity development. Improving the performance of individuals and organisations requires an integrated institutional focus. The impact of training is limited if it focuses solely on the development of individual competencies. This is due to incongruence between the learning and workplace conditions, as well as an inability, or unwillingness, to practise new skills.

Capacity development requires, in addition, the institutionalisation of appropriate working practices and norms of behaviour. There is a need then to define the training programmes, as well as the institutional structures, systems and processes which provide support. The objective is that such development will help shape and transform the institution of the State.

Part of building this capacity means envisioning the ideal type of public service required to drive the development agenda of government. Specifically, the Public Service needs cadres, specially trained and deployed to engage in the "war" on poverty and poor service delivery. This implies:

n equipping all public servants with the necessary knowl-



- edge, skills and competencies to carry out their jobs
- n addressing equity, race, disability and gender
- n enabling public servants to acquire a new, development-oriented professionalism
- n facilitating the introduction of institutional changes
- n assisting public servants to understand the needs of their communities
- n listening to citizens – and meeting their expectations.

Palama provides, in line with its current mandate, training in leadership and management for junior, middle and senior managers in government.

However, more recently it has introduced a number of development programmes to address the broader needs of government, specifically in the area of frontline service delivery and building administrative capacity.

Palama is being transformed into an academy whose task will be to develop leaders, managers and administrators who have the capacity to shape government's strategic orientation.

### Did you know?

- n The Sesotho word "Palama", which represents the academy's full name, means "arise" or "get on board". This is a call to all public servants to use Palama to gain better skills, in the interest of the effective, consultative and courteous rendering of public services to achieve better service delivery to all South Africans.
- n Palama offers training programmes tailored to the work context and skills needs of public servants in the following broad categories:
  - financial management
  - leadership development
  - good governance
  - human-resource management and development
  - service delivery and frontline services.
- n For registration and other training-related information, call the Contact Centre on 012 441 6777, send an e-mail to [contactcentre@palama.gov.za](mailto:contactcentre@palama.gov.za) or visit [www.palama.gov.za](http://www.palama.gov.za)

Palama's role is to:

- n train and develop public sector cadres across the three spheres of government who care, lead, serve and deliver
- n professionalise the Public Service by building the values, ethos and service culture that support the implementation of government's development agenda
- n lead the provision of high-quality training and development programmes.

Given the challenges of building a developmental state, we need to initiate more responsive training and development systems, which meet individual needs but also the broader organisational requirements of government. Government's emphasis on performance and outcomes will reorient and focus development initiatives in the

public sector to the strategic goals of government. This will enable innovations that build the individual and organisational skills and capacity we need to ensure that we are able to deliver services to all citizens efficiently and effectively.

***Professor Lekoa Solly Mollo is the Director-General of Palama.***

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EXECUTIVE EDUCATION



# Enforcing discipline for effectiveness

Writer: Koos Shabangu

All managers encounter challenges with human-resource management (HRM) at some stage in their careers. Although there is a tendency to view disciplinary issues as secondary to line-function operations, the link between the two is crucial and where ill-discipline goes unmanaged, it can cause disruption, unhappiness and at times, even complete dysfunctioning of a work unit.

Poor HRM in the Public Service is one of the main factors contributing to inadequate service delivery. The quality of HR is a critical factor in the capacity of government to deliver on its mandate. Human capital of the desired quality and standards is critical to ensure the achievement of the required service delivery as expected. Some of the main challenges being experienced with regard to HRM and development in the Public Service is poor management of performance and discipline.

In some cases, previous attempts to address these challenges have had limited success. One of the reasons for this may be that the root causes of the challenges were not properly identified and understood. In other instances, employees are suspended for extended periods where the provisions clearly prescribe the duration of the precautionary suspensions.

There is a need for a coordinated approach to ensure that various steps are taken to improve the quality of managing discipline in the Public Service.

Discipline management demonstrates commitment to create an organisational culture and environment which is conducive to effective people management, and ensures fair procedures under the Labour Relations Act, 1995 (Act 66 of 1995).

There is a notion in the Public Service that discipline is the responsibility of management. It therefore follows that effective discipline is the result of constructive leadership exercised within the framework of a clear and consistent policy.

Effective discipline management is inseparable from other aspects of supervision and HR. Therefore, the successful handling of disciplinary problems becomes a matter of using good judgement and common sense within the context of organisational policy, government labour legislation and regulations, accepted labour relations practices and collective bargaining agreements. Except for the key legislative framework, which provides and creates the broad overarching labour space in the form of the Constitution and the Labour Relations Act, 1995, the management of discipline in the Public Service is informed by subordinate legislation:

## n Administrative justice

Section 33 of the Constitution states that everyone has a right to administrative action that is lawful, reasonable and procedurally fair. Written reasons must be given for administrative action. National legislation must be enacted to give effect to this right. The Promotion of Administrative Justice Act, 2000 (Act 3 of 2000), has been enacted to give effect to Section 33 of the Constitution.

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### n Discipline (Public Service)

The Public Service Amendment Act, 1999 (Act 5 of 1999), refers to the head of a department as being responsible for the management of discipline. Public Service Coordinating Bargaining Council Resolution 1 of 2003 deals with the disciplinary procedure for employees on levels one to 12 and Chapter Seven of the *Senior Management Service (SMS) Handbook* deals with the disciplinary procedure for SMS members.

### n Financial misconduct

The Public Finance Management Act, 1999 (Act 1 of 1999), introduces the offence of financial misconduct, and defines specific sanctions. Financial misconduct must be seen in the context of other disciplinary measures, for example, misconduct or incompetence, which are intended to assist accounting officers in improving departmental efficiency.

Discipline trends in the Public Service have revealed that it takes too long for disciplinary cases to be finalised. Cases of suspension of employees as a precautionary measure are extended for too long, contrary to the provisions of the Disciplinary Code and Procedure and Chapter Seven of the *SMS Handbook*.

It has been established through case law that the courts have no sympathy if a disciplinary process is mismanaged. The *SMS Handbook/Collective Agreement* requires a disciplinary hearing to be held within 60 days of the date of suspension. The employer is obliged to conduct a hearing within a month, or where

the complexity of the matter and length of the investigation so requires, not later than 60 days.

The disciplinary process is an in-house employer-employee affair, and parties should not consider involving legal representatives at this stage.

Legal representation should be considered where a request is made to utilise Section 188A of the Labour Relations Act, 1995 and the decision thereof is an award that is final and binding.

There is a need for departments to develop labour relations delegations, especially in relation to the handling of disciplinary processes and administrative pronouncement of sanctions by the delegated authorities. The executive authorities should consider delegating their appeal authority.

There is no legal requirement for the disciplinary proceedings to be recorded and this should therefore remain non-mandatory.

Financial misconduct should be reported to the police and also further be referred for criminal prosecution, however, internal processes must still prevail and be observed.

An accounting officer commits an act of financial misconduct by wilfully or negligently failing to comply with his/her general responsibilities. An official commits financial misconduct by wilfully or negligently failing to exercise a power or perform duties assigned to him or her by the accounting officer.

An accounting officer is required to take effective and appropriate disciplinary steps against any official who makes or permits unauthorised, irregular or fruitless and wasteful expenditure.

**Koos Shabangu is a Labour Relations Specialist at the Department of Public Service and Administration.**

# Spicing it up!

## Men

To wear bold colours takes confidence, which makes it the perfect thing to do for business. However, you want to look confident and stylish, and not like a clown, so don't overdo it. Keep your good-quality investment pieces to more traditional shades and spice it up with touches of coloured accessories like a tie, reading glasses, a bright leather portfolio or even just some fun cufflinks. They are subtle enough to keep it smart and professional but will still demand some attention.

*Striped shirt: R950*

*Thomas & Benno Green tie: R399.99*

*Fabiani reversible leather belt: R140, Woolworths*

*Pants: R199, Woolworths*

*Reading glasses: R3 200, Theo*

*Eyewitness from Extreme Eyewear*

*Cufflinks: R699.99*

*Fabiani orange portfolio: R880, Campo Marzio*

## Women

Bright colours are in and there is no reason why you should not incorporate this trend into your work wardrobe. Traditionally, smart office wear brings dark colours to mind, but there are few things that say strong confident women like bold colours. The key is to choose the correct items to wear. Make sure you opt for strong silhouettes and harder lines and if dressing in bright is too bold for you, keep it simple with some beautiful, coloured accessories.

# Colour me bold

*Dress: R990, Jo Borkett*

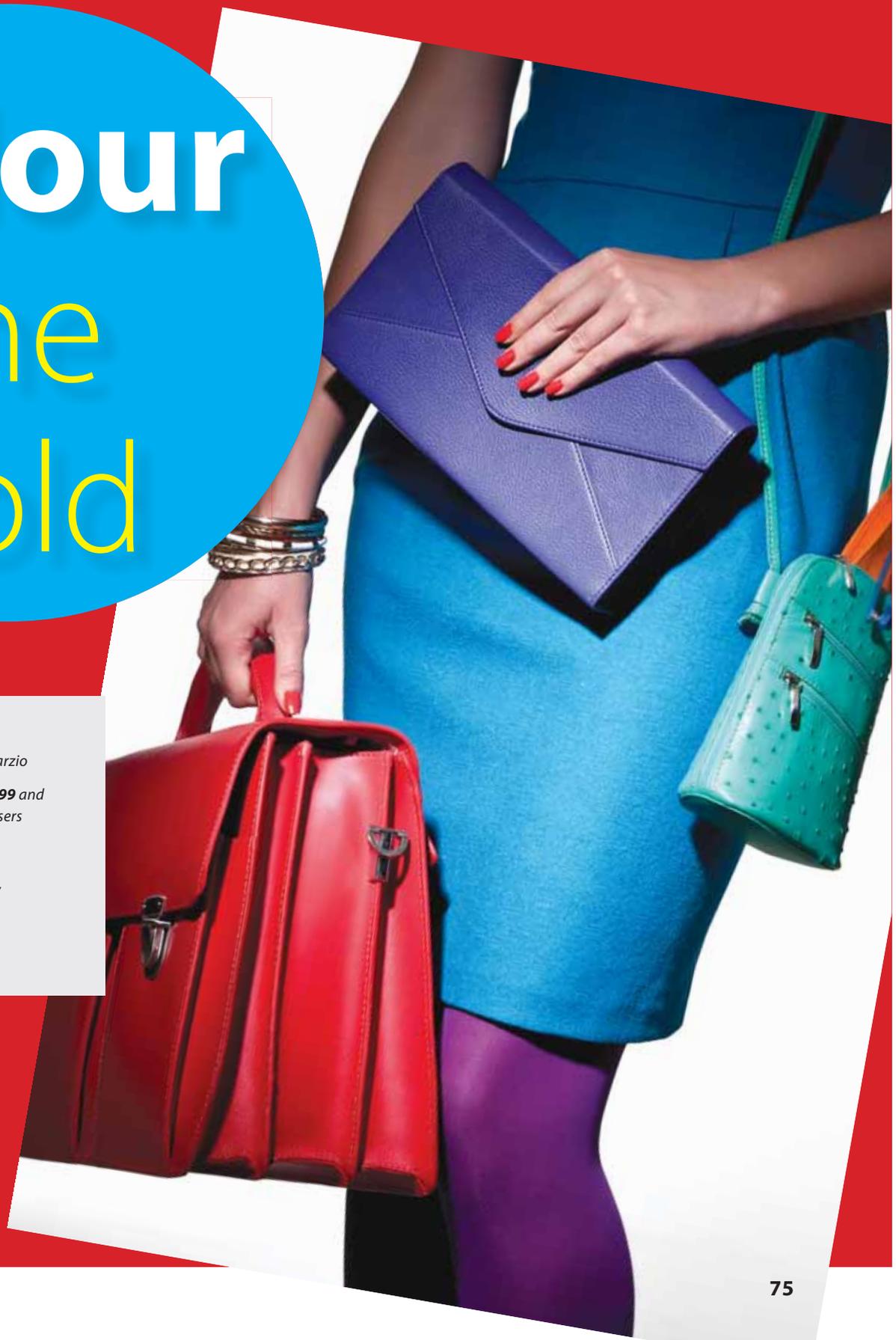
*Red leather briefcase: R2 965, Campo Marzio*

*Turquoise Ostrich leather handbag: R2 199 and  
orange ostrich spec case: R399, both Frasers*

*Stockings: R65, Falke*

*Purple extensive document holder: R580,  
Campo Marzio*

*Set of gold and white bangles: R260,  
Tessa Design*



# Italian passion graces our roads



**PRICING:**

Giulietta 1.4 TB Progression	<b>R243 000</b>
Giulietta 1.4 TB Multiair Distinctive	<b>R279 900</b>
Giulietta 1.8 TBi Quadrifoglio Verde	<b>R330 275</b>

*Writer: Smoking Rubber*

**T**he Italians come across as the most passionate people in the world.

They seem to do everything with a touch more flair and glamour than others and this is evident in their cars as well. Not surprisingly, some of the most delightful car brands – Ferrari, Maserati and Lamborghini, to name only a few – hail from that part of the world.

Although these Italian “superbrands” have captivated the minds and hearts of car enthusiasts the world over, it is the Alfa Romeo that has remained accessible to the man on the street.

During the era of sanctions in the apartheid days, Alfa pulled out of the country and reappeared only in the late 1990s. One of the most memorable cars to grace our roads in that era was the Giulietta. Now it’s back – and boy, is it a stunner!

Launched with much pomp and fair, the Giulietta has become an instant hit among motoring journalists. The car, now in hatchback form, is a trump card for the brand to establish its name worldwide after suffering negative publicity with reliability issues. Management from the Italian manufacturer makes no bones about the fact that the car is aimed to compete for market share among drivers who would normally purchase brands such as

Golf, Ford Focus or Mazda 3. The pricing reflects this too and, with standard luxury fair thrown in, the Giulietta is certain to add to the variety of brand choice buyers already have.

The line-up starts up with the 1.4 TB Progression, which has a turbocharged engine. This engine pushes out an impressive 125 kw power and 230 nm of torque. Second in line is the 1.4 TB Multiair Distinctive, which is also turbocharged but has the Multiair system. Power is down at 88 kw and 206 nm but this is the most frugal one of them all. The Multiair system, which is unique to Alfa, allows for better air intake and falls in line with the current standard to produce more fuel-efficient and environmentally friendly engines. The range topper, which is your Golf GTI competitor, is the 1.8 TBi Quadrifoglio Verde. This engine offers a wheel spinning 173 kw power and a decent 300 nm of torque. This car should be the robot racer of the range and is going to keep the speed freaks happy.

The Alfa Giulietta stirs emotion by the mere mention of the name. The latest edition to the family could easily also give the brand the prestige of having produced one of the best-looking cars on the road. Yes, it’s got the looks – both inside and outside – and the performance.



## Stiff competition in the **super-mini class**

**T**he Audi brand has become a serious contender in the luxury car market over the past decade, keeping its Mercedes and BMW counterparts on their toes. The brand has responded to every offering in the market by its competitors from SUVs, mid-size saloons to serious super cars like the R8. The one segment Audi has never played in seriously was the small car segment. The recently launched A1 is not a car that is meant to compete with VW Polos and Toyota Corollas but instead in a segment of the market called the "super-mini class".

Until now, this class has been dominated by the Mini Cooper, which is a BMW product, and more recently by cars such as the Citroen DS3. At first look, the A1 is a distinctive Audi with the oversize grill, LED daytime lights and the more tame-than-aggressive appearance that has become synonymous with the brand. However, the A1 is not just a city scooper but also a funky yet functional two-door tourer. It has the brand's class-leading interior and one of the most fuel-efficient and eco-friendly engines on offer in 2011.

The A1 is aimed squarely at the Mini Cooper buyer and Audi plans to become a major player in this market. The brand has

introduced three engine derivatives, the 1.2 turbo petrol, the 1.4 turbo petrol and a 1.6 turbo diesel. On the South African market, there is also a five- or six-speed manual and seven-speed S Tronic (automatic).

The standard luxury fair expected from a German premium brand is what you will get in your A1, although Audi offers different interior lighting, personalised colour combinations and other nice-to-haves to keep with the funky theme, giving the car a yuppie appeal. The A1 goes about its business with little or no fuss and the easiness of drive will appeal to a broad spectrum of motorists. The brand dubs the baby A1, "the next big Audi," showing just how serious the marque is about making it a success.

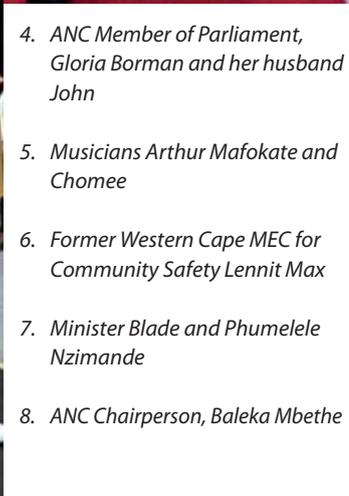
<b>PRICING:</b>	
1.2T FSI (Attraction) Manual	<b>R243 000</b>
1.4T FSI (Attraction) S Tronic	<b>R252 500</b>
1.4T FSI (Ambient) S Tronic	<b>R270 500</b>
1.6TDI (Ambition) Manual	<b>R247 000</b>

# On Camera

On 10 February 2011, President Jacob Zuma addressed the nation in his capacity as Head of State. His address took stock of South Africa's domestic and foreign issues and united the nation around a common understanding of the direction in which the country should be moving. The State of the Nation Address also marked the Opening of Parliament, a glamorous affair that commanded the attention of the nation and media alike.



1. President Jacob Zuma, Speaker of Parliament, Max Sisulu, first lady, Mrs Sizakele Zuma, and Chairperson of the National Council of Provinces, Mninwa Mahlangu
2. Deputy President Kgalema Motlanthe flanked by Deputy Speaker Nomaindiya Mfeketo and Deputy Chairperson of the National Council of Provinces, Thandi Memela
3. The premiers take centre stage, led by Eastern Cape Premier Noxolo Kiviet



4. ANC Member of Parliament, Gloria Borman and her husband John
5. Musicians Arthur Mafokate and Chomee
6. Former Western Cape MEC for Community Safety Lennit Max
7. Minister Blade and Phumelele Nzimande
8. ANC Chairperson, Baleka Mbethe



The annual Presidential Address Golf Challenge was this year held at the De Zalze Golf Estate outside Stellenbosch. The event, which included a dinner, raised funds for the Jacob Zuma Educational Trust. It is the President's hope that these funds will contribute towards realising government's bigger goals of real and sustainable empowerment through education and youth empowerment.



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Both above and below the Indian Ocean*





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# Public sector appointments

## Nnana Manamela

Deputy Director-General: Shared Services,  
Department of Local Government and Housing, Limpopo

Nnana Manamela has extensive experience and has occupied senior positions in both the Public Service and the private sector. She was previously the acting Head of Department: Sports, Arts and Culture in Limpopo. Her qualifications include a BA Cur (I ET A), Postgraduate Diploma in Management Science, Executive Management Certificate and she is in her MBA final year (Dissertation). Manamela's achievements include presenting several papers in various forums, including one on the Performance Management System in the public sector for the Institute of International Research and another on leadership for the Black Management Forum. She is a community developer and is involved with the Progressive Women's Movement of South Africa, Limpopo Chapter.



## Brian Molefe

Group Chief Executive of Transnet

Brian Molefe was previously the Chief Executive Officer (CEO) of the Public Investment Corporation (PIC) and has held various executive management positions over the years. He stepped down as CEO of the PIC, which oversees the pension funds of state workers and was Africa's largest money manager in June last year, after seven years in the post. His qualifications include a Master of Business Leadership from the University of South Africa (Unisa), Postgraduate Diploma in Economics from London University School of Oriental and African Studies and a Bachelor of Commerce from Unisa, majoring in Accounting and Economics. Molefe brings a wealth of expertise to Transnet, and his understanding of capital markets and asset management will be invaluable as the company moves forward with its massive infrastructure investment programme. Molefe has been appointed for a renewable term of five years.



## Nosipho Ngcaba

Director-General, Department of Environmental Affairs

Nosipho Ngcaba holds a BSC degree with majors in Biochemistry and Physiology and a Higher Diploma in Education (Physical Science and Mathematics) from the University of the Western Cape. She is currently completing a Master's Degree (MBA) in Business Leadership through the University of South Africa. She has risen through the ranks in the Department of Environmental Affairs since 2003, firstly as Chief Director for Social Responsibility and Projects and then as Chief Operating Officer for three years before becoming a director-general (DG) in May 2009. She is responsible for, among other things, providing strategic leadership and direction to the organisation and ensuring that the strategic objectives of the department are achieved. Her wealth of experience and insight in this portfolio, extensive skills and knowledge have placed her in good stead to lead the department. Her contract as DG has been extended for another five years.



## The first SADC-China Trade Fair and Investment Forum 2011

IMEXPO is the first South African Development Community (SADC)/China Trade Fair and Investment Forum. The event, which is supported by the Department of Trade and Industry and the SADC Secretariat, confirmed that 13 of the 15 SADC countries will take part in the trade fair, which will see a delegation of over 60 companies from China.

It will take place at the MTN Expo Centre, Nasrec, Johannesburg, from 18 – 20 May 2011. Its aim is to showcase new markets and projects and to promote inter-Africa trade within the SADC region. Traders from SADC and China will be able to form and build relationships. The Chinese delegation will represent some of the top companies in China and close to a third of these represent the mining sector, a key sector for the show. Other vital fields such as engineering, machinery, construction, electricity, water and finances will also be represented.

## Local government elections date announced

South Africans will go to the polls on 18 May 2011 to vote for new municipal councillors in the local government elections. The elections take place every five years – just like the national and provincial elections, which were last held in April 2009. Love your South Africa – go and vote!



## The largest tourism event in Africa goes to Durban

The Tourism Indaba is a four-day trade event that attracts well over 13 000 delegates from the travel tourism and related industries. It showcases the widest variety of southern Africa's best tourism products, and attracts international visitors and media from across the world. The Association of World Travel Awards awarded the Indaba the award for Africa's best travel and tourism show for two years in a row.

The event is a key component of government and South African Tourism's strategy to further develop the tourism industry as a key driver of economic growth and job creation in Africa.

## BRICS Summit

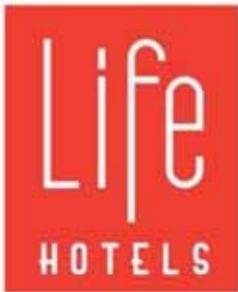
The third Brazil-Russia-India-China-South Africa Leaders Summit will take place from 14 to 15 April 2011 in Beijing, China, during which President Jacob Zuma will for the first time meet with the bloc's leaders. The summit will discuss, among other things, several business opportunities, economic complementarities and areas of co-operation. Various issues, including proposals to set a five-year trade target of between US\$400 and 500 billion by 2015; research on economic trade cooperation among all five countries; and the exploration of a closer economic and trade partnership agreement will also be tabled.

The flow of trade and investment in the BRICS countries is undergoing



an intense process of transformation.

BRICS ultimately is a platform to represent the voices of the emerging markets and South Africa is committed to intensify relations with countries of the South and up-and-coming powers through active and strong bilateral engagement. South Africa stands to benefit tremendously from the concrete projects of BRICS in areas such as agriculture, science, statistics, development finance institutions, security and justice.



# OR Tambo

OR TAMBO INTERNATIONAL AIRPORT



**LOCATION** Life Hotels OR Tambo is situated less than 5 minutes (3 kilometres) drive from the OR Tambo International Airport. The hotel is ideally located in terms of accessibility and convenience to travellers.



**AMBIENCE** The hotel is themed and is one-of-a-kind. Geared towards the business executive who does not believe in paying excessively for accommodation, but wants funky luxury and unsurpassed entertainment.



**TABLE** The restaurant, Runway Diner fuses the terrace and reception as one. The menu is light and concise. Wide ranges of pre cooked meals are available from the kitchen that can be reheated in your room.



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## Customised Conferencing

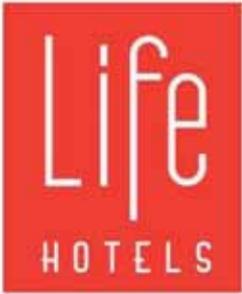


SEATING STYLES	TERMINAL 1	TERMINAL 2
SCHOOL ROOM	60	80
CINEMA	60	80
U SHAPE	30	40
DOUBLE U SHAPE	60	80
BOARDROOM	20	40
BANQUET	40	60
COCKTAIL	60	80
DINNER DANCE	-	50



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**AMBIENCE** The hotel is influenced by high energy. The hotel is a stop-over for all active and aspiring sports enthusiasts. This is a great place for those looking for something different.



**TABLE** Life Hotels The Aviator has a superb restaurant, The Buzz, which caters throughout the day for its clientele. There is a bar together with a state of the art pizza oven alongside the eating area that re-emphasizes everything that is stylish and fun.



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SCHOOL ROOM	280	30	30
CINEMA	400	80	80
U SHAPE	-	30	30
DOUBLE U SHAPE	120	-	-
BOARDROOM	-	20	20
BANQUET	280	-	-
COCKTAIL	350	-	-
DINNER DANCE	200	-	-

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# Chef Coo's passion takes off

A passion for cooking led young culinary artist Coovashan Pillay to swap his spreadsheets, calculator and a career in accounting, for his chef's whites and knives.

Coovashan, or Chef Coo as he's known countrywide, is the Executive Chef at the OR Tambo International Airport Life Hotel. His passion for Asian cuisine, blended with African influences, has created his signature mouth-watering contemporary fusion cuisine.

**C**hef Coo shares a few tricks of the trade with his contemporary inspired recipes, so you too can become a master chef in the comfort of your own kitchen.

## Starter: Cajun-coated calamari served with savoury rice, served with lemon butter

### Ingredients:

- 15 Cleaned calamari tubes and heads
- 100 g Cajun coating
- 100 ml Lemon butter

### Cajun coating

- 50 g Cajun spice
- 25 g Turmeric powder
- 10 g Cayenne pepper
- 100 g Flour
- 100 g Bread crumbs

### Lemon butter

- 50 g Butter
- 100 ml Fresh lemon juice
- 100 ml Cream
- 1 tsp Chopped parsley

### Preparation:

To make the Cajun coating, mix the Cajun spice, turmeric powder, cayenne pepper, flour and bread crumbs together.

Coat the calamari tubes and heads in the Cajun coating.

Deep-fry the calamari and heads in clean cooking oil.

To make the lemon butter, heat the lemon juice. Whisk in butter. Add cream and stir. Add chopped parsley.

Boil a portion of savoury rice and mould onto plate. Arrange the fried calamari alongside the rice, drizzle with the lemon butter and garnish with lemon and fresh dill.

Serve with chilled Spier Chardonnay.

## Main course: Chilli-crust periperi, deboned and skewered chicken thighs served with French fries

### Ingredients:

- 2 Deboned chicken thighs
- 3 Cloves of garlic
- 3 Chopped chillies
- 2 Sprigs of thyme





- 100 ml Olive oil
- 100 g Butter
- 1 tsp Crushed red chilli
- 2 tsp Chopped coriander
- 100 g Breadcrumbs
- 200 ml Fresh cream

**Preparation:**

Marinate the chicken in garlic, chopped chilli, thyme and olive oil.

To make the crust, mix together the butter, dried red chilli, chopped coriander and bread crumbs.

Seal off chicken thighs in hot pan, place chilli crust on top of each chicken thigh and bake in oven at 180 degrees for 13 minutes.

While chicken is in the oven, start to prepare the sauce.

Place leftover marinade in a saucepan, heat and add the cream and chopped coriander.

Once the sauce is ready, place in the centre of the plate, arrange the chicken on top, garnish and serve with French fries and a salad.

Serve with a Pinot Noir.

**Dessert: Pecan shortbread with crème brûlée**

**Ingredients:**

- 100 g Flour
- 50 g Corn flour
- 50 g Castor sugar
- 100 g Butter
- 100 g Crushed pecan nuts
- Zest of an orange

**Preparation:**

To make the pecan shortbread, mix the flours, sugar and butter together in a food processor.

Hand-mix in the remaining ingredients and press into a greased baking tray.

Create your own pattern by pricking the shortbread with a fork prior to placing it in the oven.



Bake in a preheated oven at 180 degrees for 12 to 15 minutes, or until pale brown in colour.

When removing from the oven, sprinkle extra castor sugar immediately over the shortbread.

**Ingredients for the crème brûlée:**

- 1 litre Cream
- 150 g Sugar
- 10 Egg yolks
- 1 Vanilla pod
- 1 tot Amarula Crème liquor

**Preparation:**

To make the crème brûlée, bring the cream to just under the boil, while infusing the Amarula liquor in the cream.

Whisk together the egg yolks and sugar.

Whisk the hot cream into the egg yolk mixture and strain into ramekins.

Bake in a bain-marie, covered with baking paper, in a preheated oven at 150 degrees for 25 minutes until set.

Remove and cool, sprinkle with sugar and blowtorch until golden brown.

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# BuaNews makes global inroads

**E**stablished in 1998 to provide government news and information to local community media, BuaNews ([www.buanews.gov.za](http://www.buanews.gov.za)) has since cast its net further, entering into the mainstream media fray and in recent years claiming a share of the international media space.

An alternative voice in the media environment, BuaNews provides media with ready-to-use news stories and feature articles that profile the work of government.

To add to the number of partnership agreements that it already has with international news agencies, BuaNews recently signed a cooperation agreement with Turkey's Anadolu Agency (AA). Founded in 1920, AA is Turkey's semi-official news agency with bureaus in that country and in several other countries throughout the world. It provides news to daily newspapers, radio, television and online media.

The agreement, signed by Government Communication and Information System (GCIS) Deputy CEO Vusi Mona and the AA's Deputy Director-General Tahsin Akti, will see an exchange of news and feature articles, photographs as well as mutual visits and training opportunities between the two agencies.



Mona said both South Africa and Turkey were two important countries attracting the attention of the world, with Akti adding that Turkey was pursuing a policy of opening up to

BuaNews, government's online news agency, is on the move, making inroads into the international media space.



**GCIS Deputy CEO Vusi Mona and the AA's Deputy Director-General Tahsin Akti**

Africa – even increasing the number of its embassies on the continent.

Partnership and news cooperation agreements of this nature ensure that the work of the South African Government reaches international shores.

International pick-up of BuaNews stories has been noted, in among other countries, the United States, Switzerland, China, the United Kingdom, Latin America, Turkey, Brunei, India, Pakistan and Bulgaria. Large, influential agencies such as AFP (France), the Press Trust of India and Bernama (Malaysia) utilise BuaNews regularly.

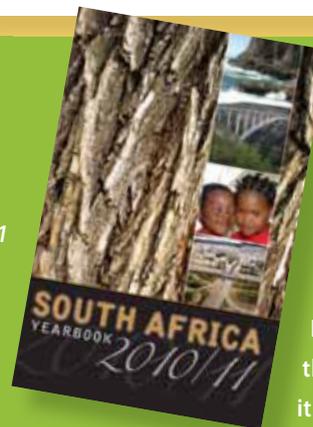
In addition to the newly signed agreement with the Turkish news agency, BuaNews also has international news agreements with the Nam News Network (Malaysia), Xinhua (China), Prensa Latina (Cuba), Tanjug (Serbia), UPI (Washington), Telam (Argentina), IRNA (Iran), SANA (Syria), the Cyprus News Agency (Greece), The Ukrinform (Ukraine), Azertac (Azerbaijan) and Agenzia Giornalistica Italia (Italy).

## Get a copy of the SA Yearbook 2010/11

**T**he 18th edition of the *South Africa Yearbook 2010/11* is coming out in mid-April 2011. The publication, produced by the Directorate: Content Development of the Government Communication and Information System (GCIS), gives a comprehensive account of the programmes and policies of government as well as the current state of the South African nation. The publication is the official authoritative reference work on the Republic of South Africa and is updated annually.

The *Pocket Guide to South Africa* is a miniature version of the Yearbook and very popular among tourists.

Also becoming very popular is the interactive *SA Yearbook* CD-Rom. Over the years, the publications have been received with enthusiasm



in schools, embassies, government departments, municipalities and offices of decision-makers of different organisations and companies in South Africa and abroad.

Editor of the *SA Yearbook*, Delien Burger, says: "The public's response to the Yearbook over time has shown that it is an invaluable source of information for students, tour guides, potential investors and those who just want to know more about South Africa."

For more information on the *SA Yearbook*, to order your free copy and to access previous editions (PDF format), go to [www.gcis.gov.za](http://www.gcis.gov.za).

# Balance in your life



1

## Spend time with family

**Eat meals together:** Make mealtimes family time.

**Play games:** Play board games or even enjoy an outdoor sport. Play any game that will reflect the interests of the family.

**Watch TV as a family:** Families who watch TV together will laugh, cry and talk together, thus bringing them closer.

2

## Balance your work-life

Technology has made it easy for work to invade your personal life. Boundaries are no longer clearly defined. This makes it hard to maintain work-life balance. Still, work-life balance isn't out of reach and here are a few tips on how best to find it:

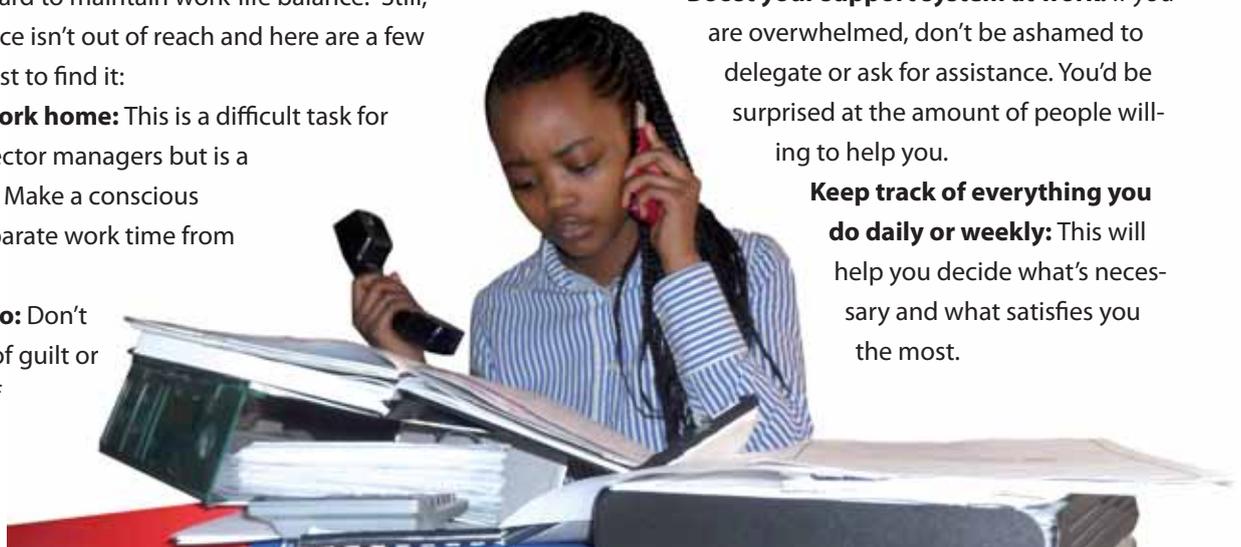
**Do not take work home:** This is a difficult task for many public sector managers but is a necessary one. Make a conscious decision to separate work time from personal time.

**Learn to say no:** Don't do things out of guilt or a false sense of obligation.

By learning to say no, you will make time for the things that are meaningful to you.

**Boost your support system at work:** If you are overwhelmed, don't be ashamed to delegate or ask for assistance. You'd be surprised at the amount of people willing to help you.

**Keep track of everything you do daily or weekly:** This will help you decide what's necessary and what satisfies you the most.

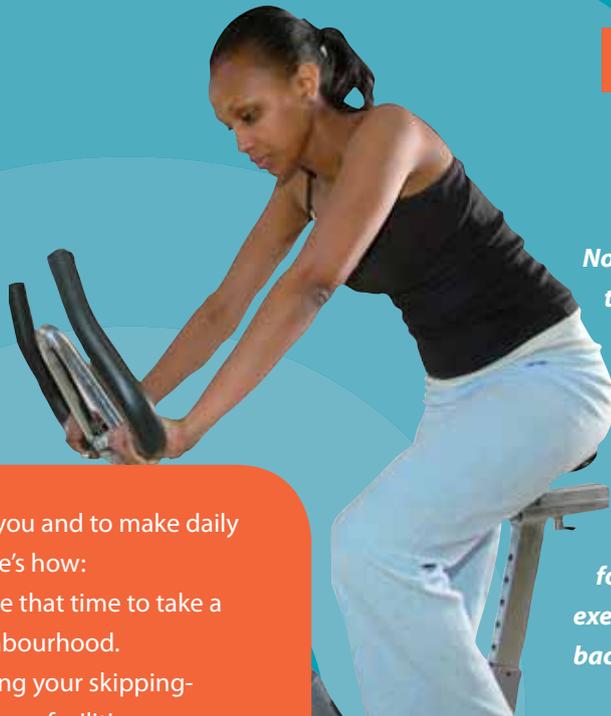


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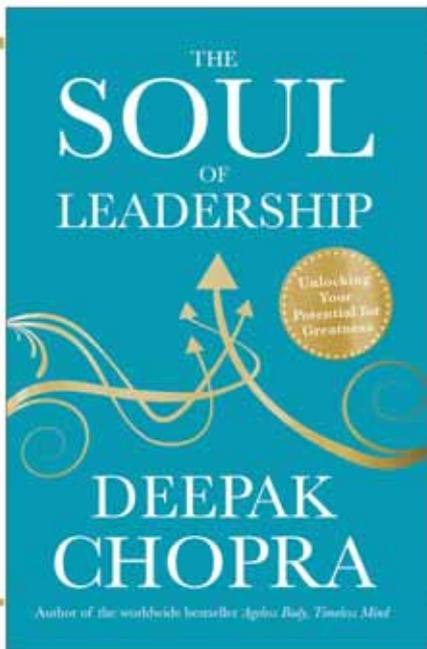
### Take care of yourself

It is always best to do what works for you and to make daily physical activity a habit you keep. Here's how:

- n Wake up 30 minutes earlier and use that time to take a brisk walk or run around the neighbourhood.
- n When you travel for work, take along your skipping-rope or choose a hotel that has fitness facilities.
- n Take the stairs – either skip the elevator completely or get off the elevator a few floors early.
- n When at a mall, park far from the entrance and walk.
- n Make physical exercise part of your TV-watching. Ride a bike, use hand weights or get off the couch to change the channel or adjust the volume.



*Not everybody has the time to go to gym so why not try skipping. Skipping for weight loss is becoming increasingly popular. The benefits include improved cardiorespiratory (heart and lungs) fitness, flexibility and coordination. Skipping is great for building bones and a good exercise to trim hips, thighs and backsides!*



## [ The Soul of Leadership ]

by Deepak Chopra

*The Soul of Leadership* decodes the mysterious qualities that have propelled history's greatest leaders to the top of the ranks and shrouded them in legend - Gandhi, Martin Luther King, Winston Churchill, Buddha - and provides a hands-on approach to understanding and mastering these qualities.

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**R**esidents of Cape Town's Western Seaboard are eagerly awaiting the opening of the next BRT (Bus Rapid Transit) route, which will link the central city with the Table View area. The highly anticipated transport link is now just months away, with its new red bus lanes and numerous embarkation stations already in place. Pam Golding Properties (PGP) predicts that the opening of the BRT route will have a positive impact on the local property market, as it will open up new options for those who need to commute into town for work.

"The satellite areas around Bloubergstrand, including suburbs like West Beach, Blouberg Rise and Blouberg Sands, offer some of the best value for money in all of Cape Town," says PGP's area manager Ivan Swart. "They also offer a spectacular open-air lifestyle, coupled with

easy access to amenities such as schools, shops, medical care and restaurants. As such, this should be the ideal place for young professionals, couples and young families – yet in the past, the heavy traffic congestion into town has kept many of these buyers away. With the BRT opening, that should all change, as there will now be a viable and reliable means of commuting into the central city, without the stress and cost of sitting in gridlocked traffic for hours every day. We anticipate that many locals will leave their cars at home and make use of the BRT via the network of conveniently located stations, resulting in fewer cars on the road and a quicker, smoother ride into work each day."

PGP's MD for the Western Cape metro region, Laurie Wener, says the Bloubergstrand area is located some 20km from the central city, and offers an expansive beachfront,

**Western Seaboard**  
public transport: new  
departure for home prices



world famous for its views of Table Mountain and its water-sports appeal. "Bloubergstrand is a magnet for the international kite-surfing and windsurfing community," she says, "with many of these athletes purchasing holiday homes in the area or even relocating here permanently. There are also ample green spaces for families to enjoy, including an inland water and nature reserve area, ideal for more sedate sailing and windsurfing." The area now has a good selection of private and government schools, as well access to its own private Netcare hospital in nearby Table View. Other facilities within easy reach include a motor racetrack, 4x4 routes, amateur theatre and a number of sports clubs.

### Property pricing in the coastal areas

Pricing in Bloubergstrand is extremely competitive, particularly in the satellite suburbs. One can obtain a two-bedroomed apartment in Blouberg Sands from as little as R650 000, while sizeable family homes are available from around R1,4 million up to R2,5 million. The areas closer to the beachfront command higher prices, but still offer superb value for money when compared to the province's other coastal areas. There is also still ample land available for development, meaning that buyers who wish to build their own dream homes do not have to go to the effort

and cost of first demolishing an existing structure – as many are forced to do in other, more developed, coastal areas.

Among the properties currently available for purchase through PGP is a four-bedroomed home in West Beach, with ample space to raise an extended family. The property includes a spacious undercover entertainment area with a built-in braai, overlooking a large, private garden. Conveniently situated for access to schools, it is on the market at R1,795 million.

Also for sale exclusively through PGP is a two-bedroomed apartment on the border of Blouberg Sands and West Beach, which is priced at just R650 000. The 66-m<sup>2</sup> unit is located on the first floor of a small secure complex offering a communal pool and laundry, and lies within walking distance of the beach and shops.

Those wanting to enjoy the famous postcard view of Table Mountain will be interested in a sixth-floor apartment in a modern building close to the beachfront. The complex offers 24-hour security and has a communal pool, gym, squash court and laundry. PGP has the exclusive mandate to market the 63-m<sup>2</sup> apartment at R1,5 million.

To view these homes, or for more information, contact PGP agent Gloria Stemmett on 021 557 2415 or 073 557 6205. PGP's area manager, Ivan Swart, can be reached at [ivan.swart@pamgolding.co.za](mailto:ivan.swart@pamgolding.co.za).



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One of the current issues affecting business travellers is Duty of Care.

Safe and effective business travel can no longer be achieved with a passport and visa alone. There are many factors and risks that an organisation must take into account when sending their staff away for work.

According to Michelle Jolley, marketing manager for business travel special-

ists Corporate Traveller, how your department responds to such a crisis is crucial. In terms of the Occupational Health and Safety Act, 1993 (Act 85 of 1993), your department has a legal, fiduciary and moral obligation to ensure the safety of all employees, whether they are in South Africa or outside the borders.

“Consider that the risks facing business travellers today can include natural disasters such as tsunamis, kidnapping, piracy, terrorism, civil unrest, disease, vehicle accidents and more it is clear that companies must have effective business travel policies and procedures in place to deal with any eventuality,” adds Jolley.

According to Dr Ian Cornish, regional General Manager of International SOS, Duty of Care can be broadly defined as a company’s/organisation’s obligation to protect its employees from risk.

But it is not all “doom and gloom”. According to Corporate Traveller, companies should view Duty of Care as an employee wellness benefit along the lines of work/life balance, medical aid and retirement contributions.

Having a comprehensive Duty of Care policy in place will also contribute to a department’s bottom line as avoidable costs such as medical care, productivity losses and emergency evacuation can be circumvented to a large extent.

Jolley of Corporate Traveller advises senior managers to plan strategically when looking at Duty of Care and to have crisis plans in place, which must be shared with the travel management company. These crisis plans will form a blueprint for how to deal with situations affecting staff members who represent the Public Service outside South Africa.

“A business continuity plan, privacy policies and travel policies are crucial to a company’s or organisation’s Duty of Care,” Jolley added. For example, if a department does much of their business in the European Union (EU), it is imperative that only certain African airlines be used as a condition of the travel policy. Corporate Traveller can advise senior managers which carriers are reliable from a safety and financial perspective and include this in the travel policy.

Another important travel policy note is to ensure that all travellers register with the South African Embassy in the country that they are travelling to. In this way, should there be a natural disaster along the lines of the recent tsunami, the process of searching for missing persons becomes a lot easier.

Not paying attention to a comprehensive Duty of Care policy will end up costing the Public Service intellectual capital, business interruptions and damage to brand image. But a little bit of foresight and a healthy dose of well-thought out travel policy recommendations can do much to minimise any potential damage.

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# Facts and figures at your fingertips

## Real gross domestic product

Real gross domestic product (GDP) growth accelerated during the final quarter of 2010 to a seasonally adjusted and annualised 4,4% on a quarter-on-quarter basis. This exceeded the forecast of 4,2%.

For 2010 as a whole, GDP increased by 2,8%, following a decrease of 1,7% in 2009.

**Source:** *GDP, Fourth Quarter 2010, Statistics South Africa.*

## Top managers

The percentage of top managers who are black increased from 12,7% in 2000 to 32,2% in 2009, and senior black managers from 18,5% in 2000 to 35,5% in 2009.

The percentage of top female managers had a slow increase of 12,4% in 2000 to 18% in 2009 and senior female managers from 21% in 2000 to 26,7% in 2009.

The average monthly income for LSM 10 stood at R13 416 per month in 2000/01, increasing to R26 602 in 2008/09.

**Source:** *Development Indicators, 2010*

## Tourism sector

The tourism sector is continuing to grow.

Direct and indirect tourism's contribution to the country's 2009 gross domestic product (GDP) grew by 2,7% to R198,4 billion compared to 2008. This represents 7,4% of GDP.

Figures for 2010 reflect continued growth as well. Tourist arrivals for 2010 topped the eight million mark.

South Africa has already secured 95 significant meetings and

conferences between 2010 and 2016. In addition to this, we have already put in bids for additional 45 conferences for 2011 to 2020.

**Source:** *Tourism and Migration, December 2010, Statistics South Africa and International Cooperation, Trade and Security Cluster Briefing, 22 February 2011.*

## Employment

Employment increased by 1,2% or 157 000 jobs in the fourth quarter of 2010, resulting in a total of

13,1 million employed South Africans. In the same period, the number of South Africans who were unemployed between the third and fourth quarter of 2010 declined by 259 000 people or 5,9%, resulting in a drop in the unemployment rate of 1,3 percentage points to 24%. Even with the drop in the levels of unemployment, the total number of unemployed people remained high at 4,1 million people and 68% of those who were unemployed were in long-term unemployment as they were unemployed for one year or longer.

**Source:** *Quarterly Labour Force Survey, Fourth Quarter (October to December) 2010, Statistics South Africa.*

Population by province 2010		
Province	Population	% of total
Eastern Cape	6 743 800	13,5
Free State	2 824 500	5,7
Gauteng	11 191 700	22,4
KwaZulu-Natal	10 645 400	21,3
Limpopo	5 439 600	10,9
Mpumalanga	3 617 600	7,2
Northern Cape	1 103 900	2,2
North West	3 200 900	6,4
Western Cape	5 223 900	10,4
<b>TOTAL</b>	<b>49 991 300</b>	<b>100</b>

**Source:** *Development Indicators, 2010*



# The joys of a bachelor bureaucrat

Writer: Dumisani Hlophe

I am a bachelor senior government executive, better described as a bachelor bureaucrat. My bachelorhood is a material factor for me because it determines a number of issues.

It determines which meetings I attend. Those where food is served enjoy preference. This has an influence on how early or late I wake up. If it is a morning meeting where food will be provided, then I can sleep a little longer – the burden and time for making a morning sandwich and tea is off my shoulders – I simply breakfast at the meeting.

Meetings that run up to, or through lunchtime, are equally a priority. These are usually catered for with stomach-filling lunches. For some, one even has to fill in a form in advance indicating preference: halaal, vegetarian, fish, red, or white meat. I never miss ticking in all the preferred boxes. Luckily, I am a “vacuum cleaner” or a “saswitch” – I can just eat all. The Almighty spared me of any food allergies.

Cabinet and Legislature meetings are a must to attend. They always have food. These particular meetings add so much to my savings. Financial institutions get puzzled when I fill in forms and indicate my monthly food expenses. It’s a pittance.

I will not forget, though, the day I almost starved at a Cabinet meeting due to protocol. A senior executive informed me that I could not eat before the “political principals” had eaten. Unfortunately, the politicians just could not stop talking that day. Hours later, I gathered enough courage to fetch one of

them and begged him to dish up for himself, so that I could also eat. By then, I couldn’t tolerate the pangs of hunger any longer.

Then there are workshops that end on Fridays. As a bureaucrat bachelor, I have some leeway when the workshop ends because I do not have to leave for home immediately. In fact, if the workshop is out of town, I may even choose to return home on Sunday! I do not have to avoid the tea and cookies after the workshop has ended simply because I’m rushing. The married bureaucrats do not eat so much after lunch, because they are obliged to eat at home and I am not. No one asks me where I have eaten if I choose not to eat.

Also, I do not have to get stuck in traffic jams while rushing home, and get home late anyway.

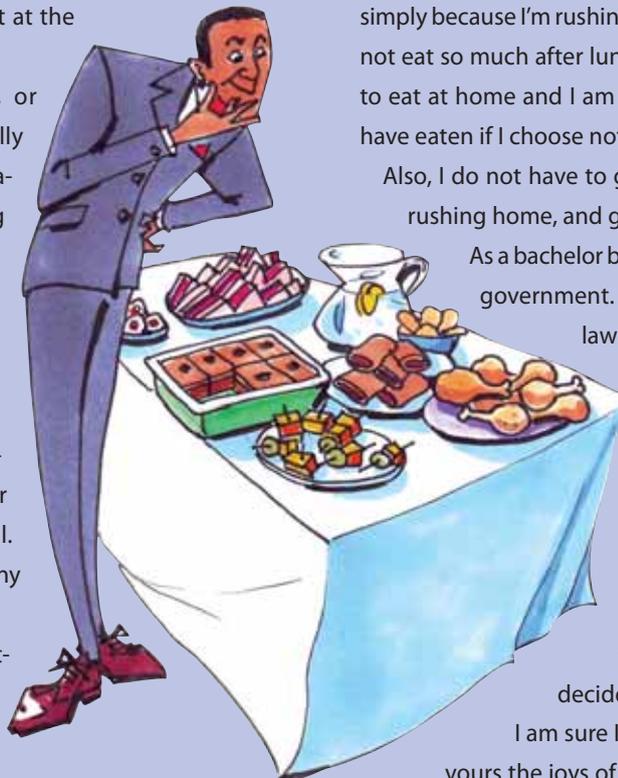
As a bachelor bureaucrat, I only deal with one government. It has a written Constitution, laws, strategies, and clear deliverables. Unlike the domestic government, that has an unwritten constitution, unclear laws and undefined yet immense powers.

With the domestic government, once you are accused, you are guilty until the accuser decides otherwise.

I am sure I am not the only one who savours the joys of being a bachelor bureaucrat. In fact, if you want to see many of my compatriots, just check how they eat at meetings. Also, check how late they leave after workshops and conferences.

Finally, I will let you in on a secret: the workshops and conferences that I, as a bachelor bureaucrat, attend out of town – are real!

**Dumisani Hlophe is Deputy-Director General at the Gauteng Department of Roads and Transport.**



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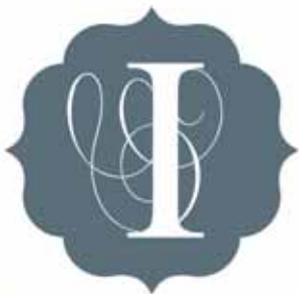
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